ABOUT THIS NEWSLETTER
This newsletter is designed to provide helpful information for business owners and managers to increase profits, reduce risks and astutely save for retirement.

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CLIENT SPOTLIGHT
In this edition, we are delighted and proud to highlight one our clients….
Ceberano Martial Arts Academy

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WHAT! I CAN BUY ANOTHER IPAD IN A TAX EFFECTIVE WAY?
How many times do you want to do something useful for a staff member only to discover the tax man has his hands all over the transaction? Provide a company car or meals to an employee and you get slugged with FBT.
How about providing your employee with an iPad and NOT having to pay FBT, now that’s useful.

From 1 April 2016 you can supply employees with more than one work-related portable electronic device without having to pay FBT.
The devices can include:
- laptops
- tablets
- calculators
- GPS navigation receivers
- mobile phones.

There’s one more thing that makes this attractive. Small businesses can get an outright tax deduction for devices that cost more than $1,000.
You may wish to use the above change to incentivise your staff.

GOVERNMENT MONEY UP FOR GRABS
All too often, small business owners see only one side of the government… the tax office with its hand held out!
There is a side of government that tries to provide funds to business. It’s a little known fact that the government (at all levels) provides grants, special loans and incentives to the value of $5 billion each year.
There are many types of assistance available including research & development tax rebate, business growth grants, accelerating commercialisation, export market development grants, skills development grants; and many more. Because of the sheer amount of government assistance available, knowing what they cover is a large and tedious task.

We have a service that can monitor grants and then provide you with a report of any grants or incentives available. Please contact us for more information.
THE MARGIN SCHEME CAN SAVE YOU THOUSANDS WHEN SELLING PROPERTY

Are you about to sell a substantially renovated, new or sub-divided property? Have you considered a potential 10% GST on these transactions?

Where GST does apply in the case of property, it does not always have to be calculated as 10% on the sale value. There is a little known alternative to calculate GST known as the “margin scheme” that could apply and potentially save you money.

Under the margin scheme, GST is calculated on the sale margin rather than the total sale proceeds. The margin is generally the difference between the sale and purchase price (or the property’s value on 30 June 2000 if it was acquired on or before that date).

The margin scheme works particularly well in the following scenarios where the purchaser:
- does not get an input tax credit; or
- is a builder preferring to buy on the margin scheme so they can sell on the margin scheme.

If you are considering the sale of property, contact us beforehand to get advice.

NOW IS A GREAT TIME TO OVERHAUL OR DEVELOP A NEW WEBSITE

Not too long ago, a website was essentially a directory board for a business. Now, websites are much more and are becoming key to conveying information, attracting new business, conduct sales and receive payments. As much as small business may try to resist it, this type of technology is becoming far too important to ignore.

A major disincentive for developing a website has been the cost. For those that do commit, the financial pain hurts even more when the cost exceeded $1,000 because, at the time, there was no immediate tax deduction. Instead the cost was written-off over a number of years.

Now, with the $20,000 small business write-off introduced in May 2015, a small business can construct a new website and use technology to its advantage… and at the same time, claim an outright deduction! This won’t last forever so take advantage of it before 30 June 2017.

Once your website has been constructed, you can claim ongoing running and maintenance costs such as domain name registration fees and server hosting costs.

A GOOD WAY TO SAVE PROFESSIONAL FEES

Imagine that sinking feeling in your stomach when you receive correspondence from the ATO advising they want to look into your affairs.

Now, imagine having to pay un-budgeted costs in the form of tax agent and legal fees to respond and fight the ATO. This situation can still happen even though your affairs are squeaky clean.

You don’t have to worry should this happen if you have Audit Shield insurance. In fact, with this cover, you don’t have to panic about any official audit, enquiry, investigation or review instigated by the ATO or some other federal, state and territory based agency.

With Audit Shield insurance, we can completely takeover the response and fight on your behalf and our fees are covered by your policy.

If you didn’t receive an invitation to take up cover, please contact us to arrange for an offer document to be sent to you.

A RESOURCE TO HELP GROW YOUR WEALTH

Do you want to invest in the residential investment property market? Finding it hard to know where to start?

If this applies to you, our alliance with Pacific Eastcoast is designed to help you and the advice doesn’t cost you a thing.

If you are seriously thinking about an investment in a rental property, please contact Chris Beavis and he will organise a time for him and Greg Agosta to meet with you.
As a small business person, you know it’s hard just to conduct normal activities but in addition to that, you somehow must find time to do all those things that support your main business activity... marketing, computers/IT systems, bookkeeping, debt collection, recruiting, training, managing suppliers and the list goes on. It’s a marvel these extra activities get done for some. For others, the lack of time is a source of frustration.

There are situations that severely attack your effectiveness. We’ve outlined seven together with suggestions to help your productivity.

1. Identify what’s important
Have you ever worked really hard doing stuff all day, but in the end, nothing of significance was really achieved? This happens because the really important activities were not identified at the start of the day.

Here’s what you can do...
Start each day with a written list of important items that must be accomplished. Be realistic with the list. Don’t list more than is humanly possible. Any unfinished task then becomes number one on the next day’s list. If the item doesn’t ever get done, it’s not important and take it off the list.

2. Doing the fun stuff
We all prefer to do the fun stuff first because, it’s fun. This

doesn’t mean it’s important. In fact, in all likelihood, important things are far from fun.

Here’s what you can do...
Do the important stuff first. Once that is done, reward yourself with doing a fun item.

3. Don’t waste the lost time
Consider all those moments when you are waiting.... waiting for customers, waiting in a departure lounge, “on hold” during a phone call. You don’t get those minutes back. That time is lost.

Here’s what you can do...
Do the small or quick items on your list in those moments. In football terms, these are called ‘one-percenters’. On their own, they don’t amount to much but collectively, they contribute a lot.

4. Causing yourself to fail
It’s easy to over-estimate what you can do. As a result, many items on your list don’t get done. You get disheartened. Then, you give up.

Here’s what you can do...
Only prioritise those essential few items for the day. Better to get one important thing done rather than none.

5. Delegation confrontation
If you want something done, do it yourself.... right? Not always.

Here’s what you can do...
Don’t be afraid to ask for help or coach and train others to do it.

6. Don’t let the immediate overtake the important
Have you ever been deep in an important task only to be detracted by an issue taking away your immediate attention? For example, a customer is on the phone demanding a price?

Here’s what you can do...
If this happens, ask yourself “What would happen if I was sick that day? Would that same call be transferred to your sick-bed? No. Someone else would deal with it or it can wait until you return to work. “Immediate” in this context does not mean an emergency... which would then require your attention.

7. What does the end look like
Sometimes we only see day-to-day detail and forget why you are in business. Does that particular activity you are about to do line up with what your business is trying to achieve?

Here’s what you can do...
Understand your business mission and go in that direction. For example, an architectural business has a mission to specialise and be very good at designing commercial buildings. Should that architect then respond to a request from a new client to design a holiday house? Most likely “no”; A one-off residential project doesn’t support the business mission and it’s a distraction.
Ceberano Martial Arts Academy

Hello, my name is Paul Ceberano. I’d firstly like to acknowledge Chieftains for giving me the opportunity to introduce my business Ceberano Martial Arts Academy. As a very satisfied client of Chieftains it’s a pleasure to participate in this Client Spotlight. I look forward to seeing more clients profile themselves in future newsletters and potentially utilising their services.

I’m the business owner of Ceberano Martial Arts Academy. The Ceberano name is already well known in Australia with my Sister Kate being a huge star. I’ve been in the business for over 35 years. I’ve basically been born into the game following in my father’s footsteps. My father Tino Ceberano is a pioneer of karate here in Australia and set up his first club in 1966. It’s quite common for students of my father to approach me and talk about the old days under his teaching.

I have 3 schools in Melbourne, a fulltime centre in Port Melbourne, a semi fulltime school in Canterbury a part-time school in Hawthorn and an associate school in Launceston Tasmania.

With my son, as my right hand man, we teach Karate to all ages of students ranging from 4-60. Contrary to popular belief, Karate is far from a violent activity. If anything it’s a passive self-defence activity with an emphasis on respect, fitness, co-ordination and conditioning. I believe that a healthy body creates a healthy mind.

We also provide the following services:
- Corporate programs - give your employees the gift of awareness and basic self-defence. This is a tax deductible activity and really shows a ‘duty of care’ as their employer,
- Group or individual Karate Fit programs - I can come to you and personally get you pumped up, and
- General weight loss fitness programs.

If you, your spouse, friends or children are interested in a free trial please contact me.

My contact details are:
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Mobile: 0403 116661
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Cheers, Paul
A CLEVER TECHNIQUE TO OWN YOUR BUSINESS PREMISES

Are you a business owner that rents a shop, factory or office? Would you prefer to own and operate from a property instead of renting, and participate in the capital growth of the property? There is a little known, but very powerful, technique you can use to make ownership a reality. It’s amazing to come across business owners who did not know they can use a self-managed super fund (SMSF) to purchase a property. The business owner can then rent the property from their own SMSF… and why not, family businesses make excellent tenants!

Compared to a third-party tenant, a family business tenant will pay rent on time and will look after the property as if it were their own; because it basically is. Also, the hassles of annual rent reviews are, by and large, removed.

Other benefits of using a SMSF to hold your commercial property include:
- 15% tax rate on earnings and a lower rate on capital gains until retirement where income and capital gains are tax free
- a SMSF is permitted to borrow monies to buy the property and get the benefits of negative gearing
- you can rollover monies from another super fund to assist with the deposit and purchase of the property
- future generations of the family can continue the business while the original founders continue to benefit from the rent and capital growth of the property
- properties in the SMSF are out of the reach of creditors if the business or business owners go into bankruptcy.

The above is very compelling. Contact us to organise a meeting and find out more.

LEGISLATION & OTHER CHANGES

TAX HELP FOR PEOPLE AFFECTED BY RECENT BUSHFIRES

The ATO has advised that for people affected by the recent Victorian bushfires, they will have additional time to lodge income tax returns and activity statements.

TAX TIMELINE

15 May 2016: 2014/15 individual and business tax returns must be lodged by this date.
25 June 2016: Fringe Benefits Tax (FBT) return for the year 1 April 2015 to 31 March 2016.
30 June 2016: Super contributions must be paid and cleared in the bank account of the super fund in order to qualify for a tax deduction in the 2015/16 financial year.
30 June 2016: trusts income distribution minute or resolution for the year ending 30 June 2016 must be prepared and signed by this date.

If you have a family trust, you will need to ensure the trustee has made a proper distribution minute or resolution signed and dated on or before 30 June 2016. We will be contacting our clients with family trusts, early in June, to get this process under way.

THOUGHTS & HUMOUR

A problem is not an excuse to quit… it is a reason to get stronger!

A thought… “The really nice thing about not planning is that failure comes as a complete surprise and is not preceded by long periods of worry and depression!”

LIFE’S TOO SERIOUS

As mentioned in the previous edition of Towards Better Business, we have now completed our move to Suite 25, 20 Enterprise Drive, Bundoora, Victoria, 3083. For those familiar with the area, it is within the University Hill business precinct. Our telephone number remains unchanged: (03) 9478 3333.

OUR NEW ADDRESS

Chris Beavis will be on annual leave between 9 to 27 May 2016. If you haven’t already been contacted to do so, please send in your 2014/15 records as soon as possible.

OUR CHIEF’S ANNUAL LEAVE

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