



FROM LEFT: BEN, KATE, ROBERT, JAY, PAUL, PEPI, PAULA, SALLY, KINGSLEY, RENEE, STACEY, ADAM.

## MBS news

**It's hard to believe, but we are at that time of year again and heading at a fast pace into the end of financial year. Our office has had some changes and challenges this past year as we continue to seek to improve ourselves and our services to our clients. Never ones to sit still though, we're in the process of planning and migrating all of our internal systems over to a cloud solution, all with the view to eking out efficiencies in the work we do for you and to open opportunities to service you better over the years to come. Our staff are in for a challenging but rewarding ride this next year, but a ride they are well prepared for with their many years of collective experience behind them. We couldn't carry out such a transition without them and look forward to reflecting on that which has been, a year from now.**

On the home front, the Murray household is very much ruled by little Miss Isla who is now 2 years old, forever fighting for attention amongst her 2 big brothers. Aiden is now in his 2nd year of school and still very much enjoying it whilst Liam is now at Pre School and continues to entertain the family with his funny faces and expressions. Aiden & Liam participated in their 2nd stint of Tiger Tennis in the school holidays so the family is hoping for an up and coming Roger Federer to emerge. Amongst the bedlam that comes with a tribe of young ones, we're also working hard developing some cloud based software for accountants which we're looking to release in June. While it will be an ongoing project for the years to come, it will be a relief to finally release it into the wild with its first public showing at XeroCon Brisbane in September. We're sure there will be many stories to tell from this journey, which we look forward to sharing with you in person soon.

# “ Smart people succeed because they get the advice in advance ”

– Paul Jacobs

Kingsley has started his transition into retirement this year, working part-time since January and enjoying more holiday and family time. Adam has been busy assisting Paul on weekends with development of AccountKit and outside of work has been enjoying his time being an uncle, recently welcoming another niece into the family. Sally took some well deserved R & R time away in sunny QLD. She also had the privilege this year of being Maid of Honour and witnessing her best friend get married. Kate and Clayton recently celebrated their 10 year wedding anniversary earlier in the year with a family holiday to QLD. Their eldest son Jackson has started a successful football career in Under 6's, and youngest Mitchell is enjoying preschool (but would rather be at school with his brother). Pepi and her husband enjoyed a trip to Japan at the start of the financial year and also enjoyed family visiting Australia again. Stacey and her husband Joel have completed the build on their house and have moved in and are very much enjoying the features a brand new home offers. Renee and Jake have been busy renovating their home for the past 5 months, now turning it from the classic 1970's home to the more modern day classic. Robert continues to study part-time towards his accounting degree at uni and playing B Grade football for Victor Harbor. Jay joined our team in January this year working 2 days a

week whilst completing his final year of Accounting & Corporate Finance degree at uni. Ben is our newest member who only recently joined our team in April. Ben has completed his Commerce Degree at uni and is active with his sports, playing football for Old Ignations as well as social basketball. Tamlyn joined our team in October last year for a 6 month secondment assisting Sally with general office duties, as Rikeeli left the accounting world to pursue her interest in Personal Training. Tamlyn has since taken off for an extended European holiday and will be returning to follow her passion in the Event Management and Hospitality industry and we wish her all the best for the future.

We're all ready for an action packed June as we dive into tax planning to finish off the 2015/2016 financial year, but most of all excited for the possibilities of the new financial year ahead.

Once again we would like to thank all of our clients for your continued support; we look forward to working with you again in the new financial year. Wishing you and your families health, happiness and prosperity.

Paul & Paula Murray

## Points of note for the New Financial Year

Some highlights that we believe you need to keep your eye on include;

- Super Guarantee rate has remained at 9.5% for the 2016/17 year. Gentle reminder once again, any super contributions above the mandatory SG rate, should be reported in your PAYG Payment Summaries at year end as a "Reportable Employer Super Contribution" (RESC). Take care not to report your employees RESC in their Gross Wages, or their SG in the RESC field.
- Once again we would recommend registering yourself and your business with myGov and for an Auskey. By doing so you'll be able to receive direct correspondence from the ATO, Medicare, Centrelink & Child Support and log in and lodge / check your own accounts. If you make the move to a cloud accounting package, it also enables you to lodge things like the employee TFN declarations direct to the ATO, rather than posting in a hand written form. <https://my.gov.au>

- If you're in the building and construction industry, don't forget to lodge your Taxable Payments Annual Report by the 28th of August. Further details can be found here:

<https://www.ato.gov.au/Business/Building-and-construction/In-detail/Taxable-payments-reporting/Taxable-payments-reporting---building-and-construction-industry/>

- Make sure that you do regular backups (and test those backups) of any computer information that you don't want to lose. Too often we hear of a hard drive failure, or of client data being locked away via Ransomware with a payment required to release the information. This results in lost accounting records, documents and family photos, which are often irreplaceable. As an alternative, utilising a cloud storage solution is tremendously cheap and convenient with some options including Microsoft OneDrive, Dropbox & Google Drive. This should not supersede putting in place solid security principles with a reasonably complex password that is changed on a semi-regular basis and regular offsite backups.



2015 STAFF RETREAT – MASTERCHEF CLASS WITH JULIE GOODWIN



JACKSON, KATE, CLAYTON & MITCHELL JONES

## Budget Review – Key Changes

The recent budget was announced and there was perhaps unsurprisingly a focus on Superannuation this time, however balanced with changes to a reduced corporate tax rate, a higher small business turnover threshold for and a reduced tax rate for middle-income earners. Here are some key points to note:

### Superannuation

- New \$500,000 lifetime Non Concessional Contributions cap. This replaces the current cap of \$180,000 per year or \$540,000 over 3 years.
- Concessional contribution cap will revert to \$25k for all individuals regardless of age effective 1st July 2017.
- Transition to retirement pensions will no longer generate tax free income for a fund to be effective 1st July 2017.
- Introduction of a \$1.6m limit on assets held in a pension account earning tax free income.

### Companies & Small Business

- From 1st July 2016 the company tax rate will fall to 25% over the next 10 years. For small businesses, under the new \$10 million turnover threshold, however the tax rate will fall to 27.5% from 2016/2017.

- From 1st July 2016 the small business turnover threshold will increase to \$10 million from prior years \$2 million. This increases the likelihood that your business will be eligible for concessions like the \$20k immediate write-off available to small business. It should be noted however, that this new threshold will not apply to accessing the small business CGT concessions which remains at \$2 million.
- Similar to a business that operates through a company, a business operating through another structure, e.g.: sole trader, will benefit from a fall in rate of tax applicable to them.

### Individuals

- The 32.5% tax rate threshold is to rise from \$80,000 to \$87,000 for middle wage earners.
- Removal of the 10% contribution rule enabling most individuals to make personal deductible super contributions.
- High income earners will pay additional contributions tax (30%) on contributions if their personal income is over \$250k, down from \$300k.

It's worth noting that none of this is set in stone, so we will wait to see what the election brings in July and accordingly which changes are implemented when the new government steps in.



## Find Unclaimed Money

You can search for any unclaimed monies held by ASIC, whether that be from banks, shares & investments or life insurance policies, that may be due to change of address or change of name (ie: under a maiden name). The following link will direct you to the state government website:

[www.moneysmart.gov.au/tools-and-resources/find-unclaimed-money#search](http://www.moneysmart.gov.au/tools-and-resources/find-unclaimed-money#search)

## SuperStream

By now if you are an employer employing more than 20 staff you should already be running under the super stream requirements, which needed to be in place prior to 30 June 2015. For small employers of 19 or fewer employees, you must meet the SuperStream requirements by 30 June 2016.

To comply with SuperStream the employer must pay all super payments electronically and send the associated data electronically. More information and options can be found at the following web address, or feel free to give us a call if you would like to talk through what it means for you.

[www.ato.gov.au/Super/Superstream/Employers/Employer-checklist--a-step-by-step-guide/](http://www.ato.gov.au/Super/Superstream/Employers/Employer-checklist--a-step-by-step-guide/)



## Home Loan Check

The RBA has recently dropped its cash rate to 1.75%, which is a perfect reminder to all to do a “home loan check up”. Are you comfortable with your current interest rate your bank offers? What do other banks have on offer? Whilst not every bank will pass on this cut to customers, there is certainly no harm in going to your bank or broker to see if at any point they can save you some money towards your home loan re-payments. If you would like us to introduce you to one of our broker contacts, don't hesitate to give us a call.



## Annual Check-up

As always mentioned at this time of year, it can be easy to overlook the important documents that in a time of crisis can be critical. Please take the time to check that your important documents are current and in a safe location.

- o **Wills and guardianship**
- o **Power of Attorney & Advanced Care Directive**
- o **Life Insurance**
- o **Insurance – income protection, trauma cover, total & permanent disability**
- o **Binding Death Benefit Nomination or a SMSF will in your Superfund**
- o **Private Health Cover**

For any further details or an explanation of the above and how they impact on your financial situation, please do not hesitate to contact our office.



MBS STAFF FUNCTION – TAYLOR SWIFT CONCERT



ISLA, PAUL, PAULA, AIDEN & LIAM MURRAY



Accountants & Business Consultants