



Welcome to another edition of the Stone Consulting Newsletter.

### Tax and MYOB Updates - by Donna Stone

I attended the MYOB annual conference and a couple of ATO Tax Agent seminars of late, so here's some news to share:

- Myob V19 (or Premier 13) will not be released until March/April 2010.
- Account Edge (for Macs) will be released September/October 2009. Any clients who upgrade to this, we will not be able to check your files in Windows until the release of Accounting V19, so if you upgrade there will be 6 months that non Mac users can't see your file. Keep this in mind especially if your accountant is NOT on a Mac system!
- For small businesses, if you have entered into a repayment plan or payment schedule, be sure to ask to have your interest charges reversed as the ATO are 'being nice' if you state that the economy has affected your business. And if fined, ask if they will extend this offer to fines and penalties.
- Reminder for Capital Gain Tax (CGT) purposes, that the date of the event is the contact date, not the settlement date.
- Reminder that the additional 50%/30%/10% tax deduction for depreciating asset purchases is valid till 31.12.09. Investments, including artwork, are NOT applicable, as they are not depreciating items. In respect of motor vehicles, you don't need to have a logbook, but the vehicle must be purchased for the principle purpose of carrying on business.
- Reminder that from 1.7.09, Superannuation annual caps have halved; under 50's is now \$25K p.a. and over 50's are now \$50K. If you have an auto super salary sacrifice in place, it would be wise to revisit this and ensure you stay under the limits, unless you are prepared to pay the additional tax for exceeding limits.
- Education Tax Refund - as we know you can claim annual rebates for school education costs, such as computers, internet access etc, but I just discovered that this also includes costs related to school based apprenticeships - such as trade tools, so be sure to keep all these receipts for your accountant or tax agent too!

And as always, if you have any questions re the above, feel free to ask me, or your accountant.

### **MYOB Tip – Customer Card**

*If you record cash sales, you won't want to create a new customer card for every sale. The solution? Create a new customer card called 'Cash Customer'. Set up the payment terms in the customer's selling details as C.O.D. and leave all other customer details on the card blank. Use this card to invoice all cash customers, filling in name and address details in the ship to field, if necessary.*



## Types of Key Person Insurance - by Ken Ewald – Western Pacific Financial Group Pty Ltd

There are two types of 'Key Person' insurance policies that operate to protect the business against the unexpected loss of key personnel through events such as premature death or disablement, or a critical illness (e.g. a heart attack, stroke or being diagnosed with cancer). These are:

- revenue protection cover, and
- ownership/capital protection cover

Revenue protection cover is designed to protect the business cash flow by compensating for loss of revenue related to loss of a key person. Revenue protection cover can be used to fund the costs of replacing or recruiting a replacement or to compensate for the loss of potential operating profits or revenue (e.g. from the loss of key client relationships).

Ownership/capital protection cover is designed to protect business capital against the adverse impact on the balance sheet from the loss of a key person. Also known as asset or debt protection, this is designed to protect the credit rating and capital structure of the business by providing funds for the repayment of debts of a business. Such payment may be made to a key person, their estate or a financial institution – for example, where assets are used as security for business borrowings or to provide for example, where assets are used as security for business borrowings or to provide for repayments of shareholder loans to the business.

Where a claim is paid under the second type of policy, it improves the debt-to-equity ratio of the business. It can also effectively replace lost goodwill or intellectual property – for example, stabilizing the balance sheet by replacing intangible assets with a sinking fund. However, asset protection is not often taken out by businesses, possible because these things are difficult to quantify, or they may be done under the revenue account by quantifying the loss of these items in terms of lost profit or revenue.

If you'd like more info re insurance, feel free to contact Western Pacific Financial Group on (07) 3286 9499.

## Introduction – by Rob Baskerville

Hello, my name is Rob Baskerville, and I am the latest bookkeeper to join the Stone Consulting team. I have spent the last seven years working as the sole bookkeeper for a medium sized landscaping and garden maintenance business where I was responsible for tracking costs and invoicing jobs ranging in size from a simple lawn mowing to million dollar plus jobs lasting up to nine months, and running a payroll for more than 30 staff. The move to Stone Consulting has been an interesting change, allowing me to see a wider variety of business and meet some great people.

When not at work, I spend much of my spare time with the State Emergency Services (S.E.S.) or disappearing into the bush whenever possible.



## Need Another You? – Louise Denisenko – Running Errands



How much of your precious time do you waste standing in queues, waiting on the telephone or the internet?

Imagine if you had someone you could trust, like your own personal concierge to do all that for you. Your time would be your own again to focus back on your business or use that extra time with your family and friends.

**Running Errands** offers Lifestyle Management Solutions and Personal Concierge Services to both Personal and Corporate Clients in the Redland Bayside areas.

They look after everything from your gift shopping to selecting clothes and accessories for you to try on in the comfort of your own home. Even enjoy your next dinner party with **Running Errands** planning everything from the menu to the wine so you can relax stress free. Need to get quotes and comparisons for anything at all? They can get the best deals on white goods and electrical items. All the running around is done for you. Or maybe you need to source reliable trade's people and let them in when you can't be there. They can research and plan your next holiday, take you to the airport and collect your mail while you're away. The list really is endless, they basically are that extra pair of hands you need so you can manage your life better! Best of all they work for you and your benefit and only when you need them.

**Running Errands** charge an hourly rate or project price based on your individual requirements.

**Initial consultation is free and with no obligation!  
Call Louise today on 0423 110 555**

## Four Easy Steps to Prepare your Business Financially – by Karina Thew

Most business reviews and magazines you read are all doom and gloom about the Global Financial Crisis, it does not have to be all bad, there are steps you can take to ensure your business not only gets through the GFC, but thrives on it. CitiBank analysts say these steps can assist in "weatherproofing" your business:

1. Speak to your Accountant or Financial advisor, they have the analytical tools and experience to answer your questions and give professional advice.
2. Check out the competition! Is your business growing at the same pace as your competitors? Look into your expenses; are your overheads similar to those in the same business? Do regular monthly reporting of your profit and loss, look at it over a three month period and see if it is consistent – you may even find costs you can cut down or out completely.
3. Have realistic goals (financially and operational), keep them noted so you can keep on track.
4. Prepare a cash flow forecast – this will allow you to reach your goals as you will be able to track your expenses and forecast revenue. Make sure you add in any expenses or capital purchases, you will soon see if you need to make more sales to cover these extra costs.

Financial planners and Accountants will be able to give you better idea on how they can help you get your business where it needs to go if you give them detailed information as outlined in steps three and four. If you need help finding a Financial planner or Accountant, feel free to email Donna. Just remember to keep positive and get on track with these simple steps.



## How to De-stress your Workplace – by Amanda Chan

With the end of year rush now behind us I'm sure a few of you are feeling at least a little bit stressed. Here are some tips to help you de-stress

1. **Prioritise your workload** – Make sure you know which order you need to complete each task in. It is too easy to get off track and do other things if you have not prioritised your workload and the timeframes surrounding each task.
2. **Organise your desk** – Physical clutter reminds us of things that need to be done and that's stressful. Remove your physical clutter and you'll eradicate your mental clutter.
3. **Plan breaks** – you will feel better if you take time to get out of the office as new surroundings can refresh and revive you. It's also important to schedule holidays each year and preferably, a couple of mini-breaks such as a long weekend, in between.
4. **Limit the overtime** – work smarter not harder. As much as you can, stick to your normal working hours. This will improve your work/life balance by allowing you time to wind down from you day and spend time with your loved ones, flatmates or family.
5. **Get some sleep** – The average person needs eight hours of pure, uninterrupted sleep a night and without it you could be running on adrenaline, craving caffeine and sugar to keep you alert – all of which can increase your stress levels.
6. **Enjoy the weekends** – Make sure you take time out on the weekends to do what you enjoy. Switch off from work – turn off your mobile and don't check your emails – and try to let work stress dissolve for those precious two days a week.
7. **Get healthy** – Exercise is one of the key factors to reducing stress as it not only increases your fitness level, it is also the best way to flood your system with positive hormones which counteract the impact of negative stress hormones. Make sure you stay hydrated by drinking plenty of water.
8. **Laugh** – Laughter is one of the most valuable resources to help you reduce and manage stress. See a funny film or a comedy show. Remind yourself to lighten up and not take life so seriously.

## ATO Update – by Donna Stone

The ATO are having a "nice" phase at present with small business, with their "ABS Scheme". If your turnover (annual sales) is less than \$2 million, then you may be eligible for:

- 12 month payment plan for your debt, **free of interest**
- Deferral of due date for activity statement payments, two month if you are quarterly, or one month if you report/pay monthly. For more info visit [www.ato.gov.au/assistingsmallbusiness](http://www.ato.gov.au/assistingsmallbusiness)



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If you have any issues or questions which you would like answered in the upcoming newsletter; please email your question to Donna directly. Should you need any assistance with this; or any of the above matters – feel free to contact us:

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Cheers

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and relieve you from the cost, time and stress of your bookkeeping!