

Lull before the storm?

Most commentators of late have been talking about the forthcoming Federal Budget. However, there's been some other news which has pleased some segments of the business market.

- The uncertainty for small business operators has not been helped by the Federal government's decision to place about 100 federal grant programs into 'recess' until after the Federal Budget is announced. The [grants in recess](#) include the two largest business grant programs – Commercialisation Australia and Enterprise Connect. A number of business operators are expressing dismay at the notification of the recess months after they submitted their applications to the government organisations.
- There is some speculation about interest rates rising. The Reserve Bank has left the prime rate at 2.5%. The 10-year bond rate is currently at 4.096%.
- The announcement of the Japanese Free Trade Agreement has pleased some industry groups, whilst others think it was not as good as they expected. Most importantly, the deal will introduce more income into the Australian economy.
- The Australian dollar has been moving upwards over the last couple of weeks. Each time it moves, it makes trading more difficult for exporters.
- The International Monetary Fund (IMF) has sharply downgraded its estimate for Australia's economic growth by 2.6% (2.8%) this year and by 2.7% (3%) in 2015. Commentators believe this will mean the economy will remain in the 'slow lane' for at least the next two years.

In these uncertain times, it is best for small business operators to be closely watching [business performance](#), by monitoring debtors, stock, work in progress, preparing weekly estimates of profitability and monthly financial accounts. Businesses should also be monitoring their potential exposure to the problems that have been caused by the [Personal Property Securities Register \(PPSR\)](#) by not registering security interests on the register.

Hopefully, some clear indication will be given on the government's monetary proposals, grant programs, etc when the Federal Budget is delivered on 13 May.

If you have any queries on any aspect of your business operations, please [contact Collins Hume](#) in Ballina or Byron Bay on 02 6686 3000.

Fast and easy conversion from MYOB to Xero

New MYOB to Xero conversion service open for business

Good news – our new, automated MYOB to Xero conversion service is ready to go. That means you can take advantage of a fast and easy way to convert your MYOB data files to Xero!¹

To kickstart your conversion send your MYOB data file to Collins Hume, [accredited Xero firm](#), to convert to Xero for you.

You'll get a new Xero file with the full year to date financial data converted from MYOB in it, ready for you to apply the finishing touches.

And, if you use payroll, the new file will include payroll with complete employee information – so you can pick up where you left off.

It's never been easier to convert your current software (not just MYOB) to the cloud with Xero, and Collins Hume makes the transition seamless!

Call us today on 02 6686 3000 about sending your accounting data file and scheduling your conversion to Xero.

¹ Costs may apply depending on which accounting system you're converting from and the condition of your data file, which we will confirm with you before the project commences.

How does new SuperStream affect SMSF trustees and employers?

Seems super is taking on a whole new efficiency, as part of the government's efforts to reduce red tape.

At the nub of the announced [SuperStream](#) measures are new responsibilities for both SMSF members *and* employers – some due sooner than others – to make the super contribution process more accurate and streamlined.

This new standard requires super funds and employers to use new data and e-commerce standards for all superannuation transactions. The introduction of SuperStream is being done in two stages. Large and medium sized employers are the first that must comply with the new system while small businesses have a further 12 months to comply.

SuperStream is mandatory for all employers making super contributions:

From 1 July 2014:

- employers with 20 or more employees will start using the SuperStream standard to send contribution data and payments electronically
- all super funds (including SMSFs) must receive any employer contributions sent to their fund in accordance with the SuperStream standard.

From 1 July 2015, employers with 19 or fewer employees will also be required to send contributions data and payment electronically. However, some may volunteer to implement SuperStream sooner.

SMSF trustees who have already exercised choice with their employer (with 20+ employees) and are receiving contributions will need to check when your employer will start implementing SuperStream and update e-commerce details as you'll need to provide certain information by 31 May 2014 to successfully transfer data, namely:

- Self Managed Super Fund name
- ABN
- Electronic Service Address (ESA) *
- BSB and Account Number

** The ESA for delivering super contribution data may differ, depending on the gateway with which your super fund is partnered, so be certain about your ESA before submitting the information to your employer. Annual service charges apply to establish and maintain an ESA, so check with us as to which fee(s) applies to your super fund.*



SuperStream is the new standard for super transactions designed to improve the quality of data and improve processing efficiency for both employers and super funds. Super-Stream Gateways will collect your contribution and rollover data from employers and super funds and distribute this data to your SMSF.

Collins Hume is focusing on [supporting SMSFs](#) and employers during the introduction of SuperStream so call us on 02 6686 3000 to get organised.

Reminder R&D registration

Grants and assistance for small / medium business.

Research & Development registration closes 30 April 2014. If you operate your business as a company and incurred more than \$20,000 on eligible R&D expenditure in FYE 30 June 2013 and you wish to claim research and development rebate of 45%, you must register with AusIndustry prior to 30 April 2014.

Registration is required even if you registered for research and development in FYE 30 June 2012. If you have any questions on research and development, please contact us on 02 6686 3000.

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When you cross the finish line, it's good to know what lies ahead

How many business owners look forward to a time when they can step out of hectic corporate life and into retirement, when their financial matters become somewhat more simplified?

That's exactly what occurred when Graham Robson and his business partner went their separate ways and retired ten years ago.

Graham had been a partner in a successful real estate business. Being an experienced and astute operator, he was organised enough during his professional career to set aside some cash in case it was ever needed in his business.

As that cash was never called upon, Graham entered retirement with an existing super fund but needed a strategy to get the cash he had provisioned for his business into his super. Collins Hume developed a 5-year strategy for him to inject the money into [super](#) and minimise his personal [tax](#) liabilities whilst ensuring he had a tax-free pension in later years.

Now the 5-year strategy has expired, Collins Hume employs 2-3 year strategies to ensure Graham's super fund is 'working' to its full potential with a tax bill that's as minimal as possible. With Collins Hume's experience to deploy a strategy that suited this scenario, Graham was able to move the cash into super in order to have a considerable nest egg, all tax-free.

These days, retiree Graham and his wife draw a pension from their super fund, and leave all the hard work of the fund's compliance to Collins Hume.

"I'm in pension mode and I intend to enjoy it," says Graham. "I need Collins Hume to do everything that needs to be done and for it never to be a hassle."

"As long as everything complies with the rules and regulations that's my main concern, and I rely on Collins Hume to make sure that it does. I want everything to be nice and simple, rather than having the tax office keeping a closer than usual eye on my affairs."

"Thanks to Collins Hume, I know how to much to spend every week or every month which means I can budget around my super, and it's all tax free!"



The date an individual leaves employment can make a difference and, where possible, should be considered prior to finalising the decision of when to leave. You also need to consider how much you can contribute into super at different ages. It is timing and rules such as these that Graham relied upon in order to maximise his retirement benefits and minimise his tax bills.

As retirement planning issues have become more complex over time, and compounded by ongoing changes made by the government, Collins Hume can call on any and all of our expertise to interpret the legislation as it may best apply to your circumstances.

While on occasions there may not be much flexibility around the date you plan to cease work, if the decision to leave is personal then often an opportunity exists to seek advice before making the decision. Seek proper advice in advance of making a move as a discussion sooner rather than later may open up further options which may not be otherwise present.

Third party reporting to the ATO

Ensuring tax law compliance through third party reporting and data matching.

The Australian Taxation Office (ATO) now receives information from third parties, for each taxpayer, in relation to:

- Wage and salary data
- Government welfare payments
- Interest income
- Dividend income
- Private health insurance details

From 1 July 2014, the third party reporting regimes will be extended to include:

- the sale of real property
- sale of shares and units in unit trusts
- sales through merchant debit and credit services, and
- taxable government grants and other payments

This will result in more frequent reporting throughout the year to the ATO, on an event-based style reporting. For an \$80M investment, the ATO expects to recover an additional \$610M from taxpayers thanks to third party reporting efforts. If you need advice on how best to organise your affairs, call us on 02 6686 3000.

What services Collins Hume can offer this FYE, Part #2

Costing on Ideas | Many business owners dream up ideas and plans but, unfortunately, become unstuck because they haven't been subjected to a proper cost analysis. Sometimes, the business has gone ahead with a project without proper input on what the costs are likely to be. As your accountant, Collins Hume acting as a Chief Financial Officer (CFO) can offer you extra insight into the costings of particular projects.

Business Plans | Business plans are like maps for tourists. If you haven't worked out where you're going, how are you going to know when you get there?

Assistance in Raising Capital and Loan Funds | More businesses are turning towards angel investors in an attempt to raise capital to expand their operations. Unfortunately you will not achieve a satisfactory outcome, unless you have a properly prepared and supported [business plan](#), [budget](#) and [cash flow forecasts](#), intellectual property strategy and a proper basis for the proposal to potential investors.

Cont/...



Expansion Advice | Identified as a major concern for all business owners, there are a lot of matters to consider when deciding whether to expand your business:

- What's happening in the economy?
- What are your competitors doing?
- Is the proposed location suitable?

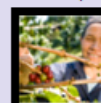
If you would like to discuss any of the [additional services we can supply to assist your operations](#), please contact us on 02 6686 3000.

Giving Back

Collins Hume is a business member of B1G1. 100% of our contributions as B1G1 Business Members are passed directly to [Worthy Causes](#). B1G1 takes nothing from our contributions nor does it receive funds from charities in any way for the services it provides.

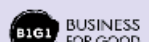
Our giving impact

749,325 micro-impacts to date



We've provided 9,500 days worth of support to subsistence farmers around the world.

Find us on B1G1



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Update

You may have heard there's been some uncertainty on what is happening with some of the Federal government grant programs at present. The latest information that we've heard is as follows:

Enterprise Connect

Collins Hume understands that Enterprise Connect is proceeding to fund any small business that was approved prior to 21 March 2014, for a grant of up to \$20,000. If you have obtained an approval prior to 21 March 2014 but have not yet lodged the application to proceed, Enterprise Connect is stating that it will be funding each of those approved clients.

Unfortunately, for any current applicants of Enterprise Connect, we understand that the official position for Enterprise Connect is that there is no 'implied grant offered' until at least the Federal Budget has been tabled in the Federal Parliament on the 13 May. Hopefully, the position will be clarified on that date.

Commercialisation Australia

The information Collins Hume has received is that Commercialisation Australia is not processing any new applications until the Federal Budget is tabled on 13 May 2014, at which time, hopefully, clarification will be given on the future of Commercialisation Australia.

The uncertainty of these two major grants for small and medium business is very disappointing, as it creates tremendous uncertainty for many operators. We will notify you as soon as we hear any further developments.

Disaster Grants Application Deadlines NSW

October 2013 Bushfires | Blue Mountains, Cessnock, Clarence Valley, Coffs Harbour, Dungog, Eurobodalla, Hawkesbury, Lithgow, Muswellbrook, Newcastle, Port Stephens, Shoalhaven, Singleton, The Hills, Wingecarribee, Wollongong, Wyong **18 April 2014** Lake Macquarie and Wollondilly **30 April 2014**

9-10 November 2013 Bushfires | Gunnedah - Parishes of Gill, Wondoba (Country Pottiger) **30 June 2014**

11 November 2013 Hail Storm | Coffs Harbour, Parishes of Bonville, North Bellingen, Timboon (Country of Raleigh) **30 June 2014**

14 November 2013 Hail Storm | Lismore **30 June 2014**



Disaster Grants Application Deadlines – continued

16 November 2013 Hail Storm | Coffs Harbour, Parishes of Sherwood, Waihou, Corindi, Woolgoolga, Dundoo, Red Rock **30 June 2014**

19 Nov 2013 Bushfires | Gwydir, Moree, Narrabri **22 August 2014**

November 2013 - Severe Weather and Tornadoes | Dungog, Guyra, Dwydir, Hornsby, Liverpool Plains, Muswellbrook, Port Stephens, Upper Hunter **30 June 2014**

4 December 2013 Bushfires | Cootamundra, Parishes of Stockingbingal, Dudauman, Yeo Yeo, Gundibindyal, Bute **30 June 2014**

January 2014 Bushfires | Bathurst, Coolamon, Greater Hume Gundagai, Junee, Lockhart, Oberton, Tumbarumba, Tumut, Urana, Wagga Wagga **15 August 2014**

Tap your business potential

Where do you want your business to be in the next 3-5 years? How you can achieve your goals and objectives with the help of [grant funding](#)? Call us on 02 6686 3000 to find out more.