



Autumn 2011 Newsletter

Self Managed Super could be the answer....

For nearly two decades, Self Managed Superannuation Funds (SMSF's) have been the fastest growing segment of the superannuation industry. We believe the increase is mainly due to the choice and control that is available to SMSF's.

One of the recent enhancements to self managed super is the ability of funds to borrow for investment. Many clients are now borrowing to invest in direct property and other assets.

Have you considered buying an investment property, but held back because you don't have funds available for the deposit, or because you're worried about the impact it may have on your week to week cash flow?

Consider this.....

- What if you could gather together all of your superannuation accounts, even those of your spouse, create a SMSF and then use these funds as a deposit on an investment property?
- What if you could then use your employer's superannuation contributions together with the rental received to pay off the loan in record time?

What you'd then have is an investment property funded by superannuation without impacting your cash flow one bit.....and what's more, it's possible and legal!

Borrowing to invest within a SMSF has the potential to boost your super and help you reach your retirement goals sooner.

If your super could be working harder for you, talk to our in house financial planner, Shaun Thatcher and he can help you understand some of the smart strategies that successful investors use to create long term wealth.

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Feature Client : JGS Upholstery Cleaning

Jim Georgio has been in the cleaning industry for 15 years.

His business focuses on cleaning commercial premises - Jim's been cleaning the PCM offices for many years and we have found him to be thorough, loyal and trustworthy.

Jim can be contacted on 0412 553 016.

Cooks Corner - Hot Cross Buns

Just in time for Easter!

Ingredients:

1 tablespoon dried yeast	¼ cup caster sugar
1 cup (250mL) warm milk	4 cups plain flour (bread flour)
1 teaspoon cinnamon	1 teaspoon all spice
60g butter, chopped	½ cup currants
½ cup sultanas	½ cup (125mL) warm water
1 egg, lightly beaten	1 tablespoon apricot jam

Flour paste

½ cup plain flour	1 tablespoon caster sugar
1/3 cup water (80mL)	



Method:

Place yeast, sugar and milk in a small bowl, whisk until yeast dissolves. Cover with plastic wrap, stand in a warm place for 10 minutes or until mixture is frothy. Sift flour, cinnamon and all spice into a large bowl and rub in butter. Stir in yeast mixture, currants, sultanas, egg and water. Cover with plastic wrap and stand in a warm place (for 1 hour or until mixture has doubled in size).

Grease a deep 23cm square tin with butter. Turn dough onto a floured surface and knead for 5 minutes. Divide dough into 16 pieces, form into balls and place in the tin. Stand in warm place for 20 minutes or until dough has doubled in size.

Preheat oven to 180°C. To prepare flour paste, combine flour and sugar in a bowl; gradually blend in enough water to form a thickish smooth paste. Spoon paste into a piping bag with a small plain tube or use a snap lock bag and cut off a tiny corner. Pipe crosses onto buns—four long lines vertically and then horizontally across each row of buns.

Bake for 10 minutes then reduce heat to 160°C for about 20 minutes. Turn onto a wire rack and brush with warm jam (or not if you don't like sticky buns).

Serve as soon as they are cold enough to touch, plain or with butter.

Source : Kidspot Kitchen

Learn more about ... Fringe Benefits Tax

A fringe benefit is a 'payment' to an employee, but in a different form to salary or wages.

According to the fringe benefits tax (FBT) legislation, a fringe benefit is a benefit provided in respect of employment. This effectively means a benefit is provided to somebody **because they are an employee**.

The terms **benefit** and **fringe benefit** have broad meanings for FBT purposes. Benefits include rights, privileges or services. For example, a fringe benefit may be provided when an employer:

- allows an employee to use a work car for private purposes
- gives an employee a cheap loan
- pays an employee's gym membership
- provides entertainment by the way of free tickets to concerts
- reimburses an expense incurred by an employee, such as school fees
- gives benefits under a salary sacrifice arrangement with an employee

As an employer, you pay FBT irrespective of whether you are a sole trader, partnership, trustee, corporation, unincorporated association, government or government authority.

The following checklist will help you work out if you are already providing a fringe benefit to your employees. If any of the following apply, you may have an FBT liability.

- Do you make cars or other vehicles owned or leased by the business available to employees for private use, including a car garaged at the employee's place of residence?
- Do you provide loans at reduced interest rates to employees?
- Have you released an employee from an owed debt?
- Have you paid for, or reimbursed, a non-business expense incurred by an employee?
- Do you provide a house or unit of accommodation to your employees?
- Do you provide employees with living-away-from-home allowances?
- Do you provide entertainment by the way of food, drink or recreation to your employees?
- Do any of your employees have a salary package arrangement in place?
- Have you provided your employees with goods at a lower price than they are normally sold to the public?

If you become aware that you have provided a fringe benefit, your entity must lodge an FBT return (similar to a tax return). The FBT year runs from 1 April to 31 March and returns are due to be lodged by 21 May.

(Source: ato.gov.au)

New National Business Names Register

Business names are currently registered on a state-by-state basis, which is inconvenient for anyone operating in multiple jurisdictions.

From July, the national business name register will be in operation and registrations will be done through ASIC.

Any names under the existing system will be transferred to the new register. Any instances where the same name occurs on more than one state register will be delineated by the prefix (state) before the name. For example, "(QLD) PCM Accountants & Business Advisors" and "(VIC) PCM Accountants & Business Advisors" would both appear on the register.

The new system seems a logical step to replace the cumbersome and costly system currently in place.

Meet our Team Member - Donna Wilton

We welcome Donna Wilton to the team. Donna is filling the newly created role of Client Relationship Officer and she will be working with many of our clients to ensure the goals and objectives set by those clients are seamlessly implemented.

Donna has many years of experience across the accounting and financial planning industries in the area of customer service and when you meet her you'll understand why her previous employers have found her invaluable.



Community Involvement

On the 4th March 2011, PCM Group proudly sponsored the 9th hole at the Heidelberg Golf Club Pro-Am tournament. Brett Purchase along with Mark Smith (Autoclinic) and Steve Robertson (Planera) played the tournament with golf pro David Diaz.

A good day was had by all.



Footy Tipping Competition



Yes it's that time of year again... Footy Season is back and with a new team coming into the competition anything can and will happen. Will it be your team holding up the Grand Final Cup or will the mighty Collingwood Magpies swoop and take the glory again?

If you think you can pick the winners why not join our Footy Tipping Competition? If you would like to join our footy tipping competition for 2011 please ring Jacky at our office for full instructions on how to join. It is simple and easy and all online. There are prizes to win and a big shiny trophy with bragging rights to hold for the year. Let's see who is a footy fanatic or a footy tragic!

Baby News

Any day now we are expecting the stork to arrive and welcome not one but two new babies to the PCM family. Both Carly our Admin Co-ordinator and Kelly Zhu one of our accountants are expecting their first child some time in March. We wish them all the best and we will update you on the results in our next newsletter.



New Email Address

Please note our new email address for clients as follows :

clients@pcmaccountants.com.au