

Winter 2009 Newsletter

Federal Budget Update

In contrast to the 2008 Federal Budget - the **2009 Budget** announced substantial changes to superannuation, taxation, and social security amidst a huge \$58 billion projected deficit in the new financial year.

Superannuation

- Reduced limits on tax deductible contributions.
- Temporary reductions in the Government superannuation co-contribution scheme.
- Account based pensions payments
- Trans-Tasman superannuation portability
- Lost accounts to unclaimed monies

These changes are made without substantially altering the value of superannuation as an effective way of saving for retirement income. However, the stability of the Superannuation landscape is again being tested with the changes ensuring more uncertainty for a system that has been the subject of constant change over the past 25 years.

Some of the of the areas of change are as follows:

Taxation & Business

- Personal income tax cuts
- Increase to low income earner tax offset and senior Australian tax offset.

- Small Business Tax Deductions
- PAYG Instalments
- Private health insurance tax offset
- Medicare Levy & surcharge changes
- Tightening non-commercial loan rules
- Tightening access to non-commercial business losses

Social Security

- Changes to Age Pension Age
- Increases to Age Pension payments
- Income Test changes
- Closing of the pension bonus scheme
- New annual Carer Supplement
- Aged Care - changes to basic and daily care fees
- Family Tax benefit changes
- Paid Parental Leave

Things to consider after 30 June

- Ensure your superannuation contributions don't breach the new lower limits.
- Review your superannuation and social security position with our Financial Services team.
- Ensure your business is making the most of the budget changes.

Talk to our accounting team today.

Inside this issue:

Budget Update	1
Feature Client - Employment	2
Website of the Season	2
Small Business Offered Tax Relief	3
Introducing Efficiency Plus	3
Community Involvement	3
Meet our Team	4
Upcoming Dates	4
PCM Footy Tipping Ladder	4
Joke Corner	4

**Unit 8B 17 Burgundy St
HEIDELBERG VIC 3084**

**Phone : 03 9458 5404
Fax : 03 9458 4632**

Liability limited by a scheme approved under professional standards legislation.

Feature Client : Employment Focus

Since its founding some 30 years ago as a Community Youth Support Scheme project, Employment Focus has remained committed to pro-actively serving employers, local communities and people with a range of employment, education and training services designed to provide pathways to social and economic well being.

Employment Focus is a Registered Training Organisation, accredited to deliver nationally recognised qualifications in a wide range of industries through its Flexible Learning Centre (FLC).

Employment Focus offers self-paced, start anytime accredited training in a range of computer programs like MS-Office, MYOB, web communication and design many of which are core functions in the workplace.

With a consistent 97% approval rating and 500 to 800 students trained annually in a single classroom, this approach gives the FLC the stature of a full TAFE IT department.

For more information :

73 Burgundy Street
HEIDELBERG VIC 3084

Ph : 9450 5700
Fax : 9450 5757

www.empfocus.vic.edu.au



Website of the Season

<http://asx.com.au/>

For many people, the jargon and concepts associated with investing are daunting.

The Australian Stock Exchange website has a fantastic education and resources section which offers a truckload of free and interesting information from the very basics on shares to more complicated topics such as options and warrants.

You can even create your own portfolio using live market prices and real time trades - all without spending a cent of your own money!

Check it out today and gain more confidence in making decisions for your financial future!



Small Business Offered Tax Relief

More than 700,000 small businesses struggling with a tax debt can have their interest waived for 12 months, under new measures announced by the Australian Tax office.

Businesses with an annual turnover of less than \$2 million, who have an activity statement debt, could apply for the general interest charge to be shelved this year. For 12 months the ATO will not charge you.

Small businesses with short-term cash flow problems can now also request deferring payment on their next activity statement.

The deferral will apply to businesses that pay quarterly and annually, with a deferral of up to two months, while businesses that pay monthly can defer their payments for up to one month.

Nearly a third of the 2.5 million micro-businesses in Australia have a tax debt, with numbers expected to increase in coming months according to the tax office.

To find out more about tax debt changes or payment deferrals go to www.ato.gov.au/businessdebt or call our office for further information.

Introducing Efficiency Plus

What is Efficiency Plus?

Efficiency Plus is a service offered by PCM Accountants which seeks to take the headache out of managing assets and investments. We appoint a dedicated client manager to understand your position, then organise and guide you, in order to help you take control. We will then administer and organise all documentation and collate ready for tax time.

Who uses Efficiency Plus?

Efficiency Plus was initially developed to help a number of our elderly clients who had multiple assets, entities and income sources, however it has since been used by families of clients who do not have the time, inclination or experience to manage a family member's financial assets.

We seek to listen, understand your position, then organise and guide you, in order to help you take control.

Community Involvement

Brett Purchase, one of the partners of PCM, has been very much involved with a major community project of getting a Bendigo Bank in Heidelberg to replace the NAB which closed its doors mid 2008.

Brett's support is born from the terrific business model that a community bank brings to each community it is in.

The biggest benefit for the locals is that the local company running the branch is bound by its constitution to share a fixed

percentage of its profit to local community groups. So it really pays to be involved with your local Bendigo Community Bank.

Work carried out so far includes :

- Raising pledges from locals
- Going through a feasibility survey
- Preparing a business plan
- Sourcing premises.

The committee is now working with the Board on preparing a prospectus before it can start raising the funds needed to open it's doors. All going well it will be

open for business towards the end of August 2009.

So if you were wondering what else the partners of your accounting firm get up to, remember, we have a strong sense of community spirit and involvement.

If you would like to know more about the Bendigo Bank project, please feel free to contact Brett Purchase for more information.

Meet our Team Members

- Domingos Mac

Domingos rose to the grand heights of partnership at the young age of 30 after spending several years working with Brett Purchase and his father Garry in the firm Prosperity Planners.

As his name suggests, Domingos is of Portuguese descent, and he recently spent two months touring Europe mainly in Portugal. If only his money tree would grow, he could spend his life in the Greek islands!

He caught up with our admin team member Lyn Walkley whilst in Prague ... reports on Facebook suggest that the Czech drink Becherovka is not to be tackled by the faint hearted!



Domingos is a passionate person in general, particularly when it comes to his clients and their affairs. He is currently playing soccer for an under 45's team, because that's the only way he can win (he is only 35!). He can always be counted on for a good laugh and regularly attracts a bagging in the office for his deliberately outlandish views.

Next time you're in the office, Domingos would love to say G'day.

Upcoming Dates

- PAYG Withholding - Payers must issue PAYG withholding summaries to payees by the 14th July
- Superannuation Guarantee Contributions for quarter 4 to be paid by the 28th July.
- GST Instalments - 28th July - Quarter 4 instalment notices. Final date for payment and, if varying the instalment amount, lodgment.
- Activity Statements - 28 July - Quarter 4 activity statements - Final date for lodgment & payment. To ensure you receive the correct amount of credit in your income tax assessment, finalise all your PAYG instalments before you lodge your tax return.
- PAYG Instalments - 28th July - Quarter 4 instalment notices. Final date for payment and, if varying the instalment amount, lodgment.
- Monthly BAS statements due 21st July.
- Payroll tax payment due 14th July.



PCM Footy Tipping Competition

= 1st	-	Here Comes the Blues (ahead by percentage)
= 1st	-	Mark
= 2nd	-	Fitzzy7098
= 3rd	-	Ray Kelly

It's a close race and a few tippers could easily win!! Except for.....

Lucky Last - Bike Man



Joke Corner

The accountant's prayer :

Lord, help me be more relaxed about insignificant details, starting tomorrow at 10.53.16am, Eastern Daylight Savings Time.

