

AFS brave the shave

In March we hosted the World's Greatest Shave in front of our Bull St office. Ashleigh Turtur and Jas Singh said goodbye to their locks raising a huge \$4,786.63.

Over 70 people were there to watch the hair come off as Ashleigh donated 36cm in length to Variety - the Children's Charity Hair for Heart campaign, and Jas shaved off his beard for the Leukaemia Foundation World's Greatest Shave.

We are very proud of the selfless acts from both Ashleigh and Jas, despite their nerves, and wish to thank everyone who sponsored them. Thanks also to Ashleigh's hairdresser Jess, from Hair Retreat and Sammy, Jas' barber from Royal Jim's Barbers who donated their time.



April economic update

April has come around as we head back to work after the Easter long weekend. We hope you enjoyed a peaceful and relaxing holiday weekend. April is generally a quiet month on the national stage as the Government prepares for the May Budget.

It's been a turbulent few months for global markets due to worries about rising US interest rates and more recently, the threat of a President Trump inspired global trade war. US rates are now above Australia's cash rate of 1.5% for the first time in 17 years, sending the Australian dollar to a three month low of 76.6c from its January high of US81c. The rate hike was expected, but the threat of a trade war was not.

On a more positive note, Australia's budget deficit shrank to \$18.6 billion in the year to February, the lowest in 9 years, on the back of rising employment and company profits.

On the blog

Commercial leases: tips and traps

As your small business grows, the day may come when it's time to move from your garage or home office to a larger premises, perhaps in a shopping strip or office complex. There are significant differences between residential and commercial leases so it's important to know what you are getting yourself into before signing on the dotted line.

Business owners need to give careful thought to the financial and legal aspects involved.

To find out more about the tax benefits, common traps, and what to look out for head to our blog at afsbendigo.com.au/news for the full article.

Single Touch Payroll information session

As of 1 July 2018, employers with 20 or more employees will be required to electronically report payments such as salaries and wages, pay as you go (PAYG) withholding and superannuation information to the Australian Taxation Office (ATO).

Under the new Single Touch Payroll (STP) reporting regime, employers will report directly from their payroll solution at the same time they pay employees.

Employee numbers are based on headcount, not full time equivalents. Employers with 19 or less employees will not be required to begin reporting until 1 July 2019 (subject to legislation being passed).

The phased introduction of STP means some employers will no longer provide a payment summary. Instead, employees will access their information through the myGov portal.



Not quite sure what you need to do to prepare for the new reporting method? Come along to our information seminar in May for all you need to know about STP. If you have more than 20 employees this is one not to miss! We will have our AFS Xero, MYOB, Reckon and Intuit specialists at hand to answer any questions you may have about STP with your software.

TO SIGN UP HEAD TO

www.afsbendigo.com.au/business-services/stp-seminar

10 steps to prevent cybercrime in SMEs

Small to medium enterprises (SMEs) are most at risk when it comes to suffering a cyber security breach. According to Australian Federal Police statistics, 71% of cyber attacks occur in businesses with fewer than 100 employees. The National Cyber Security Alliance report that 60% of SMEs close down within six months of an attack.

Here are some practical steps SMEs can take to prevent cyber crime:

1. Passwords

Always change your default passwords for all systems to something new that cannot be easily guessed and make sure you use unique passwords for each of your systems.

2. Security software

Security software helps protect your business against malicious or otherwise unauthorised network traffic.

3. Staff education

Tempting someone to access malicious attachments and websites is a common technique to install malicious code onto a computer and compromise a network. Educate your staff to be wary of unsolicited emails and attachments.

4. Responsibility

Many small businesses do not have a dedicated IT manager. Where this is the case, appointing a person with day to day responsibility for cyber security is highly recommended.

5. Software updates

Keep your software current by installing any updates and use supported versions of software. This is important to guard against malware infiltrating computers. If you don't regularly update your programs you're leaving the door ajar for a potential cyber attack.

6. Backup

Make sure you backup your critical data on a regular basis (daily, weekly or monthly) with both offline copies as well as offsite storage. This ensures you have access to your information in the event a cyber security incident.

7. Non-administrator accounts

Administrator level accounts are targeted by attackers because they provide potentially full access to your system. By creating non-administrator level accounts and using them for day to day activities, you reduce the risk of network compromise.

8. Remote access

Staff with remote access can be targeted by attackers attempting to gain access to your network. To make remote access more secure, use 'IP whitelisting' and strong passwords. Also secure other public facing services like your web server, through activities such as independent website testing for vulnerabilities.

9. Critical information

Controlling physical access to data minimises the risk of theft, destruction or tampering. Using encryption can also minimise this when information is stored on portable devices or removable media.

10. Logs

Malicious behaviour is more likely to be detected if you automatically log information relating to network activities and computer events. Best practice is to retain these logs and regularly review them for changes to normal behaviour.



Prepare your business before it's too late. If you are concerned about a potential cyber attack on your business, call Brad Ead, Audit Partner at AFS on 03 5443 0344.

This article was originally published in 'Acuity' – an award-winning bi-monthly magazine that presents fresh perspectives on economic and leadership issues. For the full article visit www.acuitymag.com/technology/10-steps-to-prevent-cybercrime-in-smes

FBT 2018 – what you need to know

The Fringe Benefits Tax (FBT) year ended on 31 March. As an employer, if you provide particular benefits to your employees you may be liable to pay FBT.

An internal tax review is always good at this time of year and you should consider the following:

- Have you reviewed your accounts to pick up all benefits provided?
- Are you correctly applying the rules for car benefits?
- Are you aware of the updated FBT gross-up and tax rates which will reduce your FBT liability?
- What benefits are you including on your employee's payment summaries?

ATO hot spots

The ATO has highlighted areas of FBT non-compliance which it will target this year:

- Failure to disclose car fringe benefits provided in the FBT return. The ATO is actively using data matching (including information from insurance companies and motor vehicle registries) to identify potential FBT obligations; and
- Failure to notify the ATO when an FBT return is not necessary, or failure to lodge an FBT return where the taxable value of benefits is nil.

Also new this year is *Draft Practical Compliance Guideline PCG 2017/D14* which is ATO guidance for employers on determining an employee's private use of a vehicle.

AFS has a team of experienced professionals who can assist you in your FBT and broader tax planning strategies. We can help you understand the minor and infrequent benefits exemption and choose the most effective method to value meal entertainment and car benefits.

The 2018 FBT returns are due for lodgement by 21 May 2018. However, if you lodge through AFS you will automatically benefit from an extension of the lodgement until 25 June 2018.

Should you have any questions, please contact our FBT experts Dennis, Shannon or Erin.



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Using spouse super contributions to your advantage

Making a contribution into your spouse's superannuation increases their retirement savings and may provide you with an offset to reduce your tax payable.

Benefits

- Investing into your spouse's superannuation boosts your savings to help meet retirement goals
- The rate of return inside superannuation may be higher after tax than investing outside superannuation. This is because earnings inside superannuation are taxed at a maximum rate of just 15%, whereas earnings from non-superannuation investments are generally taxed at marginal tax rates. This can help savings grow faster
- You may be eligible for a tax offset to help reduce your tax payable. This can increase your disposable income
- If your spouse is under Age Pension age (or age 60 if a veteran) their superannuation benefits are not assessable by Department of Human Services/Veterans' Affairs so entitlements may be higher
- The additional contributions can help your spouse cover the cost of insurance premiums if they hold insurance inside superannuation.

How it works

Your spouse must be under age 65, or if aged between 65 and 70 must have met the work test to be eligible for contributions into superannuation. The work test requires that your spouse has worked at least 40 hours in any 30 consecutive day period in the current financial year.

Spouse contributions cannot be made once your spouse reaches age 70. Spouse contributions count as non-concessional contributions. As such, they are not taxed upon entry into the fund and form part of the tax-free component of the spouse's account.

If you would like to know more call Venture Financial Advisers on 03 5434 7600.



The information in this document reflects our understanding of existing legislation, proposed legislation, rulings etc as at the date of issue. In some cases the information has been provided to us by third parties. While it is believed the information is accurate and reliable, this is not guaranteed in any way.

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GODFREY PEMBROKE

Supporting our community

This quarter we are supporting the 2018 Murray to Moyne (M2M) race. The M2M is a team relay cycling event. Participants raise funds for local hospitals, health services and related charities. The event continues Graham Woodrup's dream of getting more people to realise the fabulous health and social benefits of riding a bike.

Our casual cash will be donated to the Castlemaine Rouleurs team to support Castlemaine Health. The riders will be cycling 520km from Echuca to Port Fairy on the 7 and 8 April to raise much needed funds for new equipment, furniture and fittings.



Out and about in Bendigo



Rotary Bendigo golf night

Paul, Danny, Kath, Rechelle and Dennis put their skills to the test for the Rotary Club of Bendigo annual golf night in March. The night is held in support of Operation Cleft Australia, an organisation that provides cleft repair surgery for children in Bangladesh. Each team sponsorship results in one child receiving a cleft repair surgery.

Bendigo Sportstar Awards

Paul, Gemma, Madelaine, Laura, Jessie, Eve, Rechelle and Rees polished up for the annual black tie gala event at the Bendigo Sportstar Awards. It was a great night celebrating the Bendigo sporting community and the talent that is produced from our area. Paul and Dennis are sponsors of the 500 club, an initiative that sees scholarships awarded to upcoming sport stars in Bendigo.



Social club winery tour

Some of the AFS team enjoyed a great day out for the social club winery tour. First stop was Sutton Grange Winery, followed by our client Boomtown Co in Castlemaine, then to Harcourt Valley Vineyard and Blackjack Wines.



Zonta Club of Bendigo International Women's Day Dinner

Ashleigh, Kylie and Georgina with their #PressforProgress selfie cards.

AFS ladies had a great night at the International Women's Day Dinner last month at The Conservatory, All Seasons. The night was filled with inspiring stories from local women who have overcome life's challenges to strive and succeed.

If you no longer want to receive the AFS newsletter simply email afs@afsbendigo.com.au using 'Unsubscribe' as the subject.



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We're hiring!

Applications are now open for 2018 & 2019 Accounting Graduates, as well as an Internship position for a second or third year accounting student. If you know someone studying accounting who would like to start their career send them our way! Applications here: www.afsbendigo.com.au/graduates

Applications close Friday 27 April.