

Insight

Welcome to the Autumn 2011 edition of AMD Insight

AMD Chartered Accountants has developed long standing professional relationships with Regional WA business and commercial operations both small and large.

In this issue of *Insight* we examine two decades of service AMD has provided to one of the infrastructure and transport hubs of the South West Region - the Bunbury Port Authority which operates Bunbury's Inner and Outer Harbours.

If you think your business could benefit from more than two decades of accounting experience then contact us at AMD Chartered Accountants.

The AMD Partners and Team



The crew on board Bunbury Port Authority's Finance Department: Denise Depiazzi, Miranda Lydon, John Barratt, Grahame Coves, Laura Beach and Carol McKenzie. Kathryn Cowley-Dean absent.

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Keeping things shipshape at the Bunbury Port

For more than a century the Bunbury Port, which is the largest alumina exporting port in the world, has been central to the prosperity of Bunbury and the South West region.

The Bunbury Port Authority handles an estimated \$6 billion worth of exports and imports every year – the majority of which is alumina destined to be smelted into aluminium around the world.

Bunbury Port is continuing to break tonnage records, with an amount of 13.9 million tonnes of goods passing through the port last financial year.

In this financial year, trade figures are up by 5% and the

number of visiting commercial vessels up by 9%.

As the workload increases, so does the workforce and recent recruitments have taken the Bunbury Port Authority's payroll to 29.

The Bunbury Port Authority's Finance Department is headed by John Barratt, a veteran of 22 years with the Bunbury Port Authority. He leads a team of six employees who provide financial and administration support covering all the port's activities relating to the 391 commercial vessels and nine cruise ships which visited in the past financial year.

AMD Chartered Accountants

have been a vital part of the Bunbury Port Authority's financial administration for about 20 years, beginning their services soon after John joined the Port.

AMD Partner Tim Partridge conducts internal audits to assess the Port's financial controls and operational systems.

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Feedback

We value your feedback. Tell us what you would like to see in future issues of AMD Insight? What topics? What areas of interest? Please email amd@amdonline.com.au or call (08) 9780 7555 and speak to Angie.

Superannuation

It is not a subject that people generally like to consider, however, if you are a member of a Self Managed Superannuation Fund (SMSF) then a Death Benefit Nomination (DBN) is one of the most important documents you can complete.

A person's Will does not automatically cover a deceased person's superannuation assets. A DBN is required to direct where these benefits are paid, even if your Will makes provision for these benefits.

To be valid, a DBN needs to be made in accordance with the fund's Trust Deed and the applicable legislation.

Types of Death Benefit Nominations for SMSFs:

- **No Nomination**

The direction of payment of the benefit is at the complete discretion of the Trustees.

- **Non-Binding Death Benefit Nomination**

Allows for greater flexibility, but less control. The remaining Trustee/s retains discretion.

- **Binding Death Benefit Nomination**

Provides the member with greater control, as they can direct, with absolute certainty where and to whom the benefit is paid.

- **SMSF Will**

This is a type of document that can be

prepared which sets out in detail where the individual assets of the member's balance are to be directed.

The type of DBN chosen depends on the member's individual personal and financial circumstances and it is important to consider any taxation implications when nominating beneficiaries.

A well documented and executed estate plan should minimise any potential tax liability.

For example, a large tax liability can result if the beneficiary is not a 'taxation dependant', ie an adult child.

At AMD, while we cannot provide you with legal or financial advice, we

can assist with identifying taxation implications and estate planning opportunities.

We are always happy to work in conjunction with your legal and financial advisers to obtain the most beneficial outcome for all parties.

Should you wish to discuss any of the above aspects, please contact our Superannuation Division on (08) 9780 7555.

Katherine Kaurin CA
Senior Manager – Superannuation Services

Client Focus

On the Port

Continued from Page 1

Tim's audit services cover IT, HR, disaster recovery plans and the security of information as well as financial management.

AMD Partner Stuart Fricker is responsible for the Port's taxation, providing income tax advice and auditing FBT and GST figures to ensure the Port complies with tax laws.

"The Auditor General conducts an extensive end of year audit using AMD's internal audit information to assess the adequacy of controls of the Port's operations," John said.

As a State Government Trading Enterprise, the Port is required to prepare a company tax return which is assessed by the Australian Taxation Office and taxation payments go to the State Government.

Bunbury Port exports more alumina than any other port in the world - 9.6 million tonnes per annum - and this will continue to increase as BHP Billiton Worsley Alumina brings on line its current expansion from 3.5 to 4.6mtpa.

Other major exports from the Port are woodchips, mineral sands, silica sands, spodumene and copper concentrate from the Boddington Gold Mine.

Bunbury's Outer Harbour has been in operation more than 47 years. The Inner Harbour, which opened in 1976, welcomed the arrival of the 4,000th ship at Alcoa's Berth 4 last year.



'The AMD Bowling Stones' are looking to tackle bigger challenges after competing in corporate lawn bowls to raise funds for the In Town Centre.

AMD's team of David Shinner, Shane Kaurin, Steven Florance and Ben Macri took part in the fun fund-raising event on March 11 at the Bunbury Bowling Club, playing a team from Nexus.

We congratulate 'The AMD Bowling Stones' for being such good sports.

In the Office

New Arrivals

AMD Bunbury Office

Amy Studsor
Christiaan Pretorius
Emily Eardley-Wilmot
Jenna Gilmour
Lauren Smith
Sian Manning
Stephen Parker

AMD Mandurah Office

Brett Havlin

Congratulations

AMD Partner Tim Partridge successfully passed his exams and is now a Graduate member of the Australian Institute of Company Directors.



Weddings

Alisha Kellow from AMD married Phil Fenn on November 20, 2010.

Births

Congratulations and best wishes to Renae Ursino and Tim Crowley on the birth of their second son Zach Crowley. Zach was born on March 23 weighing 7lbs 4oz and is a brother to Evan.

Congratulations to Tim and Teresa Partridge who are the proud parents of baby Nathan James, who arrived on May 14 weighing 8lb 6oz. Nathan is a brother to Luke and Lauren.



Baby Zach



The Partridge family.

AMD Official Launch Party In Geraldton



Carolyn Rix with Darryl and Roberta Forth at the AMD Geraldton Office party.



AMD Chartered Accountants - Accountants House located at 156 Durlacher Street in Geraldton.

AMD Chartered Accountants' successful merger with the accountancy practice Michael E Ross – Accountants House in Geraldton was celebrated with an official launch held at the Geraldton Club on Wednesday March 2.

The merger is a win-win for clients of both practices, with AMD able to invest in the Mid-West boom town of Geraldton and Michael and Debbie Ross expanding the services they offer to clients helping them to grow, succeed and prosper.

For Your Diary

AMD presents seminars and workshops on a broad range of topics through the Small Business Centre Bunbury-Wellington.

These are held at the Bunbury Chamber of Commerce & Industries' Chamber House on Stirling Street or at the Small Business Centre located in new premises at 177 Spencer Street, Bunbury.

For more information and booking details, please contact the Small Business Centre Bunbury-Wellington on (08) 9791 2666.

Wednesday, September 14, 2011

Cashflow Today

6:00pm – 8:00pm

To be held at Chamber House, 15 Stirling Street, Bunbury.

Tax Talk

Keeping Up To Date With Changes In Taxation

Flood Levy

The Federal Government's Flood Levy has passed through Parliament. The Levy will apply in the 2011/12 financial year only, as follows:

- Individuals with a taxable income between \$50,001 and \$100,000 will pay a 0.5% levy on that part of taxable income above \$50,000;
- Individuals with a taxable income of \$100,001 or more will pay a 0.5% levy on that part of their taxable income between \$50,001 and \$100,000 and a 1% levy on that part of their taxable income above \$100,000; and
- No levy is payable where the taxpayer has a taxable income of \$50,000 or less.

For employers, the Flood Levy will be incorporated in the Australian Taxation Office's 2011/12 PAYG Withholding schedules.

Budget Announcements

Following are significant upcoming changes in taxation that were announced in the recent Federal Budget:

- From 1 July 2011, minors (children under 18) will not be eligible for the low income tax offset on unearned income, such as trust distributions, dividends, interest, etc.
- This measure will mean that for the 2012 year and onwards, there may be no tax benefit in Family Trusts distributing income above \$416 to minors.

- For businesses that provide vehicles to employees and pay Fringe Benefits Tax using the statutory formula method, a flat rate of 20% will replace the existing scale of rates. This measure applies from 10 May 2011 and will be phased in over four years. It will eliminate the incentive for employees to increase the kilometres they travel each year in order to reduce Fringe Benefits Tax.
- From 1 July 2012, small businesses (with a turnover of <\$2 million) will be able to claim an immediate \$5,000 depreciation deduction if a motor vehicle is purchased. The remaining cost of the motor vehicle will be depreciated as per normal.

- From 1 July 2011, self-education expenses will not be deductible against all government assistance payments (i.e. Youth Allowance).
- From 1 July 2012, the tax deductible superannuation contributions limit will increase by \$25,000 for individuals aged over 50 with superannuation balances of less than \$500,000. These individuals will be able to make tax deductible superannuation contributions of \$50,000.
- From 1 January 2012, the discount available to students who make upfront HECS repayments will be reduced from 20% to 10%.

Steven Cluning
Associate



Steven Cluning CA, B.Com
Associate – Taxation Services

The information provided herein is for information only; it is not advice and cannot be relied upon as advice by readers. Please contact us to discuss your specific tax situation.

■ Team Profiles



Kathy Winter, B.Bus, CA

Kathy joined AMD during July 2003 and provides assistance on a range of financial management and business development activities, including financial performance analysis, financial modeling, budgeting and Key Performance Indicators.

Kathy manages business services for clients and also our Tax Consulting team. Kathy qualified as a Chartered Accountant in 2006 and also holds a Bachelor of Business from Edith Cowan University, with a double major in accounting and public practice. Kathy is married and kept busy with her daughter Erica Jayne, who recently turned two years old.

Dana Blakely

Dana joined AMD in August 1997 as an Accounts Receivable Clerk, working one day per week. Since then she has added Accounts Payable and Office Manager to her role and is currently employed four days per week.

Originally from Newdegate, Dana spent nine years in accounting and secretarial roles with AGC Finance in Perth. In their spare time, Dana and her husband enjoy watching their boys play football and cricket.



Kirsty Gilbert



Kirsty has been a Personal Assistant to Partner Tim Partridge since May 2010, and she also provides secretarial services to the Audit & Assurance team. Kirsty has completed her Certificate IV in Business Administration and a Diploma in Business. In July she commences university studies for a Bachelor of Business, majoring in Accounting and Management.

Kirsty has moved from Geraldton and is happy to be living in Bunbury. In her spare time she enjoys Ballroom Dancing and she travels to Perth regularly for competitions.

Holly Cowley

Holly graduated from Curtin University of Technology in 2007 with a Bachelor of Commerce Degree double majoring in Accounting and Banking. While studying, she worked in Retail banking before making the change to accounting late in 2007.

Holly has since graduated with a Diploma in Chartered Accounting and she joined the AMD team in July 2010 as an Accountant in the Tax Consulting Team. In her spare time Holly volunteers for the WIN Foundation and Project Dovetail and hopes to continue to make a difference to those in need.



Our Services

Comprehensive services, tailored to the unique needs of each client include:

- Accounting and Compliance
- Audit and Assurance
- Bookkeeping
- Business Services
- Corporate Services
- Superannuation
- Taxation

Our Values

- Developing strong relationships with our clients
- Endeavouring always to provide a high quality of service
- Providing leadership in our profession and in the business community
- Working as a team to ensure that we deliver the very best

Quotable Quips

"Success is a journey, not a destination."

Ben Sweetland

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