



Insight

Welcome to the Autumn 2009 edition of AMD Insight

While some may be feeling the effects of the Global Financial Crisis, there are many South West companies which are well placed to ride out any down turns in various market sectors.

A good business plan will help business people understand their current position as well as setting out future directions.

If you can see the benefits of having a great business plan, come and see us at AMD Chartered Accountants.

The AMD Partners and Team



WML Consultants Engineers Paul Foley and Greg Woodroof outside the new City of Bunbury Library with the Parkdale Avenue road redesign in the background.

Insight Autumn 2009

Inside this Issue

FOR YOUR DIARY

Discover Hidden Profits and other ways to improve your business with a workshop presented by AMD Page 2

TAX TALK

Significant Federal Government Budget tax measures Page 3

TEAM PROFILES

Jenny Fiegert, Sonia Marzano, David Shinner, & Jessica Youngman .. Page 4

Engineering sound business practices to prosper in changing economic times

Client Focus

Engineering firm WML Consultants Pty Ltd are proud to say that their work makes things work.

The company's involvement with a host of projects in Bunbury and around the South West ensures that roads, buildings and all sorts of structures do what they are supposed to do and allow people to get on with their lives.

Among a long list, WML Consultants has been associated with the viewing platform at Whippy Point in Bunbury, the Big Swamp Boardwalk, a number of road and building projects at the Bunbury Port and most recently

the redesigned road layout on Parkdale Avenue near the new Bunbury City Library.

The firm is located in what was once the Railway Institute at the corner of Wittenoom and Wellington streets and there are three owners; Paul Foley is the CEO and takes care of geotechnical matters, Steve Woodhouse is the Structural Manager and Greg Woodroof is the Roads and Infrastructure Manager.

Together they have 15 employees including engineers and drafters, and soon they will add another engineer to improve the capacity of the geotechnical section.

The civil, structural and geotechnical engineering work WML produces is mostly conducted behind the scenes, and is not always obvious to the public but without it, things just wouldn't work.

continued on page 2

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.

Act Now For The Future

As part of AMD's contribution to the environment, we have actively been supporting the Department of Environment and Conservation's "Act Now For The Future" campaign.

We felt that we could do our part in a small way by putting up the "Act Now For The Future" stickers around the office to prompt the staff in different ways.

Our main areas of supporting the campaign are by being water and energy efficient by

switching off lights, computers and electrical appliances at the end of the day; recycling paper instead of throwing it out; half flushing toilets where possible and turning taps off so that they do not drip.

We encourage you to do your part for the environment and world which we live in.

If you would like to know more about the "Act Now For The Future" campaign go to www.actnow.wa.gov.au.



WML Consultants Engineers Greg Woodroof and Paul Foley.

Client Focus

Sound engineering applied to business practices

continued from page 1

According to Paul, the three owners gain a great deal of enjoyment from the hands-on engineering aspects of their work.

"We love what we do, but sometimes you have to work on your business, not just in it".

This is where AMD Chartered Accountants has been invaluable to WML's continuing profitability in the midst of the Global Financial Crisis and a local economy that is feeling the effects of increasing unemployment and reductions in major industrial growth.

According to Paul, WML is well placed to ride out the recession because it has a clear set of performance measures to keep an eye on. Under the guidance of Chartered Accountant Shaun

O'Callaghan, WML uses a conservative style of business management, which encompasses staff retention strategies, keeping an eye on expenses and making provision for lean times by retaining adequate cash reserves.

"We have a pretty good handle on what is happening in our business. We knew that mining activity was going into decline so we have focused on roads and Local Government projects, and looking for other opportunities such as in expanding our geotechnical capacity," Paul said.

"Now we are hoping to see some of the Federal Government's economic stimulus package funds for infrastructure coming to the South West."



AMD Bowlers: Scott McDougall, Sarah Altham, Lynn Stringer and Steve Cluning.

Bowling them over

As the old saying goes ... "It's not whether you win or lose, it's how you play the game!": AMD bowlers Scott McDougall, Sarah Altham, Lynn Stringer and Steve Cluning took part in an evening of corporate lawn bowls at the South Bunbury Bowling Club on Friday, March 6. The event was held as a fund raiser for the In Town Centre (Inc). The AMD Team played against the Commercial Realty Team, but didn't do as well as they had hoped. We congratulate the AMD Team for taking part in the event.

For Your Diary

AMD presents seminars and workshops on a broad range of topics through the Small Business Centre located on Stirling Street in Bunbury. A schedule of coming events for May through to August 2009 is included below.

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

Tuesday, 26 May 2009

Taxation Planning Update

5.30pm – 7.30pm

Wednesday, 24 June 2009

Discover Hidden Profits

5.30pm – 7.30pm

Wednesday, 15 July 2009

Valuing a Small Business

5.30pm – 7.30pm

Wednesday, 12 August 2009

Marketing Planning

5.30pm – 7.30pm





Pretty in Pink: Baby Erica Jayne Winter.

Tax Talk

Significant Budget Tax Measures

1. **Tax Break (Investment Allowance)** –
 - a. Applies to any new item that is subject to depreciation used in a business in Australia. Does not apply to second hand items or demonstrator vehicles at all.
 - b. Assets must be located and used in Australia.
 - c. 50% deduction for “small businesses” (less than \$2 million annual turnover) subject to a binding order between December 13, 2008 and December 31, 2009, installed ready for use by December 31, 2010.
 - d. All other businesses a 30% deduction applicable to binding orders made from December 13, 2008 to June 30, 2009 where the item is used or installed ready for use by June 30, 2010. Items ordered between July 1, 2009 and December 31, 2009, in place by December 31, 2010 will get a 10% deduction.
 - e. Must be used principally (better than 50%) in a business. Note it does not apply to investment assets, only to business assets; however, there may be negotiating opportunities for landlords paying for tenant fit outs.
 - f. Vehicles of any type are eligible provided they are not claimed using a cents per kilometre basis. The deduction is limited to the motor vehicle depreciation cost limit, currently \$57,123. The claim is not reduced by private use as long as the item is used better than 50% for business.
 - g. Minimum expenditure is:
 - i. \$1,000 for business with less than \$2 million turnover;
 - ii. \$10,000 for businesses with \$2 million or more turnover;

- iii. A number of similar items may be grouped to meet the thresholds;
- iv. There is no upper expenditure limit with the exception of motor vehicles.
- h. The claim is a one off and is in addition to normal depreciation.
- i. Software and buildings do not qualify.

Please note that the legislation has not been passed by Parliament yet, so may be subject to change or withdrawal. The expectation is that it will pass through during May 2009.

2. High Income Earners Loss of Tax Breaks – those with taxable incomes of \$250,000 and more will not be able to offset losses from “lifestyle businesses” such as farms from July 1, 2009. The losses will be quarantined and only available against future net income from the activity that resulted in the losses.

3. Privately used assets held in companies not presently subject to Fringe Benefits Tax will be deemed to be rented to the user at market value and the value deemed to be a dividend to the shareholder/director.

4. Exempt income earned by employees working offshore will be taxed as Australian income from July 1, 2009 with a complex foreign tax credit system to be inserted in its place.

5. Tax deductible superannuation contributions will be halved commencing July 1, 2009.

Please contact us to discuss your situation. Legislation containing the detail is yet to be released.

*Peter Manolas
Taxation Partner*

Peter Manolas CPA, M.Tax, B.Bus (distinction), FTIA

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.



In The Office

New Arrivals

AMD Bunbury Office

Ben Macri
Dylan Harper
Martyn Foster
Melissa Barrett
Miranda Narducci
Robyn Smith
Sue Tainton
Tasman Nolan

Engagements

Dean Rob from AMD to Natasha White on December 24, 2008.

Rebecca Broad from AMD to Jamie Martin on January 24, 2009.

Baby Boom

Congratulations and best wishes to:

Kathy and Craig Winter on the birth of their first daughter Erica Jayne Winter born on January 14, 2009. Erica weighed 4lb 11oz and was 44cm long.

Chanelle Pimlott and Luke Armstrong on the birth of their first son Kale Luke Armstrong born on May 4, 2009. He weighed 7lb 15oz and was 52cm long.

We wish you all the very best for the future!

Congratulations

Christa Pawlowski completed a Diploma in Financial Services (Financial Planning) in March 2009.

Weddings

Jessica Elston from AMD to Rod Youngman on December 20, 2008.

Katherine Dean to Shane Kaurin both from AMD on January 31, 2009.

Sonia McNab from AMD to Dom Marzano on April 4, 2009.

New faces at AMD

Tasman Nolan, CPA

Tasman joined AMD in early 2009 and is working with AMD Partner Cliff Anderson in the area of compliance. He was born in Canberra and lived in Perth before moving to Bunbury with his wife Sarah and their one-year-old son named Jameson. Tasman completed his Bachelor of Commerce at Curtin University with a double major in Accounting and Taxation in 1999. He has worked for tax practices in Perth and Fremantle for the past ten years, gaining his CPA in 2002. Tasman loves rugby and has had a long association with the Army Reserve.



Melissa Barrett

Melissa is from Brunswick and she joined AMD in January 2009 as the Receptionist after completing certificates III & IV in Financial Services at the South West Regional College of TAFE. Melissa's role is vital, being the first point of contact for clients both in person and on the telephone. She is a qualified bookkeeper and as well as general receptionist duties Melissa provides administrative support to the secretarial services and AMD team in general. Before joining AMD, Melissa was employed in customer service at Camera House and Cosenzas Seafood Restaurant in Bunbury. Her favourite leisure pastime is heading out to sea on a boat.



Team Profiles

Jenny Fiegert

Jenny joined AMD in April 2007 and provides administrative support and secretarial services to our Partners Cliff Anderson and Peter Manolas and the Superannuation division of the practice. Having previously worked as a secretary for legal firms in Perth and Bunbury, she now enjoys working in a busy accounting practice. Jenny resides in Bunbury with her husband and two children.



Our Services

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

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



Sonia Marzano, B.Bus

Sonia values the importance of clients and brings strong customer service skills to AMD. Prior to joining AMD she worked in customer service and gained broad experience with retail, local wine, tourism and hospitality industries, government, youth and the elderly. Sonia is originally from Bunbury and has returned here after living and working in Perth and overseas. She joined AMD in December 2006 and is currently working as an Accountant for the Taxation Services team. She has a Bachelor of Business from Edith Cowan University majoring in Accounting and Public Practice and is currently studying towards her CPA.



David Shinner, B.Bus, CA

David completed a Bachelor of Business degree at Edith Cowan University with a double major in Accounting and Public Practice in 2003. In the same year, he commenced his career with SimsPartners (formerly Hall Chadwick) as a Graduate Accountant in the Insolvency Division. David completed his professional year studies, and qualified as a Chartered Accountant in 2006. He progressed to the level of supervisor with SimsPartners and in November 2007 he decided to move back to his home town of Bunbury after being offered a position at AMD Chartered Accountants.

Our Style

- 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



Jessica Youngman

Jess joined the AMD team in July 2007 as an Accountant in our Taxation division. Originally from Perth, Jess moved down to Bunbury in 2007 after studying Accounting and Business Law at Curtin University. She is currently completing her university degree at Edith Cowan University majoring in Accounting. In March 2009 Jess moved into our growing Superannuation division helping to provide information and assistance to clients. Along with Superannuation, Jess still provides Taxation services to a broad cross section of clients.



AMD Receptionist Melissa Barrett

Quotable Quips

“People acting together can accomplish things which no individual acting alone could ever hope to bring about.”
Franklin D. Roosevelt.

AMD Insight is published by:



BUNBURY

Unit 1, 28-30 Wellington St,
Bunbury WA 6230
Telephone: (08) 9780 7555
Fax: (08) 9721 8982

MANDURAH

197 Mandurah Terrace,
Mandurah North WA 6210
Telephone: (08) 9535 5889
Fax: (08) 9535 8840

While every effort has been made to provide valuable, useful information in this publication, this firm and any related suppliers or associated companies accept no responsibility or any form of liability from reliance upon or use of its contents. Any suggestions should be considered carefully within your own particular circumstances as they are intended as general information only.

How do you like your INSIGHT?

AMD has a client email newsletter service. If you'd prefer to receive future editions by email, please complete the following section and fax back on (08) 9721 8982 or email us at amd@amdonline.com.au.

YES! Please send future editions of AMD Insight by email:

Name of Recipient:

Business Name:

Email address: