

WILLIAMS, EDWARDS & FINDLAY

CERTIFIED PRACTISING ACCOUNTANTS

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NEWSLETTER

CHANGES - MAY 2016

With The Budget and the new cash rate being announced on the same day, along with unfavourable news around milk pricing, it has been a jam-packed month of changes so far.

FEDERAL BUDGET 2016-2017

Due to the number of changes coming out of The Budget, we have included a four-page update with this newsletter.

This includes the changes to:

Superannuation;

Taxation;

and Social Security.

The superannuation changes in particular are significant and we suggest that you review your own personal situation to ensure you are on track with your retirement plans, or take this opportunity to make an appointment for a free financial health check.

TAXATION PLANNING

It's that time of year to start planning for next year. We suggest that you make an appointment to see us before the start of the 2016-2017 tax year so that we can prepare a tax plan and cash flow for your business.

2015 TAX RETURNS

The deadline for the lodgment of 2015 tax returns is nearly here. If you haven't provided us with your tax information, please send in your information as soon as possible so that we are able to complete your returns before the deadline.

OFFICIAL CASH RATE CUT

The reserve bank of Australia has reduced the cash rate to 1.75%.

Good news for borrowers, not so good for investors and retirees relying on interest payments to live on.

So what can be done?

One thing is to review your investment strategy, along with your goals and objectives.

VOLATILITY VS RISK

All investments are designed to make a return and are subject to risk. This means that, as well as making money, there's also a chance that you could lose it. You might also think of risk as the possibility that your investments don't achieve your financial objectives. As a general rule, the bigger the potential investment return, the higher the investment risk and the longer the suggested investment timeframe.

What type of investor am I?

Before investing, you need to decide how comfortable you are with investment risk and how much risk you are prepared to take to achieve the returns you want. This is often referred to as your 'risk profile'.

How comfortable would you be with short term fluctuations in the value of your investments? Understanding how the different [asset classes](#) work can be a big help here.

Our financial planning department can help you determine the next step, along with reviewing your current portfolios and looking at alternative assets and investments appropriate to your situation. Contact our Financial Planning Partner Jesse on 03 5655 2311.

SUPERSTREAM

SuperStream is the electronic method of paying employee superannuation, which has been made mandatory by the Australian Tax Office for all employers from 1st July 2016.

If you are an employer and are not already set up for SuperStream, please contact our office for guidance as soon as possible.

LOGBOOKS

With changes to the rules relating to claiming car expenses, clients running their own business should keep a logbook for 12 weeks to record trip details, so that we can maximize your claim at tax time.