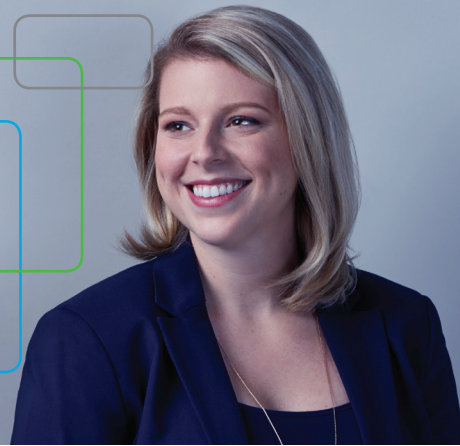


We understand your business and the challenges you face.



It is fantastic to see the 2014 year draw to a close with a bumper season for so many of our clients. We thank you for your custom and wish you all a very Merry Christmas and a Happy New Year!

## OFFICE NEWS

### Baby News

Congratulations to Marie Van Blommestein and her husband, Philip who are expecting their first baby at the end of February 2015. Marie will take a short maternity leave break and plans to return to work four days a week.

### Zone Training

The office was closed on the 6th & 7th of November as all staff travelled down to Albany to join with the Albany & Narrogin offices for two days of Zone Training and Professional Development. At the conclusion of this, we all posed for the Great Southern Zone RSM group photo (above).



### Melbourne Cup Lunch

Staff enjoyed a very filling lunch while watching the race that stops the nation. Wayne took away most of the cash from the office sweep by picking the winning horse.

### Staff Holidays

There has been an unusual flurry of overseas holidays recently.

Jimmy returning home to South Africa to visit family, Martin visiting England for the same reason and Ben attending the Malaysian Motorcycle Grand Prix in Kuala Lumpur after winning first prize in a recent retail competition.

### Jimmy & Cameron taking part in the Mandurah Half Ironman

In November, Jimmy and Cameron competed as part of two teams at the Mandurah Half Ironman. Both of them did the 90km bike leg for each team. They finished the race within a few seconds of each other, with a time of 2 hours and 36 minutes.



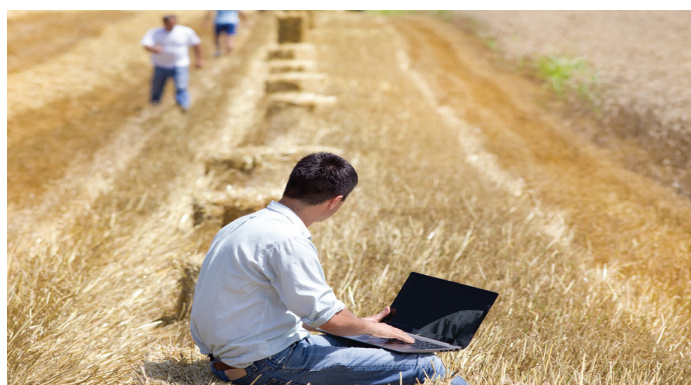


## Paperless business activity statements

As of 1 July 2014, the Australian Taxation Office (ATO) changed the way they issue Business Activity Statements. Once a Business Activity Statement (BAS) is lodged electronically, all subsequent BAS forms will only be available electronically. You will no longer then receive a paper form. Any clients who wish to do their own BAS will then need to apply for an 'AUSKEY' to lodge electronically.

Our software allows us to download the information to prepare and lodge your BAS electronically. ATO Tax Agent regulations require us to have a signed declaration before the document is lodged, so when your BAS is due for lodgement we will forward you a copy to sign and return to our office.

Whilst Quarterly Business Activity Statements are always due on the 28th day of the month following the end of the quarter, as Tax agents we have a further extension of time to lodge.



## Class Super

The 2014 year has seen the Great Southern Zone upgrade our SMSF (self managed superannuation funds) accounting system from BGL to Class Super with some great expectations not only from the perspective of the administrators but more importantly great expectations from the perspective of our clients.

Class Super will allow clients to login using any internet enabled device and take advantage of features such as:

- Being able to produce financial reports for any date – no more half-year and end-of-year reports only.

The daily data feed feature allows the client to stay up to date with key SMSF indicators such as:

- Keeping track of bank account movements on a daily basis – Provides for greater monitoring and control of transactions, greatly decreasing the chance of inadvertent errors
- Review investment asset pricing on a daily basis – Allows substantially more accurate and informative decision making, based on current data rather than past data.
- Investment asset income – Track income such as dividends, distributions & interest flowing into the SMSF bank account.
- Keep track of pension withdrawal limits & contribution caps – Class Super will keep you posted on these limits, providing daily comparisons.

Other features of Class Super:

- Asset allocation performance at a glance – Review your asset class allocation, complete with total return on investment in both dollar and percentage terms for each particular asset class.
- No more complex Corporate Actions – Complex corporate actions are now made easier with Class Super being able to process these transactions more accurately and much quicker.

For more information on how this may affect your SMSF or for information about the features and benefits of Class Super please contact the superannuation team in the Albany office.



Strong collaborative relationships based on genuine understanding.

## Deferred delivery contracts essential for some farmers

Farmers looking for certainty in the price of grain through guaranteed returns may consider fixed price contracts.

But fixed price contracts can create an immediate tax problem due to extra grain income in the current year that would normally be deferred to the next tax year under a pooling arrangement.

If farmers want a fixed guaranteed price and have the grain income taxed next financial year, a Deferred Delivery Contract may be the answer.



A Deferred Delivery Contract is where a grower agrees to a price at harvest but the grain is delivered in the future. Title in the grain passes at the time when the grain is nominated to be delivered, usually after the end of the financial year.

Many farmers benefit from deferring taxable income as their tax liability tends to be levelled through good and bad years.

Some farmers may also prefer to average out their gross annual incomes to ensure their turnover is under \$2,000,000 so they can continue to qualify for small business entity concessions.

Deferred Payment Contracts are not the same as Deferred Delivery Contracts.

Deferred Payment Contracts are an arrangement to buy the grain at harvest with proceeds paid at a later time (usually July). The grower has effectively sold the grain at harvest.

For many farmers, a Deferred Payment Contract does not defer the taxable income as the contract value becomes owing to the grower at the time the contract is entered into and the income may still be assessable in the current financial year.

An exception applies for farmers who originally entered the Simplified Tax System (STS) before 1st July 2005 and who:

1. Entered the STS on a cash basis for tax purposes.
2. Have continued every year to qualify as a small business entity (the new version of the STS)
3. Have not opted out of the cash basis method of accounting for taxable income in favour of an accruals basis.

With Deferred Delivery Contracts the grain is not released or delivered to the buyer until July and therefore is not taxable until then.

Taxation considerations play a big part in marketing grain and farmers should seek advice from their accountants now in formulating their grain marketing plans for the current harvest.

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