

## Morrows In Brief

A collection of compliance, firm and client articles to keep you in touch with news and developments at the Morrows Group.

### Key Dates To Mark In Your Calendar

<b>August</b>	
21	July 2014 Monthly Activity Statement Lodgement
<b>September</b>	
21	August 2014 Monthly Activity Statement Lodgement
<b>October</b>	
21	September 2014 Monthly Activity Statement Lodgement
	September 2014 Quarterly Activity Statement Lodgement
	Superannuation Guarantee Payments (9.50%) due to be made to funds
28	2014 Annual Activity Statement for TFN Withholding for closely held trusts
	2014 PAYG Withholding Annual Reports
31	Early Income Tax Return lodgement due date for late lodgers in prior years

**Highlights in this issue: How Sharefile can help you; Neil Yeoman profiled and more.**

### Morrows Sharefile

As you may already be aware, Morrows now uses 'Citrix Sharefile' which is a cloud-based data storage system that replaced our old 'Client Secure Area' on the Morrows website. We have had some excellent feedback from users and would like to provide some more information about Sharefile, if you are not familiar with it.

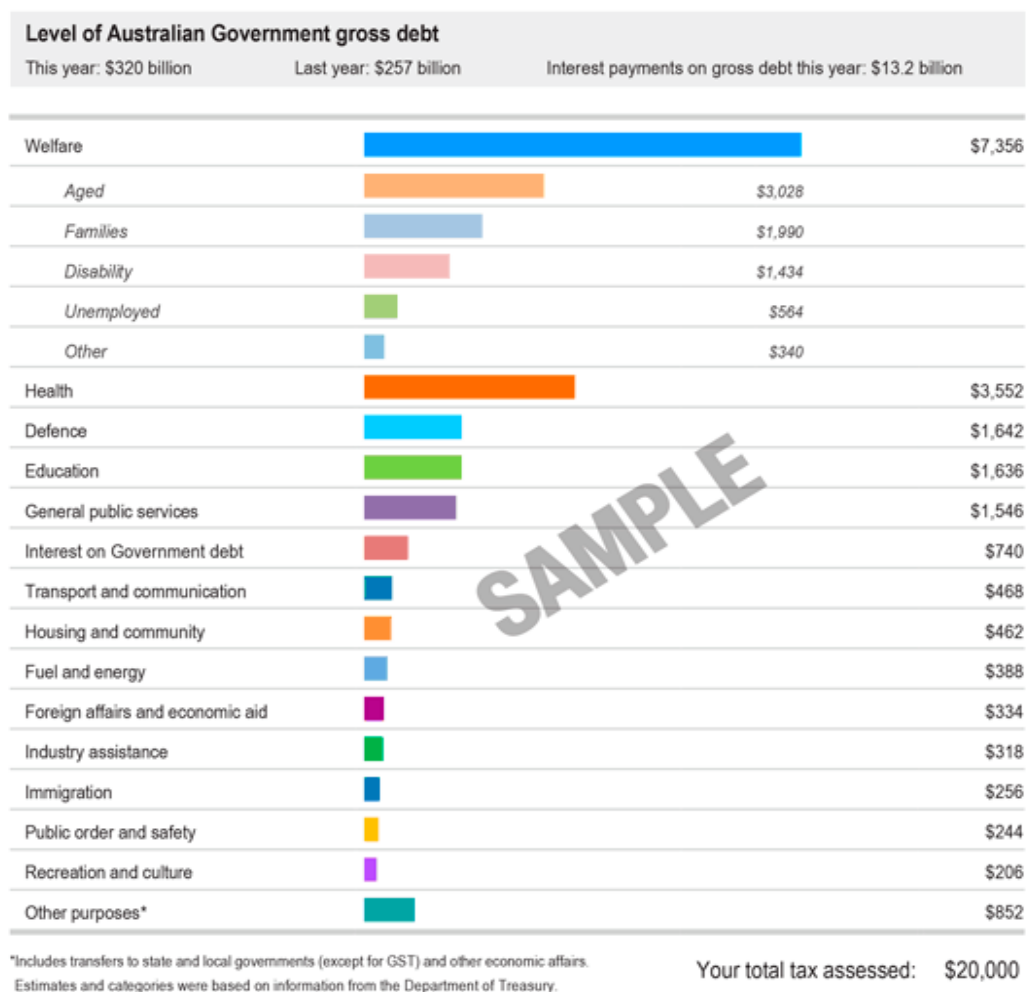
Sharefile is highly secure and used by many large corporates globally for data storage. It is operated by Citrix – a well-respected and reliable provider of online data sharing and access solutions globally. It is very simple to use and many of our clients use it for storage of important documents such as deeds, wills, tax records, etc. You can also use it to upload your tax or superannuation documents for us to retrieve rather than sending these files by email.

We would be happy to assist you in getting set up on Sharefile and consolidating your personal information for easier and more efficient access by you and your key Morrows advisers. If you would like more information on Sharefile please review Citrix's website at [www.sharefile.com](http://www.sharefile.com)

## Notice of Assessment (NOA) – now includes a ‘tax receipt’

Starting from 1<sup>st</sup> July 2014, most individual tax payers will receive a ‘tax receipt’ with their original Notice of Assessment (NOA). Alternatively, this may be sent out separately.

The tax receipt provides a breakdown of how your tax has contributed towards government expenditure. It also includes information on the level of Australian Government gross debt for the current and previous years. Below is an example of what the tax receipt looks like:



## SMSF Auditors under scrutiny

Online magazine, *SMSF Adviser*, reported on 25 July that the ATO has moved quickly to give details of over 300 SMSF auditors to ASIC in relation to registration issues, with a number of them being formally referred following “serious concerns” surfacing.

In the article it was noted that the ATO’s assistant commissioner for SMSFs, Matthew Bambrick, explained the ATO undertakes compliance work focused on approved auditors, given “they’re such a key part of the system”.

Mr Bambrick has confirmed that the ATO audited 150 auditors last year and gave details of 339 auditors to ASIC in relation to registration issues. He said “And we have formally referred 13 auditors to ASIC that we actually have serious concerns about.”

*SMSF Adviser* also referred to a previous interview with the Institute of Chartered Accountants Australia’s head of superannuation, Liz Westover, who has said the independence of auditors is a key focus for the ATO in its compliance activities.

Neil Yeoman, Principal of Morrows, (see our profile below) was one of the first SMSF auditors to be registered in Australia and participated in original testing to establish the industry standards.

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### Once only FBT salary packaging opportunity

Are you employed? Do you earn greater than \$250,000 of taxable income in 2014/15? There is a unique opportunity to salary package non-cash benefits and save tax but **only until 31 March 2015**. Non-cash benefits such as credit card payments, loan repayments (and additional repayments), private school fees, etc can be salary sacrificed to save tax.

Please call us to discuss if you require further clarification and/or assistance in relation to this opportunity.

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### Changes to Centrelink treatment of Income Streams from Super

From 1 January 2015, the rules Centrelink apply to pensions drawn from superannuation will change which could affect your Centrelink entitlements.

The current treatment of pensions allows Centrelink pensioners to take an income stream with little to no income assessed for Centrelink purposes. Income streams commenced after 1 January 2015, will be assessed the same way as other financial investments where Centrelink will deem your pension to earn a certain level of income with no concessions applied. For many pensioners this will see your assessable income increase which may result in lower Centrelink entitlements.

You may be affected by this change if your eligibility for Centrelink entitlements is based on the income test and you commence an account-based pension after 1 January 2015.

If you have commenced a pension from superannuation before 1 January 2015 you will continue to be assessed under the current rules if you are currently receiving Centrelink entitlements. Care will need to be taken, however, to ensure your income stream does not cease or is commuted to a new pension at any stage.

Before the change comes into effect, it’s important to confirm your current pension suits your needs for now and the future. There are also opportunities that may be available to you to maximise the benefits of the current rules. At Morrows we can review these opportunities and make changes to your income stream before 1 January 2015.

*Please contact Morrows Private Wealth at [mpw@morrows.com.au](mailto:mpw@morrows.com.au) or on (03) 9690 5700 should you wish to review these opportunities.*

## Proposed Changes to the Commonwealth Seniors Health Care Card

Currently the income from superannuation pensions is excluded in the assessment for the Commonwealth Seniors Health Care Card. From 1 January 2015, it has been proposed that this income will be included in the assessment, where the level of income assessed will be based on a deemed rate (as outlined above).

The changes will only affect those who apply for a Commonwealth Seniors Health Care Card from 1 January 2015. For those who currently hold a Commonwealth Seniors Health Care Card and have already commenced a pension from superannuation before 1 January 2015, it has been proposed that the current rules will remain in place for you and any income or lump sums from your income stream will not be assessed.

Again, care will need to be taken to ensure your pension does not cease or is commuted to a new pension at any stage. Any new pensions commenced after 1 January 2015 will be assessed.

If you would like to determine your eligibility for the Commonwealth Seniors Health Care Card and have not yet applied, *please contact Morrows Private Wealth at [mpw@morrows.com.au](mailto:mpw@morrows.com.au) or on (03) 9690 5700.*

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## The Morrows Difference

Our Superannuation Consulting team, recently received a Self Managed Super Fund assignment that reinforced the significant value that can be created by experienced and technically skilled consultants in extremely complex situations.

Self-Managed Superannuation is an area which constantly changes and continues to attract the attention of governments and various related interest groups. Over time there have been changes to the investment types which can be held in SMSFs, how they can be held (direct or via unit trusts), how funds can be accessed and who is authorized to advise on them.

In our recent case, one of our referring accountants brought a fund to us that was potentially non-compliant. It was only through the collective experience, skill and technical expertise Morrows was able to assemble across its divisions that we were able to successfully sort out the issues presented. Our accounting associate later commented that he didn't know of any other firm that would have been able to resolve such a complex situation.

That's why, at Morrows, the difference is significant.

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## Staff Profile: Neil Yeoman

Neil is a Principal of Morrows and specialises in Self Managed Super Funds, compliance and audit matters. Here he reflects on his experiences with Morrows and other interests:



**What brought you to Morrows and what were your first impressions?** Morrows was recommended to me by another accountant. I was impressed by a good group of people who strived for technical excellence. Due to my interest in IT, I recognised a lot of manual processes that were begging to be computerised.

**What do you enjoy most about your work?** Helping others by working on solutions to fix whatever is troubling them.

**If you weren't an Accountant what would you be?**  
I would be a Mechanic.

**What is your greatest strength?** My greatest strengths would be my work ethic and problem solving.

**If you could witness a past, present and future event, what would they be?** Past event would be The Beatles in Concert, the rollout of the NBN connecting homes with fibre optic cables to support Australian growth in all industries and areas of life, and future will be the end of the universe.

**Favourite book and movie?** Hitch-hikers Guide to the Galaxy and Kelly's Heroes.

**Do you have a favourite quote?** "Simplicity is the ultimate sophistication." - Leonardo da Vinci

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***Disclaimer:** The information provided in this communication is general in nature and not intended to be advice. You should contact our office for further information or for a tailored solution to your needs.*