

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

May	
21	April 2014 Monthly Activity Statement Lodgement
26	Jan-March 2014 Quarterly Activity Statements Due – Electronic Lodgement (via Tax Agent)
28	FBT Annual Return Lodgement & Payment
31	Audit Insurance expiry for all policyholders
June	
21	May 2014 Monthly Activity Statement Lodgement
30	End of Financial Year

Tax Planning Reminder

With the end of the financial year fast approaching, now is a good time to think about your tax planning needs. This allows you to forward plan your end of year tax liability and assist with cash flow requirements. See this month's feature for our key tips.

Educational Standards for SMSF accountants continue to rise

Online journal, *theinstorereport* recently ran an update on the licensing options available to accountants in regard to the future direction of training requirements associated with the various courses of action. In the article, Institute of Public Accountants, technical policy general manager, Tony Greco, said the main education requirement accountants needed to examine closely was the one involving the RG 146 qualification.

“It varies in time how long it will take you to complete this educational requirement and whether you’re an authorised representative, operated under a limited or full licence, it is one of the requirements for entering into these types of arrangements,” Greco told the recent *selfmanagedsuper/CoreData* SMSF Accountants’ Day seminar.

“I’ve seen people offer the course over two days and I’ve seen others that take up to two years to complete. So that gives you an idea of what the marketplace will be bombarding you with.”

Greco pinpointed the quality of the courses on offer as another variable accountants needed to consider very carefully. “Obviously there is the issue of quality as well. I think ASIC (Australian Securities and Investments

Commission) has now dropped the preferred list of providers for RG 146, so now it's just open slather," he said.

"So as far as the quality goes, I can't comment."

He emphasised to accountants that holding off on a preferred course of action regarding licensing in the hope the requirement might be scrapped was a flawed strategy.

"One thing is certain and that is the accountants' exemption will end," he said. "Even in the most recent FOFA (Future of Financial Advice) changes, there is nothing slated in regard to the accountants' exemption, meaning it will end come 1 July 2016."

Morrows has for decades, led the way in superannuation and technical expertise which means our team's qualifications are well above the minimum standards for the benefit of our clients. We are also proud to work with many of our professional peers who consider our team the best for high level technical advice when needed.

Quantity Surveyor Report – maximise returns on your investment property

Did you know you can maximise your tax deductions on your investment property and cash flow thereon by using the services of a Quantity Surveyor. Investment property owners are entitled to a capital works deduction for the wear and tear on a building's structure and also for the depreciation of the assets within a property over time.

An investor can claim the tax benefits by obtaining a Depreciation Report. The depreciation report, which is produced by a Quantity Surveyor will outline the age of the property, what materials it is built from, the internal fittings, appliances etc. Each item is given an estimated value and depreciation is calculated depending on the age and value. The allowable depreciation charge is extracted from the report and is claimed as a tax deduction within the investor's rental property return year on year. The depreciation report is tax deductible.

Most properties regardless of their age can offer investors substantial tax benefits through obtaining such a report.

If you require more information or would like us to recommend a good Quantity Surveyor, please contact your Morrows representative on 03 9690 5700 or morrows@morrows.com.au.

ATO Letters: Your new PAYG instalment details

Earlier in 2014, the ATO distributed letters to many of our clients regarding the topic of 'Your new PAYG instalment details'.

As per our normal practice, when our clients receive these letters, we look to helping them plan for the year ahead by estimating future PAYG instalments for the year ahead. Unfortunately, the ATO has omitted a key piece of information on the letters being the new "notional tax PAYG instalment amount" after the 3% Gross Domestic Product (GDP) adjustment is made by the ATO.

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We are currently in discussions with the ATO about how they reach the notional amounts they are using and how to accurately help our clients in estimating their future PAYG instalments. The ATO has referred our enquiries to their Accounting department so if you receive your June 2014 PAYG instalment notice and do not understand the amount advised by the ATO, please call us as soon as possible to discuss it and a possible variation if required.



Australia's
Biggest
Morning
Tea

Morrows Morning Cuppa

Australia's Biggest Morning Tea is an opportunity for friends, family or workmates to come together, share a cuppa and some delicious food, whilst helping those affected by cancer. The official date for the next Australia's Biggest Morning Tea is on Thursday 22nd May, events can be held any time during May or June and Morrows held its event on Friday 23rd May.

Morrows became involved in Australia's Biggest Morning Tea in 2013 and it was so well supported by the team that we have made it one of our key events for 2014. This year, all casual clothes day donations are being put towards the Cancer Council as well as entry fees for our "Guess the number" Sweets Jar.



The Morrows Charity Committee is proud to be leading Morrows' support for this well loved event.

Staff Profile: Kiren Chitkara

Kiren works in Morrows Legal as a Lawyer. Here she reflects on her experiences with Morrows, her previous roles and other interests:

What brought you to Morrows, and what were your first impressions?

I moved to Melbourne from Canberra because my husband was put on a long term project in Melbourne while we were living in Canberra which meant we hardly saw one another; not cool. When considering potential new employers I was keen to look for a legal role that offered me a chance to develop an expertise in superannuation because I think it's a really



exciting space so I was very pleased when I saw an opportunity come up at Morrows.

As I researched Morrows more and more I was really impressed with the vision of the firm as an holistic private wealth offering for clients, as that is exactly what I had been discussing with my mentor at my previous role in Canberra.

My first impressions of Morrows were that everyone was so nice and welcoming, and that there was a really good team spirit throughout the office. This was further highlighted to me by the Yarrowonga event.

As I started to work on client matters I really liked the fact that the systems were so organised and how easy MYOB is to use. I have been used to using multiple databases at any one time to work on client matters, therefore having everything on one easy to use system was really great!

What is your professional background and what do you enjoy about your work?

My professional background is law. I completed my law degree and a corporate and commercial Master of Laws in the UK and since coming to Australia I have completed the Legal Practitioner's admission board qualifications allowing me to be admitted in Australia. I have worked in large corporate law firms in both UK and Australia including Baker & McKenzie LLP and Norton Rose Fulbright and my most recent role before coming here was with Perpetual Trustees where I developed a keen interest and expertise in wills, probate and estate planning.

I enjoy working as a lawyer because I love interacting with clients to draft documents that allow them to achieve their legal objectives. I really enjoy the process of drafting where you have to keep thinking about all eventualities and all possible outcomes for a client. The fact that the law keeps changing also makes it exciting and means you really have to stay ahead of your game, so I think the profession is an interesting, rewarding and challenging one.

What's the best thing you like about Melbourne, since you've moved here?

I think Melbourne is pretty cool as there always seems to be something going on here. You can't really get bored, particularly if you have fairly easy access into the city.

This may sound rather strange but I quite enjoy the walk to and from the office from Flinders Street as it's nice to hear someone busking in the morning, or when you walk home someone is putting on a magic show. Random things like that make the commute quite pleasant, at least that part of the commute!

I am also a bit of a foodie so I love all the food events that happen here. Also as Melbourne is so huge it's great to discover a new café, bar or restaurant in a suburb that you had not previously been to (and then rave about it to your friends). As there are so many suburbs it feels like the discovery process will continue for some time. ☺

If you could witness any event, past, present or future, what would it be?

I would love to witness a period in time when people had to actively fight for a cause or where there was a major social change occurring in society that they were an active part of. For example the age of Enlightenment in Europe would have been a fascinating time to have experienced, in my opinion, as it really challenged the way societies thought and behaved.

It would be amazing to meet some of the great thinkers like Voltaire, Rousseau or Montesquieu and to hear first-hand their experiences and their beliefs and to just have an opportunity to sit and talk to them and learn from them.

Favourite book, movie or play?

I'm Indian and I love to watch a mix of Hollywood and Bollywood movies. I don't really have any favourites, but there are some "go-to" movies which I can just watch again and again. For example I love the *Ocean's 11, 12, 13* movies (any movie with George Clooney, Brad Pitt and Matt Damon can't be bad in my opinion!). In Bollywood, I love the romantic comedies, *Jab we Met* is an easy one to watch again and again. Recently I saw *The Butler* and *Diana* on the flight back from Japan and I enjoyed watching both of those.

Do you have a favourite quote?

I have a few, but some of the ones I really like are set out below. Anything that keeps me positive, moving forward and keeps the creativity going has got to be good!

"Be the change you want to see in the world."

"Actions speak louder than words."

"Make each day a masterpiece."

***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.*