

THE QUINTESSENTIAL BRIEF



“Keeping the busy professional informed.”

MICHAEL QUINN

Welcome to this year's first edition of our quarterly newsletter. We hope that you all enjoyed a well deserved break over the holiday period and have returned to work refreshed and prepared for another busy year ahead.

The Quinn Group has undergone a mini make-over in the last quarter. Due to expansion in our practising areas, Quinns Solicitors have changed their name to Quinn Lawyers. As a result you will notice that all correspondence and collateral related to Quinn's legal services now carries the Quinn Lawyers label. Following the change of name, Quinn Lawyers continue to offer a broad spectrum of legal services for individuals and businesses.

We are delighted to announce the appointment of three new members to our Team since the beginning of the year: Amanda Cady as Marketing Coordinator, Christine Chang as Bookkeeper and Courtney Dunn as Receptionist at our City Office.

Whilst 30 June may seem like a long way off, it will come around very quickly. Consequently, now is the time to start thinking about Company Tax Planning. Inside this edition we have a brief article on Tax Planning that sets out a couple of simple strategies that may help you legally minimise your taxation liability.

Other articles in this quarter's edition include some helpful information in regards to Wills and why it is important to have one, a brief run down on the ins and outs of Fringe Benefits Tax as well as some discussion on Corporate vs. Individual Trustees.

Quinns are excited to announce a new opportunity for our valued clients, the option to link your business' website to our website. Having your website linked to others is just one way that you can increase your web presence. If you are interested in placing a link to your business' site on our site then visit www.quinns.com.au for more information.

As mentioned in the December newsletter we now also have a formalised Bookkeeping Team to service small to medium sized businesses. Our team is available to meet you on-site to assist you on a weekly, monthly or quarterly basis. If you would like to arrange for one of our team members to help you with your Bookkeeping requirements, please call us on 1300 QUINNS (784 667).

We hope that you find this newsletter beneficial. If there are any issues you would like us to address in future editions, please contact us on 1300 QUINNS or info@quinns.com.au. You can also email us if you would like to receive the latest legal, accounting and financial news update each Monday morning via our Weekly Client Alert.

On behalf of all of us at Quinns, I would like to take this opportunity to wish you and your loved ones a Happy Easter.

Regards
Michael



THE QUINN GROUP

Accountants, Lawyers and Financial Planners
Providing the Total Solution

MARCH 2008

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Accounting

Key Facts Regarding Fringe Benefits Tax

Fringe benefits tax (FBT) is a tax paid by employers on the value of certain benefits that have been provided to their employees or employees' associates in relation to their employment.

Where the value of the benefits provided to an individual employee exceeds \$2,000, employers need to record the total taxable value of certain fringe benefits provided during the FBT year ending 31 March on the employee's payment summary for the income year ending 30 June. Special rules apply if the employer is exempt from FBT.

The 'reportable fringe benefits amount' is used to establish whether a taxpayer is entitled to receive any income-tested tax concessions, for items including personal and spouse superannuation contributions, or is liable to pay income-tested surcharges, such as the Medicare levy surcharge.

Some "excluded fringe benefits" that are not included in the reporting requirements are: car parking; benefits linked to entertainment facility leasing expenses and entertainment by way of food, drink, accommodation, travel or other expenses in relation to that entertainment.

A 'benefit' is any right, privilege, service or facility. Some benefits are explicitly excluded as fringe benefits and therefore are not liable to any FBT. The main exclusions include: salary and wages; most contributions to superannuation funds; payments from certain superannuation funds; employee share scheme benefits; termination of employment payments; capital payments for enforceable contracts in restraint of trade and for personal injury; payments deemed to be dividends for income tax purposes and amounts that have been subject to family trust distribution tax.

For more information on Fringe Benefits Tax contact us on 1300 QUINNS (784 667)

Company Tax Planning Tips

Now is a great time to start your tax planning for this financial year. Here are a few tax planning tips:

Capital gains tax

It is important to keep all records related to CGT as this is one area that is closely monitored and provides necessary information to support your tax return. Check to see if you are eligible for any discounts or concessions, such as the general 50% discount. Small business owners may qualify for various other concessions, which have recently been amended to make a wider range of businesses eligible.

Aggressive tax planning

Be sure to carefully investigate all the information that is available when considering year-end tax schemes as this type of investment carries a higher risk. It is recommended that you use products that have Tax Office product rulings. However, be aware that these product rulings are not intended as a guarantee of an investment's success and if the venture

is not in line with the business prospectus they may not be

Salary packaging and fringe benefits

Particularly if you are in the public sector, salary packaging is a useful way to obtain some tax concessions. Be aware that the reportable fringe benefits amount on your payment summary and the Medicare levy and entitlement to fringe benefits should note that fringe benefits include a wide range of benefits including motor vehicles and some other

Stock on hand

It is not satisfactory to prepare a balance sheet for stock. Each year you must value your work-in-progress at 30 June. If you have a stock cost, replacement or market value, you must document which method you use.

What about private company shares?

Under the tax rules in the



Legal

Do you have a Will?

The object of a Will is to give effect to the Will maker's intentions i.e. who gets what when I die!

In addition a Will provides the opportunity of covering certain other matters such as the appointment of executors, trustees and guardians of minors, the payment of debts and trustee powers and duties and other provisions which will assist in the fulfilment of your wishes.

Some people may question the need for a Will and prefer to rely upon the rules of intestacy to dispose of their estates i.e. where someone dies without a valid Will. It is a certain statutory method of distribution of their estate. There are many sound reasons why a Will should be made. Fundamentally, a Will permits you to dispose of your property as you wish.

If you die without a Will, intestate applications for administration are generally more costly. The statutory provisions on intestacy cannot take into account particular wishes or circumstances unless the intention is that the partner and the children take all the property in exactly the same way in which the provisions of the Wills Probate and Administration Act dictates.

However, even this intention can be affected since the entitlement of a de facto partner to a surviving spouse arising under the Wills Probate and Administration Act, which may exclude a surviving spouse leaving the spouse to his or her rights under the Family Provision Act, which involves Court costs, time and expense.

The solicitor's role is to ensure your Will reflects your wishes and to do so he or she will require a complete list of your assets, the nature of their ownership, their values and any other relevant information. This knowledge will help to ensure that your Will reflects your true intentions.

Having made a Will you should review it regularly to determine whether it has been affected by any changes in circumstances or intention. Some people choose to do this on an annual basis.

For further information and legal advice on Wills and estate matters please contact Quinns on 1300 QUINNS (784 667).

business plan as set out in the original
be worth much.

Fringe benefits

At the top marginal tax rate this can be
the tax savings. Employees should be
the fringe benefit amount will appear on
and this may impact on your liability for
element to certain benefits. Employers
benefits tax may be applicable to a
g entertainment expenses, company
director's loans.

Provide an approximate value of your
include a value of stock on hand and
June. Closing stock can be valued at
market value or less if obsolete, but you
method you use.

Company loans?

In this area, it is important that private

company loans that extend beyond the end of the income year,
and adequate annual repayments, are properly documented to
ensure that a tax liability is not triggered.

Claiming bad debts

To claim for bad debts, they must be bad and written off before
the end of the financial year. In order to do this, the debt must
have been brought to account as assessable income and you
must have given up all hope and all action for recovery.

Reviewing assets

The only way to get a write-off deduction for assets that have no
real value or are now obsolete to your business is to review your
asset register and take the necessary action before 30 June.

Prepayments

For most business taxpayers, they must pay for prepaid expenses
over the period to which the expenditure relates. Restrictions apply
to prepayments by investors in certain agri-forestry investments.
However, Individual non-business and STS taxpayers can prepay
some expenses up to 12 months in advance.



To help ease some of the pressure before tax time hits we
recommend that you start planning for your 2008 tax return now.
Quinn Consultants are available to assist you with your individual
and business Tax Planning requirements. For further advice call
1300 QUINNS (784 667) or email info@quinns.com.au.

NEWS



QUINN LAWYERS

Due to expansion in our practising areas,
Quinns Solicitors have changed their
name to Quinn Lawyers.

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Quinn Lawyers



Legal

Choosing A Corporate Trustee Can Be Advantageous

When creating a Trust, choosing the most appropriate Trustee is extremely
important. These days, many individuals are opting for a 'Corporate Trustee' as
opposed to an 'Individual Trustee' as the former can be advantageous in many
ways. Some such ways include the following:

- Having a company as the 'legal owner' of a trusts assets can be an
important element in asset protection. At law, a company is a separate
legal entity, and when appointed as Trustee of a Trust, this entity can
effectively create a separation between a person and the ownership of
their assets. This separation can, in some circumstances, offer an essential
layer of protection to individuals;
- There can be substantial taxation advantages from appointing a Corporate
Trustee;
- Appointing a Corporate Trustee can also be extremely practical. As
companies are immortal, it is not necessary to change trustees upon the
death of one or more of the existing trustees. This can significantly reduce
requirements for various administrative compliances, particularly where the
Trustee is the owner of Real Property.

While it may indeed appear to be more advantageous to appoint a Corporate
Trustee, it is important in every case to consider the cost implications of setting
up a company and keeping it afloat. It is essential to carefully consider all options
prior to deciding which one would best suit your particular Trust.

At Quinns, our Lawyers, Accountants and Financial Planners have many years
experience in the area of Trusts. If you would like to speak with one of our
experts regarding Trusts please contact us on 1300 QUINNS (784 667) or
complete our online enquiry form at www.quinns.com.au.



important dates

- 17 March**
St Patrick's Day
- 21 March**
Good Friday
- 23 March**
Easter Sunday
- 24 March**
Easter Monday
- 14 April**
NSW School Holidays Begin
- 25 April**
NSW School Holidays End /
Anzac Day
- 28 April**
PAYG Instalment /
Quarterly Superannuation
Guarantee Contribution
- 21 May**
Fringe Benefits Tax due

Quinns Bookkeeping Services

In response to the growing demand from our clients, we are excited to announce the official launch of our Quinns Bookkeeping Services. Our bookkeeping service specialises in servicing small to medium sized businesses. Our expertise in the major financial software packages allows us to tailor a solution to your requirements. We provide:

- Accounts Payable
- Accounts Receivable
- Payroll
- Debtors Management
- Management Reporting
- Software Training
- Business Activity Statements (BAS).



All of our Accounting Consultants have extensive experience with general accounting requirements and bookkeeping procedures across a broad range of industries and are committed to helping you achieve all your businesses financial goals.

To find out more please contact us on 1300 QUINNS (784 667) or email info@quinns.com.au.



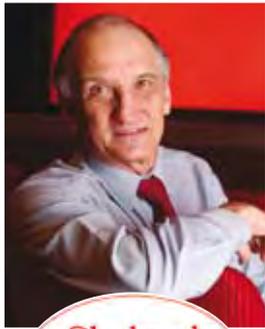
We are offering clients the option to add a link to our website. By linking to other websites you will ultimately increase your ranking within search engines. Adding your site to our link section is FREE. All we ask is that you link back to us and provide us with ■ Website title ■ URL ■ Website Description (max 250 characters).

You will be categorised according to the industry in which you operate. In return we will provide you with the text to add a reciprocal link to Quinns. If you would like to know more contact Amanda Cady on 1300 QUINNS (784 667) or email acady@quinns.com.au.

Link Exchange

spotlight

RON CURRAN



Name of your business?

*Westringia Pty Ltd trading as
Glenbrook Cinema*

What does your business do?

*Operates a small independent cinema in the
lower Blue Mountains.*

How long have you been operating?

39.5 years at January 2008

What distinguishes your business from your competitors?

*We select a range of independent and quality
mainstream films and offer personalised
service including reservation and seat
allocation. For some films the staff dress in
appropriate costume to match the movie and
give out little mementos. At the last movie of
every day each patron receives a Mintie.*

*We try to make going to the movies an
experience rather than just a turnstile
operation. You can see movies on everything
from aeroplanes to shoe phones. But the thing
about going to the movies is it's a community
expedition. We're gregarious creatures, human
beings. We like being out together with other
people enjoying things.*

**When I started this business I wished
I'd known... a business angel!**

Best business advice anyone has given you?
*Concentrate on your own business, don't let
the competition distract you from your ideals.*

**What do you think the key to your success
has been to date?**

*Our tenacity. Making sure that everything we
provide is as good as it can be; fix problems
instantly; and smile.*

For any assistance please contact Quinns on 1300 QUINNS (784 667)

The Quinn Group is an integrated, accounting, legal, and financial planning practice, offering expert advice to help you achieve your business and personal goals. With more than 15 years professional experience, we are committed to building long-lasting relationships and providing you with superior client service in a timely and cost-effective manner. We offer our clients the unique opportunity to receive both financial and legal advice, at five convenient locations around Sydney and at times that suit you.

- SYDNEY: Level 1, 105 Pitt Street ■ MIRANDA: Suite 1, 16-22 Willock Avenue ■ NEUTRAL BAY: Level 3, 156 Military Road
- PENRITH: Level 1, 51 York Road ■ PENSURST: 3 Laycock Road

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