



## SMSF UPDATES

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## PRIME TIME FOR INVESTMENT REVIEWS

The end of financial year is here, and now is the perfect time to review your SMSF Investment Strategy.

All funds are required, by law, to have an investment strategy in place, and for that strategy to be reviewed regularly, annually at a minimum.

Here at Black & White, we strive to keep your funds as up to date as possible to ensure your strategy still reflects the purpose and the circumstances of each of your members.

This is also the perfect time to review whether you require insurance cover, or whether you need to update your current policies, depending on your life circumstances.

**Here's a video from the ATO** that explains further what an investment strategy is, and why it's important.

If you'd like to review your strategy, contact our office to arrange a meeting with Mark.

## BLACK & WHITE CAN NOW OFFER FINANCIAL PLANNING SERVICES

Good news! Mark has recently obtained his Financial Planning qualification through MyPlanner Australia.

This means he is now qualified to offer specific, tailored financial advice to all of our clients. to help them reach their life goals.

Services we can offer:

- > Investment advice
- > Estate Planning Services
- > Superannuation Advice
- > Retirement Planning
- > Risk Management
- > Insurance Advice



## TRANSFER BALANCE ACCOUNT REPORT

**Self-managed super funds (SMSFs) have new reporting obligations. This is due to the new transfer balance cap measure and event-based reporting framework.**

**The transfer balance account report (TBAR) that is used to report is a separate form from the SMSF annual return (SAR). The TBAR enables us to record and track an individual's balance for both their transfer balance cap and total superannuation balance.**

**SMSFs will generally not need to start event-based reporting for the transfer balance cap using the TBAR until 1 July 2018. However, an SMSF needs to ensure that it has appropriately documented all income stream valuations and decisions for the 2017-18 year.**

**There is no 'special circumstances' discretion for contraventions of the transfer balance cap and it will be particularly important for all SMSF trustees and members to self-monitor.**

**An SMSF must report events that affect a member's transfer balance, including:**

- > income streams a member was receiving on 30 June 2017 that
- > continued to be paid to them on or after 1 July 2017, and
- > are in retirement phase.
  
- > new retirement phase income streams
- > some limited recourse borrowing arrangement payments
- > compliance with a commutation authority issued by the Commissioner
- > personal injury (structured settlement) contributions
- > commutations/lump sums of retirement phase income streams.

### **Some exclusions from reporting**

Events that do not need to be reported include:

- > pension payments
- > investment earnings and losses
- > when an income stream ceases because the interest has been exhausted
- > the death of a member
- > information that individuals report to us directly using a Transfer balance event notification form (NAT 74919). Typically, this is when the following events occur:
  - family law payment split
  - debit event from fraud, dishonesty, or bankruptcy
  - structured settlement contributions made before 1 July 2007.

**If you think any of these events have occurred to you (or will occur in the near future), please contact us as soon as possible.**



## MOBILE APP FEATURES

**We love using CLASS Super to manage your SMSF. If you haven't already, we strongly encourage you to install the Class Super Client View Mobile app for your Smartphone.**

The Class mobile app gives you convenient, on the go access to a detailed, up to date overview of your investment data on your smartphone. You can now easily track the performance of your SMSF from your smartphone, including investment income, valuations, asset allocation and more.

We can securely exchange messages with you using the app, including electronic documents. You can even send us your superfund documents by taking a photograph of the documents on your phone!

The app provides you with 24/7, up to date and comprehensive views of your super or non-super wealth. Having easy access to your portfolio information is also a vital part of sound investment decision-making. The mobile app provides the data and reporting that you need to support and inform your investment decisions.

Download on the  
**App Store**

GET IT ON  
**Google Play**

## FIRST HOME SUPER SAVER SCHEME

Under the First Home Super Saver Scheme (FHSS Scheme), eligible super members who make voluntary superannuation contributions can subsequently withdraw those contributions (and associated earnings) from the super system in order to acquire their first home. The withdrawn contributions and associated earnings is the FHSS release amount.

While the FHSS release amount, when paid, will be liable to tax, the net amount can be used to acquire a residential home – either as part of the deposit or as part of the balance due on settlement. The FHSS release amount cannot be used to furnish the home or for any other purpose such as acquiring an investment property or to repay debt.

The FHSS release amount must be used by the super member to acquire the first home within 12 months (or 24 months, if the ATO permits). To the extent the FHSS release amount is not used within the required time to acquire the first home, the super member must either repay the unused portion back into super or pay a special tax on the unused amount.

The super member can request the ATO to make a determination of their current FHSS release amount. This determination simply provides the super member with the dollar value of their FHSS release amount. The super member need not act upon determination. The super member acts upon the determination by requesting the ATO to issue a FHSS release authority (ie an authority issued by the ATO which permits a trustee of a super fund to pay all or part of the specified amount).

It is important to remember that if a super member acts upon a FHSS determination and the ATO issues a FHSS release authority, the ATO cannot issue a subsequent FHSS release authority. In short, the system is a once-only use system.

The FHSS Scheme commences on 1 July 2018 (being the date on and from which a FHSS determination can be requested from the ATO). However, voluntary superannuation contributions made since 1 July 2017 are counted when determining the member's FHSS release amount.

**insuringYou.**

*"For the most important person in the world - You"*

**DO YOU NEED INSURANCE?**

"It won't happen to me..." is a common thing we hear. We know, however, that the right kind of insurance could be the difference between surviving through a difficult time or letting it overcome you or your loved ones.

**There are several types of insurance to consider:**

- > Life insurance
- > Total & Permanent Disability (TPD) insurance
- > Income Protection insurance
- > Trauma insurance

The types of insurance listed above can have many options, extras & exclusions. It's important to take YOUR personal circumstances into consideration when choosing the right insurance.

**We choose insuringYou (Trendline) for providing appropriate insurance advice to our clients.**

**[www.trendline.com.au](http://www.trendline.com.au) | [shane@insuringyou.com.au](mailto:shane@insuringyou.com.au) | 1300 787 424**



## **ASSET PROTECTION & ESTATE PROTECTION PLANNING**

**Protecting your assets and you estate is vital! It's a good idea to review your plan annually. Here's some important things to consider:**

### **1. Ensure your fund complies with all relevant SMSF and tax laws**

To receive the great tax concessions that SMSFs allow, you need to comply with the laws. If not, the tax concessions could be applied or penalties might apply. Ensure all pension drawdowns for FY2018 have been made and plan now for those that are to be taken in FY2019.

### **2. Ensure your Will is in place and that it's up to date**

Death is inevitable, but it's often a topic that most people like to avoid. When you have a SMSF and own assets, a valid Will is imperative, to avoid future financial and emotional consequences due to lack of planning. Prevention is not only better than a cure, it's also cheaper (legally speaking!)

### **3. Appoint an Enduring Power of Attorney**

An Enduring Power of Attorney will step in and control your affairs if you are incapacitated, injured or lose your faculties. Your spouse or other family members are limited in what they can do due to Privacy laws, so appointing someone to be your voice (financially and personally) is the best way to ensure your best interests are kept in mind.

### **4. Check that the correct Will is in place**

Regular Wills **DON'T** cover Trust, Superannuation or Insurance assets! These usually fall outside the scope of your regular Will, so they need to be considered with the proper treatment to ensure ALL your assets are safe. Estate Planning is where these things can be considered.

### **5. Minimise tax for your SMSF and personal Estate**

With the proper documentation and processes in place, tax can be minimised.

### **6. Get high-quality advice**

The cost of high-quality advice is cheap compared to that of correcting poorly structured plans! Getting it right the first time will ultimately save you hassle, time and money down the track.

# BEWARE OF SCAMS

Sophisticated tax scam techniques are being used to defraud Australians. Typically, the scammers demand payment of fake tax debts, and threaten prosecution or arrest if payment is not made immediately. As your tax agent, contact from the ATO about your tax affairs should come via our office. **Please inform us of any direct contact purporting to be from the ATO, or you can phone the ATO on 1800 008 540.**



## DO YOU KNOW ANYONE WHO COULD BENEFIT FROM OUR SERVICES?

At Black & White Accounting Solutions, we rely on word of mouth referrals.

We'd like to thank all of our clients who have referred friends, relatives and colleagues to our firm during the 2017 financial year. Your support is greatly appreciated!

If you can think of someone who might benefit from the services we have to offer, please send them our contact details to arrange a free consultation.

**Don't forget to follow us on Facebook - leave us a review and keep up to date with new and relevant information.**

 Find us on Facebook



## NEW METHOD OF OBTAINING YOUR SIGNED DOCUMENTS

This year, we implemented a new software system called Virtual Cabinet.

Virtual Cabinet is a document management system that allows us greater control over sending, saving and storing documents.

This year, we will be using a specifically designed Client Portal to send you documents for signature, including your tax returns.

This means you will have access to your documents anywhere you have access to the internet, and can sign them electronically.

**VirtualCabinet** 

