THE V-EDITION

JUNE 2019

Victory Offices Monthly Update

Celebrating The Accelerator Program

As part of our Accelerator Program, we hosted masterclasses by local and international speakers on intellectual property, power of social media, mentorship, raising capital and leadership in challenging times.

The program participants had a chance to learn from experienced business leaders and pitch their start-up idea. The Pitch For Victory winner is Travis Geileskey from RoamingDuck. Well-deserved win!

WHAT'S HAPPENING

Victory Offices St Kilda Is Coming Soon!

Victory Offices St Kilda will be the newest addition within our portfolio. The three floor building has been designed with a focus on work-life balance, relaxing atmosphere, community and most importantly a place where your business can thrive!

Members will enjoy bayside and CBD views from the large rooftop terrace located on level two, previously home to the infamous Fox FM Rooftop.

The Victory Offices St Kilda location will be providing an abundance of flexible working solutions, ranging from private serviced offices, coworking, hot desks, enterprise suites, event space, meeting rooms and much more! This new location will also proudly be home to our very first Wellness Centre that our St Kilda members will have access to utilise.

For a limited time, we are offering amazing pre-lease offers of 4 months free on a 12 month membership when you sign up to become a Victory Offices St Kilda member.
This is valid until 31st July 2019!

Interested? Call us on 1300 788 292 to find out more.

The ATO is targeting five common mistakes this EOFY — here's how to avoid them

The tax office says it will be focused on addressing "common issues" with small-business tax returns this year and will be paying close attention to expense claims as EOFY.

Less than two months out from the end of the 2018-19 financial year, accounting professionals are advising businesses to start getting their affairs in order.

The Australian Taxation Office has shortlisted five common errors they'll be on the lookout for this year:

1. Claiming of private expenses in the business
2. Failing to properly attribute personal and business use
3. Misunderstanding how tax applies for different and often complex business structures
4. Omitting income, including coupon sales
5. Not providing the necessary records for substantiating expense claims.

"This tax time the ATO will be focused on supporting small businesses to get it right through a range of services and tools available to them," an ATO spokesperson said in a statement.

"We will also be focusing on addressing common issues we see when small business lodge their returns, and reinforcing our message around recordkeeping and claiming of expenses."

The ATO says it has three golden rules for businesses claiming expenses:

1. Ensuring money has been spent on your business and not for personal use
2. Where there is a mix of business and personal use, only claim the business portion
3. Ensure adequate records are provided to substantiate expense claims.

Stacey Price, owner of Healthy Business Finances, says business owners are best off speaking to their accountant by June 1 at the latest to allow enough time to get organised.

Price advises businesses to take the temperature on their business by running reports into various operations, although the books have to be reconciled before that will be any help.

“People tend to get super frazzled at EOFY without even understanding their business profitability or tax position in the first place. Unless they understand where they currently are, any investment decisions are fraught with danger,” says Price.

Tax time can be a good opportunity to spend up, either to take advantage of the instant asset write-off or get a bigger tax deduction. But Price warns businesses shouldn’t expect the ATO to deliver them any miracles in cheque form. “If you are already in a business loss situation, spending extra money might not bring any immediate tax benefits,” she says.

The instant asset write-off got a boost in the lead up to the election and now covers assets up to $30,000, but that’s only for assets purchased after 7.30pm on April 2.

Businesses are also being advised the company tax rate for businesses with up to $50 million in annual revenue is 27.5%.

David McKellar of Allied Business Accountants says business owners with discretionary trusts need to make sure they file annual distribution resolutions before end of financial year or risk “disastrous” tax outcomes.

Companies need to ensure they have sufficient franking credits to ensure dividends can be considered paid, and 7A loan repayments also need to be made by June 30.

“The key message is to be organised and seek advice, because with proper planning, significant amounts of tax can be saved or deferred. This is particularly important if your circumstances have changed, are changing, or if you have had or are planning a significant event, such as the purchase or sale of a business or property,” McKellar tells SmartCompany.

Advisory firm BDO advises businesses to consider the franking rate they’re subject to for the current financial year and next financial year.

“Where the company may move from a 30% franking company in 2019 to a 27.5% franking company in 30 June 2020, there may be advantages in paying franked dividends prior to 30 June 2019,” the firm said in a recent tax note.

Written by Matthew Elmas for SmartCompany

Read the full article here


"THE ONLY PLACE WHERE SUCCESS COMES BEFORE WORK IS IN THE DICTIONARY"
-VIDAL SASSOON