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Is your business at risk?

Small business is the lifeblood of the Australian economy but they are massively underinsured, putting those businesses, their staff and their loved ones, and indeed the economy at risk.

The attached video illustrates the risks small businesses face, and some ways life insurance can help protect against those risks. The video also highlights that 43% of small business owners have income protection in place, but only 8% have business expense cover, which covers the monthly fixed expenses of the business such as rent, lease payments, and salaries if the business owner was ill or injured and could not work for an extended period of time. Without business expense cover the owner has to pay the fixed expenses from their income protection policy, which puts their lifestyle and assets at significant risk. Please [click here](#) to access the video.

Self-managed superannuation funds - new obligations

New regulations for self-managed super funds (SMSFs) took effect on 7 August 2012. The ATO now requires SMSF trustees to:

- regularly review their fund's investment strategy
- consider insurance for members as part of their fund's investment strategy
- Value assets at market value for reporting purposes.

In addition, the ATO are now able to enforce the requirement that the fund keep its money and assets separate to that held by the trustees personally, or standard employer-sponsors. For more information please [click here](#) or call our office on 9542 4655.

Strengthening director obligations

On 29th June 2012 new legislation was passed that makes directors of companies personally liable for certain obligations (PAYG Withholding and Super Guarantee).

The legislation requires reporting compliance within three months of the due date, otherwise the director will be automatically personally liable without notice and is unable to appoint an Administrator or Liquidator to cure their personal liability. It allows the ATO to reduce a director's entitlement to PAYG withholding credits and thereby increase the amount of tax to be paid on the director's personal tax return. It further allows the ATO to lift the corporate veil and collect outstanding Superannuation Guarantee Charge ("SGC") from directors personally (non-retrospective).

It is principally designed to attack "Phoenix" arrangements but does have implications for all company directors. For more information on director obligations please [click here](#).

Personal Properties Securities - Article by "Brander Smith McKnight" Lawyers

If you are a manufacturer, wholesaler or supplier of goods on credit or if you are a purchaser of goods, the attached presentation is important reading as it highlights the changes to the law of "personal property securities".

The PPSA became operational on 30 January 2012 and remains a mystery to most. This presentation introduces you to the key changes, in particular the need to register if you have a "security interest", which includes retention of title clauses and contracts for hiring of equipment to customers. The risks of not registering can be dire, and could result in your customer's bank, which has a registered interest, having priority over you in relation to your products or equipment.

Brander Smith McKnight is ready to assist by advising on the implications of the PPSA on your business and by providing advice on how to create business processes that will work for your business. To view the PPSA highlights [click here](#)

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Brander Smith McKnight are a Sutherland Shire law firm with expert lawyers based in Sutherland who can handle your legal matters with ease and professionalism. We provide quality legal advice to business and individual clients in the Sutherland Shire, St George and Wollongong areas. We deliver results and fight for your rights, keep you regularly informed and provide a simple cost agreement up front.

We specialize in the following areas of law;

- Business and commercial, large and small.
- Criminal and traffic.
- Debt recovery.
- Divorce and family law.
- Litigation and dispute resolution.
- Property, conveyancing, leases, property development.
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