

Carbon Emission

THE NEW FINANCIAL YEAR

Now, almost a month into the new financial year, this often signifies the start of changes in legislation and rulings coming into effect. This year is no different. Here is a brief summary of a few of the changes you should already be implementing.

PAID PARENTAL LEAVE

From the 1st July, businesses are required to administer the paid parental leave scheme to eligible employees. Centrelink will contact you if you are required to administer this, so you can then register for the scheme.

INCREASE IN MINIMUM WAGES

Increases in the minimum wage took effect on the 1st July. The changes included increases of the modern award wage by 3.4%, with the national minimum wage for adults now at \$589.30 a week, or \$15.51 per hour. Visit the Fair Work Ombudsman website at www.fairwork.gov.au for more information.

FLOOD LEVY

The flood levy is a temporary levy imposed on individuals earning over \$50,000 in the 2011-12 financial year. New tax tables are available to help with calculating the withholding tax for your employees. For more information on this, you can visit the ATO website www.ato.gov.au or give us a call.

SUPERANNUATION CHANGES

Rules around employees receiving benefits such as share portfolio's will now be subject to fringe benefits tax (FBT). Other changes include decreases in the contribution cap for super funds. For advice on this, or any other matters feel free to contact us.

TAX CHANGES

There were no major changes in the individual income tax rates for 2011/12.

For more information on any of these changes, contact us to discuss your personal or business situation.

AUSTRALIA'S PRICE ON CARBON

With the announcement of the introduction of the Carbon tax, we thought it would be a good idea to delve into this a little more to cut through some of the confusion. So what will this mean of you?

The Australian government will be introducing a price on carbon emissions starting July 1st 2012 before moving to a market based system in three to five years. The price will be placed on the heavy emitters of carbon such as power generation, miners, smelters etc. Emissions from energy, transport, industrial processes, fugitive emissions (e.g. methane leaking from coal mines), and emissions from non-legacy waste (methane leaking from landfills) will be included for those heavy emitters.

The scheme is designed to encourage the implementation of more efficient processes. As the carbon price increases, greener options such as renewables will become more viable with shorter payback periods.

There are planned assistance packages for those who need help in adjusting to changes including trade exposed businesses. Some costs will be passed down the supply chain to other businesses and consumers. There will be a compensation package for middle and low income earners.

As more information about the scheme is announced we will provide you more details on the potential impact to your business and personal situation.



It's almost that time of year again to renew your audit protection insurance. With small business and self managed super funds often a target by the ATO, it's a timely reminder to get covered.

We offer, through Audit Shield, an insurance cover that protects you in the event you or your business is selected for a random audit by the ATO.

This insurance covers the professional fees incurred in preparing all relevant documentation and responses to the ATO, or any other Government agency conducting an audit, review or investigation. It is a tax deductible expense and can give you the added security of not incurring any additional accountancy fees in the event you are selected for an audit.

More information to eligible clients will be sent out shortly. In the meantime, if you would like more information about audit protection insurance, please feel free to contact us.

FORTUNITY TURNS 5!

To celebrate the key milestone of turning 5 as well as to toast the end of the financial year, the team at Fortunity enjoyed a night of great food and hospitality at the Arabian Lounge, The Entrance.



Slither and Slumber is a one night Sleepout for local business executives at the Australian Reptile Park on **Friday 5th August**.

Slither and Slumber Executive Sleepout has 2 main aims. They are to raise funds for Coast Shelter and the Iris Foundation, as well as to raise awareness through the business community, of the issues surrounding homelessness and suicide on the Central Coast of NSW.

The Sleepout being held at the Australian Reptile Park will help business owners and executives get a small insight into what homeless people experience every night. Although we can never truly experience being homeless from one night in the cold, we hope it will help open our eyes a little.

We are pleased that two of Fortunity's Directors, **Craig Ayling** and **Patricia Cotterell** will be participating in the sleepout. Both Craig and Tricia need to raise \$1000 each. So, if you would like to donate to this great cause, simply visit the payments page on our website www.fortunity.com.au and enter SLITHER in the reference section. All donations are greatly appreciated, and of course are tax deductible.

WELCOME TO OUR NEW AUDIT TEAM MEMBERS

We would like to welcome two new team members to our Audit division.

Nicky Kaindlbauer has recently joined the team as an Audit Senior. With extensive experience in Audit predominately in Hong Kong, Nicky has been in Australia for over 6 years. Having completed her degree in Accounting, and her CPA, she is now starting the CA program.

Also joining the Audit team as a Audit Junior is Kellie Howard. Kellie has been involved in the Institute of Chartered Accountants Achiever's Program where she landed a traineeship with a Chartered Accounting firm in Charlestown. Living locally, Kellie is very happy to have landed a role with us and is now a little closer to home.

Fortunity is pleased to have attracted two such high calibre individuals to our firm. Welcome to the team Nicky and Kellie!



Nicky



Kellie



155 The Entrance Road, ERINA | P: 02 4304 8888 | www.fortunity.com.au

Financial Planning provided by Fortunity Wealth Management Pty Ltd authorised by Premium Wealth Management AFSL 237498