

The SOTHERTONS REPORT



APRIL/MAY 2009

Welcome to the April/May 09 Report.

As we all head into economically challenging times (and for many of our clients their first experience in dealing with a significant recession) it is important to remember that we at Sothertons are here to assist you not only with the issues confronting your businesses but to ensure that as the recession ends your business emerges stronger than before. Difficult times will result in significant legislative changes to be announced via state and federal budgets. We will detail these in following editions of the Report.

As we fast approach the end of the financial year we detail some tax planning tips and superannuation strategies. With superannuation playing an ever increasing role in the lives of many of our clients it is important they are aware of their obligations directly or indirectly as trustees of their funds. This issue includes a number of checklists to help clients ensure they stay within the law's requirements. Should a review of the lists either raise any questions or concerns please contact your Sothertons Partner.

Other articles deal with the latest taxation changes and the dangers of trading in derivatives. National Employment Standards under the Fair Work Act 2009 are also explained and as many clients will be adversely affected by the new legislation it is important to ensure they contact us to discuss the implications. Don't wait until the last moment to put effective strategies in place that may help your business. The restaurant industry is an example of an industry that needs to act now.

An article dealing with various ways a business can reduce its carbon footprint and become an attractive component of a far larger supply chain is of particular importance.

We also highlight stress related illness in the workplace as well as why sitting with incorrect posture can adversely affect the health of employees.

Our editors are always pleased to hear from you should you require an article on a topic which would be of interest to the balance of our readers.

Until next time.



Sothertons Melbourne Celebrating 30 Years



On April 30th, SLA Partners celebrated the 30th Anniversary of Sothertons Melbourne and its antecedent firms with a function for clients and staff in its Melbourne office.

Sothertons director, David Lissauer made a few pertinent points highlighting the firms history and we reprint a précis version below.

"By any standards 30 years is a long time and over that period we have all seen significant changes and challenges.

Technology and the challenges it brings has changed forever the way we all work, our expectations and the speed with which we all in the main expect business and in fact our private lives to be run.

A professional accounting firm such as Sothertons is made up of a number of vital components or ingredients. A little like an exquisite culinary dish.

Our clients who cover a range of backgrounds, businesses and requirements are pivotal to its success.

Then we have the Professional team members ensuring the work is carried out while the administrative team ensures the firm's processes can be effectively delivered.

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Sothertons Melbourne 30th Celebrations (Continued)



Rounding this off we have the management team who are instrumental in ensuring all facets of the business are drawn together to work as effectively and productively as possible.

They guide the firm in specialty areas, critically search out new areas of interest to our clients and help differentiate our firm from others allowing us to create our own unique, market niche.

Then we have the technology that all of the above utilise.

Any one of the above components without the other would not allow the whole to function at all. Without one of the above vital ingredients the dish becomes inedible.

You will notice that the vital ingredients, the very essence that makes this firm function are its people; it's not the computers or other equipment that is critical but the people that drive the equipment.

Over the last 30 years we have worked with many wonderful and different people from a vast array of backgrounds –

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DERIVATIVES

We have noticed in recent times a significant increase in mail sent to both our offices and those of clients recommending to clients that they consider trading in derivatives. We stress EXTREME CAUTION needs to be exercised by those clients who receive unsolicited brochures advancing the virtues of this form of trading.



Derivatives are financial contracts, or financial instruments, whose values are derived from the value of something else (known as the underlying).

The underlying value on which a derivative is based can be:

- **an asset** (e.g., commodities, equities (stocks), residential mortgages, commercial real estate, loans, bonds);
- **an index** (e.g., interest rates, exchange rates, stock market indices, consumer price index (CPI)), weather conditions, or other items.

Credit derivatives are based on loans, bonds or other forms of credit.

The main types of derivatives are:

- forwards; ■ futures; ■ options; and ■ swaps.

Hedging & Speculation

Derivatives can be used to mitigate the risk of economic loss arising from changes in the value of the underlying. This activity is known as **hedging**. Alternatively, derivatives can be used by investors to increase the profit arising if the value of the underlying moves in the direction they expect. This activity is known as **speculation**.

Because the value of a derivative is contingent on the value of the underlying, the notional value of derivatives is recorded **OFF the balance sheet** of an institution, although the market value of derivatives is recorded **ON the balance sheet**.

It needs to be stated this is a particularly complex area and clients who may entertain the idea of this form of trading need to critically understand and take advice from experts in the area. We advocate extreme caution when considering derivatives and in the first instance speak to your accounting services partner or director who will explain the taxation impact of trading in derivatives. Secondly please contact your financial advisor who will be able to provide the specialist advice this area requires.

Lastly, ensure you fully understand what you are committing to. Please remember if something is sold to you as being too good to be true – it is likely to be just that.

David Lissauer. ■

Pension Drawdown Relief

The Government has announced that it will temporarily suspend the minimum drawdown requirements for account-based annuities and pensions for the second half of the 2008/09 income year (1 January 2009 to 30 June 2009). That is, pensioners are only required to drawdown half of the minimum pension payment for this income year.

For pensioners who already have taken half of their minimum payment for 2008/09, this means that a further drawdown will not be required until the 2009/10 income year.

Broadly, the minimum annual pension drawdown percentage is determined with reference to a pensioner's age and the asset values supporting the pension as at 1 July of an income year. ■



The Government has announced that it will amend the FBT legislation from the beginning of the 2008/09 Fringe Benefit Tax year (i.e. from 1 April 2008) to ensure that donations to the Victorian bushfires appeal made under salary sacrifice arrangements do not result in an employer incurring an FBT liability.

Potentially, an FBT liability arises because of the definition of an associate contained in the FBT legislation, which can deem unrelated third parties as an associate of an employee.



Donations collected through an employer's Workplace giving arrangements do not give rise to FBT liabilities because the donations are from employees' post tax dollars. ■

Proposed Amendments to Tax Laws

The Government has introduced the Tax Laws Amendment (2009 Measures No 1) Bill into Parliament. The amendments include:

- providing reductions in PAYG instalment amounts;
- changing the reporting requirement for employees' PAYG summaries; and
- changing the income tests for tax and social security programs.

PAYG Instalment Reduction

In addition to the 20% PAYG instalment reduction for small businesses for the December 2008 quarter, the Bill proposes to allow the tax regulations to reduce PAYG instalment amounts in certain circumstances.

PAYG Summary Reporting Requirement

The Bill will ensure that reportable employer superannuation contributions (RESC) are reported on employees' PAYG summaries.

Amendment of Income Tests

The Bill will amend the income tests used to determine an individual's eligibility for tax programs and/or social security programs.

Reportable superannuation contributions, RESC, adjusted fringe benefits total and total net investment losses will be included in income tests, where appropriate.

The tax programs and social security programs that will be affected include:

- Medicare Levy Surcharge;
- Senior Australians Tax Offset;
- Government Superannuation Co-Contribution Scheme;
- Mature Age Worker Tax Offset;
- Deductions for Personal Superannuation Contributions;
- Commonwealth Seniors Health Card; and
- Family Tax Benefit Part A and Part B.

In broad terms, RESC include salary sacrifice amounts and superannuation contributions above the minimum prescribed support (currently 9%). Broadly, reportable superannuation contributions consist of two components: personal superannuation contributions for which a tax deduction is available and RESC.



Total net investment losses will capture losses which arise from investment losses, margin loan arrangements and rental properties.



Individuals who currently sacrifice an amount of their salary into superannuation should re-evaluate their eligibility for the government co-contribution payment. ■

GST and Uncommercial Property Arrangements

The Tax Office has released two alerts warning taxpayers that it is currently scrutinising GST and uncommercial property arrangements.

The two arrangements are:

- arrangements allowing a land owner to delay GST registration to minimise the GST payable under the margin scheme, but still claim a full input tax credit (ITC) on the acquisition of construction services from an associate; and
- arrangements in which an entity uses an associate to secure ITCs on the construction of residential premises for lease and defer the corresponding GST liability.

The Tax Office says that these arrangements could give rise to taxation issues, including an entity's entitlement to ITCs and whether the anti-avoidance GST provisions would apply. ■

Personal Services Income Case

The Administrative Appeals Tribunal has found that a company was not conducting a personal services business (PSB) as it did not satisfy the results test. Accordingly, the Tribunal held that the income of the company should be attributed to a taxpayer as personal services income (PSI).

If a taxpayer satisfies the results test, the taxpayer will be deemed a PSB and therefore excluded from the PSI regime.

The results test requires the taxpayer to satisfy three conditions:

- the income derived is paid to achieve a specific result or outcome;
- the taxpayer provides any necessary tools or equipment to do the work; and
- the taxpayer is liable to rectify any defects in the work.



In determining whether a taxpayer meets the conditions of the results test, it is the economic substance and not the legal substance that is important. ■

Directors Beware

A recent decision handed down by the Federal Court ordered the Commissioner to refund payments made by a company when it was insolvent.

The Court also held that the directors of the company at the time of the payments were required to indemnify the Commissioner a percentage of the refund in respect of any loss resulting from the order.

Company directors should be aware of their obligations under the **Corporations Act 2001**. Where a company is insolvent and makes payments to the Commissioner, the company's liquidator can apply to a court to have the payments refunded.

However, if the payments are prescribed tax payments contained in the Corporations Act (eg, PAYG withholding amounts), the directors of a company may be required to indemnify the Commissioner against any losses. ■



In an Interpretative Decision, the Tax Office states that an entity cannot deduct the balance of any 'blackhole' expenses in the income years after the entity stops carrying on a business to which the expenditure relates.

The Tax Office says that this is because the entity will not exist for those income years.

Broadly, 'blackhole' expenses are expenditures incurred by a taxpayer when establishing, expanding or ceasing its business. For an expense to qualify as a 'blackhole' expense, it must not form part of the cost base of an asset, must not be deductible under another provision of the tax laws and must not be made expressly non-deductible by the tax laws.

The deductions for the expenses are spread over five years in equal proportions. ■

TAX PLANNING

Simply put, tax planning is the arrangement of a taxpayer's affairs so as to comply with tax laws at the lowest possible cost. It involves objectively assessing and actively managing tax risk. Common tax planning techniques are deferring the derivation of assessable income and bringing forward allowable deductions.

Developments Since 1 July 2008

Taxpayers should note recent tax law changes, which include:

- **The Education Tax Refund** – eligible families can claim a tax refund for qualifying expenses incurred on their children's education, subject to a maximum limit;
- **The Medicare Levy surcharge thresholds** for individuals and families have increased; and
- **The Fuel Tax Credits Scheme** has been expanded, whereby most business taxpayers can claim credits for fuel used in their businesses.

Deferring Income

- Taxpayers who receive income in advance of services to be provided will generally not be assessable until the services are provided, and should exclude that income from the year of receipt.
- Taxpayers who provide professional services may consider, in consultation with their clients, rendering accounts after 30 June to defer the income.

Maximising Deductions

Business Taxpayers

- Debtors should be reviewed prior to 30 June to identify and to write off any bad debts.
- Capital assets costing \$100 (GST inclusive) or less are eligible for an immediate deduction.
- Review the asset register to identify any low-cost and/or low-value assets that may be pooled to access an accelerated rate of depreciation.
- Business-related capital expenditure may be deductible, including establishment of business premises, research into likely markets or profitability of a business and due diligence reports.
- Write off any depreciating assets which are no longer being held for use.
- Employees' superannuation contributions should be paid before 30 June to obtain a deduction and to avoid the Superannuation Guarantee Charge.
- Review trading stock for obsolete stock for which a deduction is available.
- A one-off bonus deduction for eligible tangible depreciating assets purchased between 13 December 2008 and 31 December 2009 may be available. (This measure has not received enactment.)

Other

- Consideration should be given to whether the requirements to be classified as a small business entity (SBE) are satisfied. An SBE can access various tax concessions such as the simpler depreciation rules and the simpler trading stock rules.
- Individuals operating personal services businesses should ensure that they satisfy the relevant test to be excluded from the Personal Services Income regime. Alternatively, a determination to be excluded can be sought from the Commissioner.

Non-Business Taxpayers

- Investors should consider prepaying interest on margin loans to obtain a deduction.
- Outgoings incurred for managed investment schemes may be deductible following a Full Federal Court decision.
- Assets costing \$300 or less may qualify for an immediate deduction subject to certain conditions.
- A deduction for personal superannuation contributions is available where the 10% rule is satisfied.

TAX PLANNING

Capital Gains Tax

- Consider deferring the disposal of an asset to the 2009/10 income year to take advantage of the changes to the individual tax rates.
- Consider deferring the disposal of shortly-held assets to access the CGT discount, where available.
- Consider crystallising any unrealised capital losses in the income year if a significant capital gain is anticipated. Individual taxpayers can consider contributing some or all of the gain to her or his superannuation fund because a deduction may be available for personal superannuation contributions.
- Consider whether rollover relief is available to defer any capital gains.
- Consider the availability of the small business CGT concessions which can disregard, reduce or defer a capital gain arising from the disposal of an asset which has been used by an entity in the course of carrying on its business.

Companies

- The franking percentage for distributions to shareholders should be the same for each franking period to avoid a franking deficit tax.
- A private company has four months after the end of the income year to provide its shareholders with a distribution statement for dividends paid.
- Loans, payments and debt forgiveness by private companies to or in favour of their shareholders and associates may give rise to unfranked dividends assessable to the shareholders and associates. As such, loans or payments should be repaid by the earlier of the due date for lodgment of the company's return for the year or the actual lodgment date. Alternatively, appropriate loan agreements should be in place.

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TAX PLANNING

Trusts

- A minor (i.e. aged under 18) can receive up to \$2,667 in non-taxable distributions for the 2008/09 income year.
- Avoid retaining income in the trust because the income may be taxed at 46.5%.
- If a company is owned by a discretionary trust, consider whether a family trust election (FTE) is needed to ensure any losses or bad debts incurred by the company will be deductible.
- If shares are owned by a discretionary trust, consider the necessity for the trustee to make an FTE to ensure any franking credits attached to the dividends will not be 'wasted'.
- If an FTE has been previously made, avoid distributing outside the family group to avoid the family trust distributions tax.
- If a trust has an unpaid present entitlement to a corporate beneficiary, the unpaid entitlement should be paid by the earlier of the due date for lodgment of the trust's return for the year or the actual lodgment date.

Superannuation Strategies

- A re-contribution strategy may produce tax benefits for taxpayers under age 60.
- Low-income earners (including self-employed persons) should consider making a personal superannuation contribution to qualify for the government superannuation co-contribution payment.
- Consider splitting contributions between spouses to effectively transfer concessional contributions to the older spouse who will reach age 60 first.
- A tax offset may be available to taxpayers who made eligible contributions to a superannuation fund on behalf of their low-income or non-working spouse.
- Taxpayers who have reached their preservation age should consider the benefits of a transition to retirement pension.
- The government has introduced a measure allowing pensioners the option to draw half of the year's minimum required pension amount. ■

National Employment Standards under the *Fair Work Act 2009*

The Fair Work Act 2009 will start in two stages – modern awards and the National Employment Standards from 1 January 2010, the rest on 1 July 2009.

What are the National Employment Standards?

1. Maximum Ordinary Weekly Hours of Work

Employers must not make employees work more than 38 hours (or their ordinary weekly hours for part time employees) unless the extra hours are reasonable. Hours can be averaged over 26 weeks or however long the relevant modern award or enterprise agreement allows.



2. Requests for Flexible Working Arrangements

An employee with more than 12 months service who is responsible for the care of:

- a child under school age or
- a child under 18 with a disability

can request flexible working arrangements.



The request must be in writing and specify the change and the employee's reasons. The employer must respond in writing within 28 days. The employer may only refuse on reasonable grounds.

While the Act doesn't provide a pathway for an employee to appeal against their employer's decision, a refusal that is not reasonable exposes the employer to penalties. Employees may also have other avenues. For example, the Equal Opportunity Act 1995 (Vic) has much wider family responsibility flexibility provisions.

National Employment Standards

3. Parental Leave

Each member of a couple that has a baby is entitled to 52 weeks unpaid leave if the person has completed 12 months service at the relevant time – which for the second person can be almost a year after the birth of the child.



Up to 3 weeks of leave can be taken simultaneously at or around the time of the birth. Where one person decides not to take 52 weeks of leave, the other person can apply to add the untaken part to their leave. If there isn't an employee couple, an employee can apply for another 12 months leave. An employer can only refuse such requests on reasonable business grounds.

Employers will have to consult with employees who are on parental leave about changes in the workplace that will have significant effects on them.

4. Annual Leave

The Act restates the entitlement to 4 weeks of annual leave a year (5 weeks for some shift workers).

Cashing out annual leave will not be limited to 2 weeks per year but will have to be in accordance with an enterprise agreement or modern award. In the case of award/agreement free employees, an employee who cashes out leave must keep an accrued leave balance of at least 4 weeks. Each cashing out must be recorded in writing.

An employer will be able to tell an employee when to take leave provided the requirement is reasonable and in accordance with any applicable modern award or enterprise agreement.



The Act clarifies what happens with annual leave where there is a transfer of employment. If the transfer is between associated entities, leave must not be paid out and the new employer must recognise the accrued leave. This will also be the case if the new employer agrees to recognise the service of the employee with the previous employer.

National Employment Standards

5. Personal Leave, Carer's Leave and Compassionate Leave

The Act retains the entitlement to 10 days paid personal/carer's leave per year (2 days unpaid carer's leave if the paid leave has run out) and 2 days paid compassionate leave per occasion.

Cashing out of personal or carer's leave must be in accordance with the terms of a modern award or enterprise agreement and there must be a remaining balance of at least 15 days.



6. Community Service Leave

Employees will be able to take "community service leave".

This includes jury service and voluntary emergency management activities.

Voluntary emergency management activities include dealing with an emergency or natural disaster provided that the work is for a recognised emergency management body and the employee is a member or equivalent. Examples include the SES, CFA or RSPCA (animal rescue). Leave is for the duration of the activity, travel time and time to rest afterwards. An employee must notify their employer as soon as practicable but that can be after the absence starts.

For jury service, employees (other than casual) must be paid their base rate of pay for ordinary hours that they would have worked for the first 10 days of absence. (State and territory laws still operate so if they provide for jury service pay to casuals – as in Victoria – that entitlement will continue.)



7. Notice of Termination and Redundancy Pay

The NES incorporate statutory notice provisions currently in the Workplace Relations Act 1996.

Employee's Period of Continuous Service With the Employer	Notice
Not more than 1 year	1 week
More than 1 year but not more than 3 years	2 weeks
More than 3 years but not more than 5 years	3 weeks
More than 5 years	4 weeks

* If employee is over 45 years of age and has at least 2 years continuous service, entitled to 1 additional week of notice.

This applies even during a probationary period.

The Act also provides for redundancy entitlements (excluding businesses with fewer than 15 employees – this is a "head count" and not the full-time equivalent calculation).

Employee's Period of Continuous Service With the Employer on Termination	Redundancy Pay Period
At least 1 year but less than 2 years	4 weeks
At least 2 years but less than 3 years	6 weeks
At least 3 years but less than 4 years	7 weeks
At least 4 years but less than 5 years	8 weeks
At least 5 years but less than 6 years	10 weeks
At least 6 years but less than 7 years	11 weeks
At least 7 years but less than 8 years	13 weeks
At least 8 years but less than 9 years	14 weeks
At least 9 years but less than 10 years	16 weeks
At least 10 years	12 weeks

Redundancy pay **does** drop from 16 weeks to 12 weeks for employees with 10 years service or more. This is consistent with the Industrial Relations Commission's 2004 Redundancy Case decisions.

Fair Work Australia will be able to reduce redundancy pay if an employer obtains suitable alternative employment for the employee or in cases of genuine financial difficulties but cases that have dealt with these sorts of provisions in the past show that this is a difficult issue for employers.

The Act does not exclude state highly paid employees from these redundancy provisions (although they might be excluded by the regulations).

8. Long Service Leave

An employee's **existing** entitlement to long service leave under an award or agreement (which can be higher than State legislation) will be preserved. Because long service leave can't be in modern awards, eventually State laws will apply to all employees who don't have long service leave under an enterprise agreement.

9. Public Holidays

The public holiday provisions of the NES restate existing public holidays. Employees will have to be paid their base rate for the ordinary hours that they would have normally worked that day.



10. Fair Work Information Statement

There will again be a requirement to give an Information Statement to new employees. The Fair Work Information Statement will be published by the Fair Work Ombudsman.

It will contain information about the NES, modern awards, agreement making, freedom of association, unfair dismissals, union rights of entry and the roles of Ombudsman and Fair Work Australia. ■

Sam Eichenbaum is a Principal with Macpherson + Kelley Lawyers and an Accredited Workplace Relations Specialist who provides services to Sothertons Melbourne.

[Although this article primarily relates to larger organisations, many of the points illustrated are salient even to small businesses.]

Why is Reputation Important?

A strong, positive business reputation is an extremely valuable asset for any organisation. Amongst other things, it enables an organisation to:

- Charge a premium;
- Have more loyal customers;
- Be the employer of choice in increasingly tight labour markets;
- Have a higher share price;
- Be less of a target to regulators;
- Lead public debate on issues important to the company.



Interestingly these are all indicators of a strategic competitive advantage.

Recent research provides some useful insights and tools to enable companies to effectively manage reputation risk in much the same way as companies have come to manage many other business risks.

Firstly, reputation risk must be identified and quantified. The company should know what the risks to their reputation are, and how likely they are to eventuate, and what the possible impacts might be. The company should then implement strategies to address any shortcomings and measure improvements.

How to Determine Reputation Risk

Reputation is a perception which is in the eyes of the beholder. Reputation risk is a function of three things:

1. Whether or not the company's existing reputation exceeds its true character.

If the company enjoys an undeservedly high reputation, there is a high risk that the truth could be revealed and substantiated. This revelation could then be very damaging. Clearly, the ability to accurately assess reputation in relation to true character is a critical factor.

2. The volatility of external beliefs and expectations.

If the company operates in an environment where beliefs about the company and expectations of the company can change quickly, then there is a high risk that the company will find itself out of fit with public expectations of it, leading to a reduced (or less likely, enhanced) public perception of the company.

How to Manage Reputation Risk

3. The degree of internal coordination within the company.

If a company has poor internal coordination there is a risk that the actions or public statements of one part of the company could severely embarrass, and thereby damage the reputation of another part.

How to Manage Reputation Risk

Each of the above three determinants of reputation risk can be managed independently.

- The reputation-reality gap can be measured and actions taken to raise corporate performance in specific areas, or to (carefully) lower the public misconception
- Changing beliefs and expectations can be monitored and the company's performance brought into agreement with those expectations
- Internal coordination can be improved by proactive company-wide management.

The following 5 key steps are often found in companies that demonstrate an excellent business reputation:

Step 1 Assess Your Reputation

It is the **perception** in the minds of stakeholders that must be measured, and this perception is largely driven by the media attention a company receives.

A simple way of measuring this perception is by using a media monitoring service that will report any media comment on the company. These media comments then need to be characterised as positive, negative or neutral, and tracked and graphed regularly.

A company's reputation is a function of the reputation of the industry sector within which the company finds itself, together with the reputation of the company relative to its competitors.

For example, international oil companies generally have a poor reputation in the eyes of the public, and in the early 1990s Exxon would have had one of the poorest given the Valdez incident.

But while Exxon has done much to improve its reputation relative to its competitors, it will always be an oil company.

In order for an organisation to establish a positive reputation through the media, it should:

- Be prominent. It is not possible to influence public opinion if no one listens to you.
- Have at least 20% of media stories being positive, no more than 10% negative, and the rest neutral.
- Have at least 35% of the stories quote someone from the company, or repeat the company line.

How to Manage Reputation Risk

Step 2 Assess Your True Character

This requires an objective evaluation of the company's performance against its objectives and public pronouncements. The more contextual, objective and quantitative the approach to evaluating character, the better.

As with assessing reputation above, true character must be assessed relative to competitors, as well as in an absolute sense. For example it may seem good that all published environmental targets have been reached, but this may be meaningless if all competitors are performing at a much higher level.

Step 3 Close the Reputation – Reality Gaps

When a company's character exceeds its reputation, the company is clearly not receiving the full kudos that should come from its good performance. There is therefore a good opportunity to invest in a targeted investor relations and corporate communications program. If the reputation is unjustifiably positive, the company must either improve its capabilities, behaviour and performance or moderate stakeholders' perceptions. This obviously needs to be done in careful, measured ways.

Step 4 Monitor Changing Beliefs and Expectations

Regular surveys of employees, customers and other stakeholders can reveal whether their expectations are changing over time. While most well-run companies conduct such surveys, few take the additional step of considering whether the data suggests that the reputation-reality gap is widening or closing.

Similarly periodic surveys of experts in different fields can identify political, demographic and social trends that could affect the reputation-reality gaps.

Step 5 Put a Senior Executive in Charge of Reputation Risk

Assessing reputation, evaluating reality, identifying and closing gaps, and monitoring changing beliefs and expectations will not happen automatically. The CEO has to give one person the responsibility to make this happen. Good candidates for this job are the COO, CFO, the Risk Manager, Internal Audit Manager, or Strategic Planning manager. These managers do not have a conflict of interest with reputation issues. **Managers such as the PR Manager, Marketing Manager and Legal Counsel DO HAVE an existing conflict and probably should not be chosen for this task.**

Conclusion: Managing reputation risk is not an extraordinarily expensive undertaking that will take years to implement, but as mentioned at the outset the benefits are considerable. ■

Noel Arnold & Associates is one of Australia's largest Risk Management and OH&S Consultants. www.noel-arnold.com.au

Self Managed Super Funds Trustees Compliance Checklist

The checklist below highlights the common areas that trustees of self-managed superannuation funds (SMSF) must be aware of when discharging their obligations to ensure compliance with superannuation legislation and other legal requirements.

Area	Description	Yes	No
Fund Purpose	Is the SMSF maintained for the sole purpose of providing benefits for each member of the fund on or after the: <ul style="list-style-type: none"> • member's retirement from gainful employment; • member's attainment of her or his preservation age; or • member's death, if the death occurred before the member retired from gainful employment or before the member attained a prescribed age ? 		
Investment strategy	Does the fund have an investment strategy which takes into consideration the following areas: <ul style="list-style-type: none"> • risk; • diversity; • liquidity; and • ability to discharge the fund's existing and prospective liabilities? 		
	Is the investment strategy documented in writing ?		
	Is the strategy reviewed regularly and are the investments of the fund invested in accordance with the strategy ?		
Investment	Are the assets of the fund maintained separately from those of the trustees and/or members ?		
	Do the titles to the assets properly identify the fund as the owner ?		
	Is a separate bank account maintained for the fund ?		

SMSF Trustees Compliance Checklist

Area	Description	Yes	No
Investment Restrictions	Did the fund lend money or provide direct (or indirect) financial assistance to a member or a member's relative ?		
	Did the fund incur any borrowings ?		
	If the fund invests in artwork and/or collectables, does the investment strategy permit these investments ?		
	Are the in-house assets of the fund more than 5% of the total market value of the fund's assets as at 30 June 2009 ?		
	Did the fund intentionally acquire any assets from its members, unless an exception applied (e.g. business real property) ?		
Contributions	Are contributions accepted in accordance with the fund's deed and superannuation legislation ?		
Paying Benefits	If benefits are paid to members, are the benefits paid in accordance with the fund's deed and superannuation legislation ?		
Trustees' Duties	Have all the trustees or directors of the corporate trustee consented in writing to their appointment ?		
	If any trustee or a director of the corporate trustee is appointed during the income year, has the trustee or director signed a declaration ?		
	Has the Tax Office been notified of any changes to the trustees that took place during the income year ?		
Record Keeping	Has the fund maintained: <ul style="list-style-type: none"> • accounting records for five years; • records relating to the management of the fund (eg minutes of meetings, changes of trustees, and written consent by members to be appointed as trustees) for 10 years; • records relating to capital gains tax on the sale of assets; • records relating to deductions claimed & operating expenses of the fund; and • tax file numbers of members ? 		

If you answered negatively to a question, you should contact your Sothertons Partner or Director to seek advice on whether there has been a breach of the superannuation legislation and/or related legislations.

SMSF Trustees Compliance Checklist

Trustees' duties and obligations

Trustees of SMSFs are subject to extensive duties and obligations arising from:

- the trust deed or governing rules of the fund;
- the law of trusts;
- the provisions of the superannuation legislation; and
- the requirements imposed by other legislations such as the Income Tax Acts and the Corporations Act.

Breaches of these duties may result in a trustee being subject to civil and criminal penalties, including fines, imprisonment or loss of complying fund status in more serious cases. Further, a trustee in breach of her or his duties may be subject to a legal claim for damages from a fund member affected by the breach of trust. ■

Self Managed Super Funds Assets Checklist



Trustees of a superannuation fund need to ensure that any investment or activity by the fund complies with the sole purpose test. Broadly, the sole purpose test requires a fund to be established for the sole purpose of providing benefits to its members in retirement.

The superannuation legislation contains investment restrictions. Complying with the investment rules is crucial to achieving and maintaining the status of a complying superannuation fund and thereby qualifying for income tax concessions.

The checklist opposite sets out common assets which trustees may or may not acquire.

SMSF Trustees Assets Checklist

Asset type	Permitted
Business assets	
Businesses	No
Business plant and equipment	No
Cray pots	No
Franchise rights	No
Hobby farms	No
Taxi licences	No
Water rights	No
Financial investments and securities	
Bank deposits acquired at market value	Yes
Listed securities acquired at market value	Yes
Life insurance policies	
Acquired at market value and the in-house asset rule is not exceeded*	Yes
Other assets	
Assets acquired under an SMSF merger	Yes
Assets acquired at market value where the Tax Office gives written notice that the assets are not in-house assets	Yes
Personal assets	
Artwork	Special conditions apply
Cars, including veteran or vintage cars	Special conditions apply
Golf club memberships	No
Other collectables (e.g. jewellery, stamp collections and wine)	Special conditions apply
Property	
Business premises acquired at market value that are used wholly for business purposes	Yes
Business premises rented property acquired at market value used wholly for business	Yes
Residential property	
House containing a doctor's surgery and residential property where a member or associate derives a benefit	No
Holiday houses where a member or associate derives a benefit	No
Residential property to be occupied by a member or associate	No
Residential rental property	Yes
Farms acquired for market value where no more than two hectares are reserved for private use	Yes

*In broad terms, a regulated superannuation fund is restricted from having more than 5% of the total market value of its assets invested in in-house assets. An 'in-house asset' includes investment in a related party of the fund.

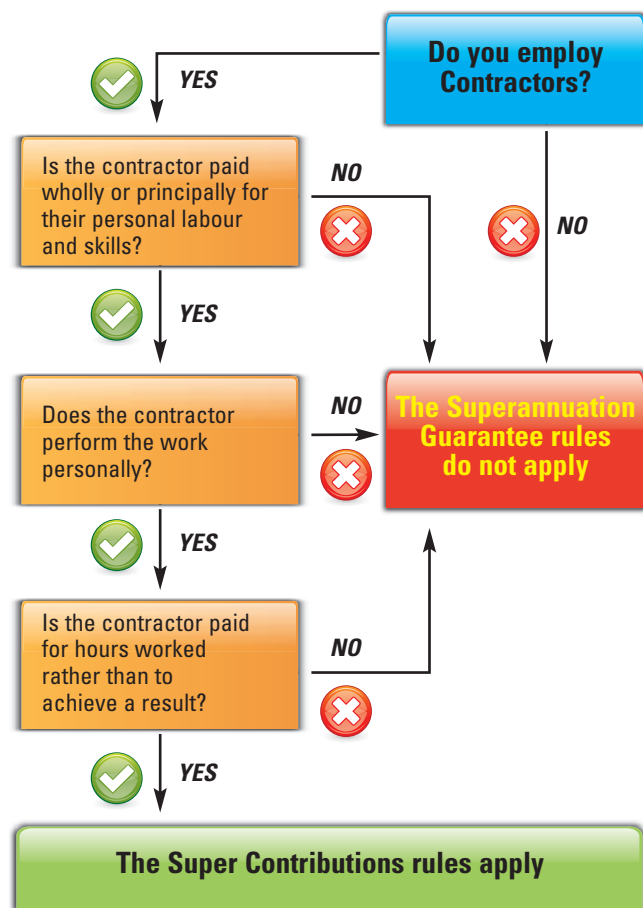
Note: The above checklist is not meant to be exhaustive. ■

Superannuation Guarantee

The superannuation guarantee scheme requires all employers to provide a minimum level of superannuation support for their employees. Currently, the prescribed minimum level of support is 9% of an employee's notional earnings base, which is generally the ordinary time earnings of the employee. Employers may also be liable to provide superannuation guarantee for contractors where a contract is wholly or principally for labour.

If employers provide less than the required minimum level of support, they will be liable to pay a non-deductible superannuation guarantee charge (SGC) and lodge an SGC statement. The SGC is calculated with reference to employees' salary or wages. In addition, if the employers do not provide the required level by the quarterly due dates (see opposite), they are also liable for the SGC.

Superannuation Guarantee for Contractors:



Superannuation Guarantee

Employers are not required to pay the 9% superannuation support where an employee's notional earnings are less than \$450 in a month.

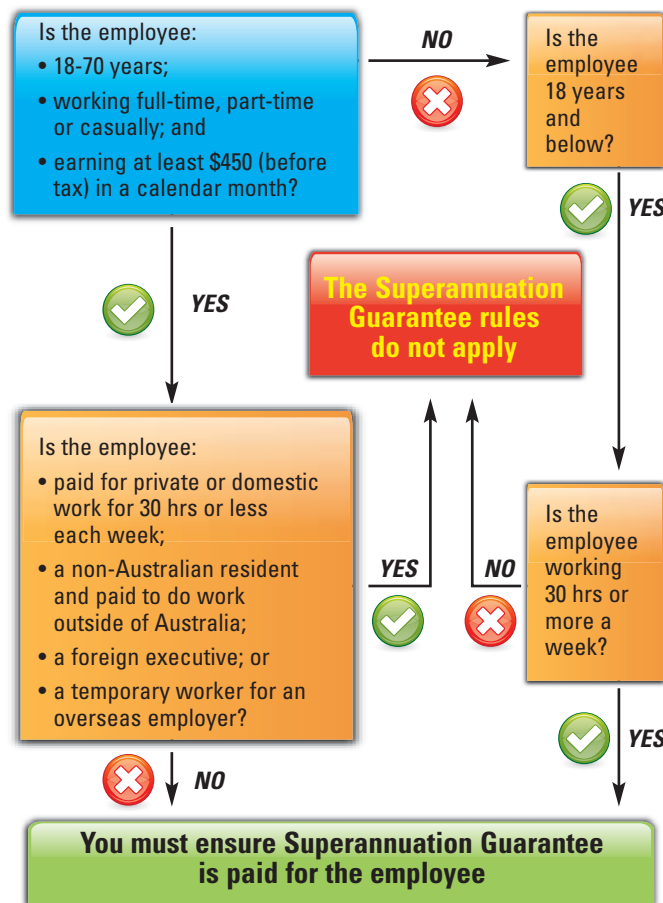
Superannuation support is also not payable on any excess over a "maximum contribution base" of \$38,180 paid to an employee in a quarter in the 2008/2009 financial year. That amount is indexed for each financial year.

The flowcharts below are intended to assist you in determining whether you are required to provide superannuation support for your employers and contractors. (Continued)

Quarterly Due Dates

Quarter Ended	Due Date for Contribution
30 September	28 October
31 December	28 January
31 March	28 April
30 June	28 July

Superannuation Guarantee for Employees:



Superannuation Guarantee

Ordinary Time Earnings

The table below provides a general guide to whether common payments are included in ordinary time earning (OTE) for the purpose of calculating an employee's minimum superannuation support.

Payment	OTE
Occasional overtime under an award	No
Additional hours to award under an agreement	Yes
Additional hours in an agreement over an award's ordinary hours	Yes
Varied ordinary hours in an agreement which includes regularly worked overtime	Yes
Piece rates — no ordinary hours of work stipulated	Yes
Piece rates based on 'cents-per-kilometres' stipulated in award (e.g. long distance truck drivers)	Yes
Allowance (other than an expense allowance or an allowance that is a fringe benefit)	Yes
Expense allowance	No
Danger allowance	Yes
Retention allowance	Yes
Reimbursement of expenses (if fully expended)	No
Petty cash	No
Reimbursement of travel costs (e.g. calculated using the 'cents-per-kilometres' method)	No
Annual leave	Yes
Maternity leave	Yes
Jury duty leave	Yes
Release from work duties on full paid leave (eg at the direction of an employer)	Yes
Bonus received as a reward for services provided, irrespective if the bonus was for long hours worked by an employee	Yes
Accrued bonus received as a reward for services provided in respect of ordinary hours of work	Yes
Bonus labelled as ex-gratia but in respect of ordinary hours of work	Yes
Christmas bonus	No
Bonus for completing specific training	No
Discretionary incentive payment	Yes

Carbon Emissions and How We Can Help

Most readers of "The Report" will have seen an ever increasing number of articles as to the effect carbon and its footprint is supposedly having on our globe.

These are often linked to the effects on weather and the world's changing weather patterns or alternatively to complex articles on new proposed legislation and its impact on how all businesses will trade in the future with an emphasis on carbon credit trading. Whether one is a believer in global warming or not what is abundantly clear is that the world is united in passing legislation to combat pollution, carbon emissions and their impact actual or perceived. The only issue yet to determine is how and when. But it will occur.

The calls to slow down the implementation of these regulations globally as the world economic meltdown continues at best will slow the processes but there is increasing evidence to show that responsible Governments in the developed world will continue throughout the current economic crisis to thrash out their legislative requirements in both a local as well as global context and then legislate commencement dates for these processes to commence.

The Australian Government is certainly one that has indicated the processes must continue and has signaled it intends to be a world leader and not follower in this arena.

Future articles in the report will try to cover different areas of this complex area. However as we all look to develop our businesses into the future it would pay many to consider the impact of likely new legislation and how this will impact on business development plans.

To ignore will result in many having an economic noose placed around their collective business necks in the not too distant future. Property developers are an industry that immediately comes to mind.

A new city fringe building being developed in Melbourne by Grocon was announced in late April on the old Carlton United breweries site. This will be the first of a new breed of environmentally friendly and sustainable buildings and despite an increased cost of 20% will be Australia's first carbon-neutral office building. The designers expect to offset the greenhouse emissions generated daily and, eventually, all carbon embodied in the materials used in its construction. The building is a step further than "carbon zero" projects by guaranteeing all carbon used in the construction of the office block would be offset over the life of the building, nominated as 50 years.

Carbon Emissions and How We Can Help

In the more immediate time frame there are plenty of simple things that can be attended to in most businesses to help reduce their carbon footprint and to help reduce the consumption of a diminishing supply of many resources. Eventually the adoption of these will help place those businesses in a better position to become part of a desired supply chain.

The Sothertons Melbourne office has implemented the following strategies to reduce their carbon footprint:

- The installation of light sensors across the whole floor resulting in lights automatically turned off if there is no movement in the area.
- The installation of carpets using recycled products during a refurbishment.
- The use of double sided printing wherever possible.
- The installation of an employee code on photocopiers to reduce unwanted copy errors.
- Recycling of computer and photocopying components.
- Disposal of old computer equipment to industries that recycle.
- Use of international and local web based systems to attend to both training and business related matters rather than flying.
- Computer screens are turned off at night thereby consuming far less energy.
- Air-conditioning/heating is turned off an hour earlier each night.
- Consolidation of businesses servers and reduction in numbers through efficiency.
- E-mailing correspondence rather than mailing via the post.
- The commitment by their Directors and team members to become a paperless office within two years through the introduction of new energy efficient computer equipment as well as the scanning of all documentation within the practice.
- Recycling of all paper throughout the office via confidential shredding and normal recycling processes.
- Waterless urinals in the men's conveniences.
- The installation of timers on electrical equipment including hot water units.
- Installation of energy efficient kitchen appliances.
- Installation of energy efficient printers and copiers that double as scanners at higher speed reducing the number of scanners and printers required throughout the practice.

Carbon Emissions and How We Can Help

- Using public transport to attend client meetings in the city and inner suburbs where practical.
- A greater use of telephone meetings with clients reducing the number of motor vehicle trips required.
- Consideration as to where face to face meetings of partners/directors are required within Australia so that the destination chosen results in fewer partners/directors flying long haul flights. ■

As part of addressing the carbon emissions issue, the Melbourne office of Sothertons has formed an alliance with Pyksis to help various industries in monitoring and verifying the requirements under proposed legislation as well as offering advice to clients as to how to direct their future projects with the legislative requirements in mind. These will be the subject of future articles and seminars. We expect this alliance to encompass all Sothertons offices in the near future.

Government to Delay Emissions Trading Scheme



The Federal Government has delayed the introduction of its controversial emissions trading scheme (ETS), pushing back the start date from 2010 to 2011.

Prime Minister Kevin Rudd announced the changes to the scheme on 4th May 2009. This follows concerns expressed by business groups and big polluters that introducing the scheme in the midst of a downturn would hurt the economy.

The Government will now introduce the scheme on 1 July 2011, and a fixed-price will apply for businesses for a one-year period ending 1 July 2012.

Businesses can purchase permits for \$10 per tonne of carbon in 2011 – 12, down from the Government's initial pricing of over \$20 per tonne, with full-market trading to commence on 1 July 2012.

The Government will also introduce a new target of cutting emissions to 25% of 2000 levels by 2020, if a worldwide agreement is reached to reduce carbon pollution to just 450 parts per million at a climate change conference in Copenhagen later this year.

The Government had originally committed to cutting emissions by 5% to 15% of 2000 levels by 2020, and was set to introduce legislation to support its Carbon Pollution Reduction Scheme in June. ■



Government Superannuation Co-Contribution Payment

Certain low-income earners (including self-employed persons) may qualify for a government superannuation co-contribution payment (up to \$1,500 per annum).

The checklist opposite will assist in determining your eligibility for the co-contribution payment.

Amount of Co-Contribution

The amount of co-contribution is equal to 150% of the sum of eligible personal superannuation contributions up to a maximum of \$1,500 per annum for a \$1,000 personal contribution. The maximum amount is available to all qualifying persons whose total income for an income year does not exceed the lower threshold (see below).

For qualifying persons whose total income exceeds the lower threshold but below the upper threshold (see below), the co-contribution tapers out at a rate of \$0.05 for each whole dollar of income.

For a self-employed individual, the total income will be reduced by amounts for which the individual is entitled to a deduction as a result of carrying on a business.

Government Co-Contribution for 2008/09

Assessable Income Plus Reportable Fringe Benefits (AI)	Maximum Government Co-Contribution Payment
\$0 – \$30,342	\$1,500
\$30,343 – \$60,341	$1,500 - ((AI - 30,342) \times 0.05)$
\$60,342+	\$0

(Continued)

Question	Yes	No
1 Have you made one or more eligible personal superannuation contributions (excluding salary sacrifice amounts) to a complying superannuation fund or retirement savings account (RSA) during the income year for which no deduction will be allowed? • If YES, proceed to Q2. If NO, you are NOT ELIGIBLE for the co-contribution payment.		
2 Will you derive at least 10% of your total income, that is, assessable income and reportable fringe benefits, from the carrying on of a business? Alternatively, will at least 10% of your total income attributable to activities that result in your being treated as an 'employee' for superannuation guarantee purposes? • If YES, proceed to Q3. If NO, you are NOT ELIGIBLE for the co-contribution payment.		
3 Will your total income for the income year ended 30 June 2009 exceed \$60,432? • If YES, you are NOT ELIGIBLE for the co-contribution payment. If no, proceed to Q4.		
4 Are you aged 71 or under on 30 June of the year in which the contributions are made? • If YES, proceed to Q5. If NO, you are NOT ELIGIBLE for the co-contribution payment.		
5 Are you aged between 65 and 70 on 30 June of the year in which the contributions are made? • If YES, proceed to Q6. If NO, proceed to Q7.		
6 Are you in gainful employment for at least 40 hours in a period of not more than 30 consecutive days in the year in which the contributions are made? • If YES, proceed, proceed to Q7. If NO, you are NOT ELIGIBLE for the co-contribution.		
7 Are you a holding a temporary resident visa for the income year? • If YES, you are NOT ELIGIBLE for the co-contribution payment. • If NO, you may be eligible for the co contribution, subject to the lodging of your tax return for the year.		

Please contact us to seek advice on any issues raised here. ■



Under Occupational Health and Safety legislation in the various Australian jurisdictions, the definition of health either explicitly or implicitly incorporates consideration of psychological health of employees.

Although this data relates to the period up to the 2004-05, the figures for mental stress claims have increased substantially over the last 4 years.

All organisations therefore have a duty of care to manage the risks associated with psychosocial or physical hazards that may lead to stress related illness in their workplace(s). Apart from the legislative requirements, stress related illness can have adverse organisational impacts on workplace and work-team relations, productivity, quality, absenteeism, employee turnover, customer and client complaints and workers compensation claims.

The significance of the impact of stress-related illness on Australian workplaces is illustrated through an examination of workers compensation statistics.

(Continued)

According to the Compendium of Workers' Compensation Statistics Australia 2004-05, the number of new claims categorised as mental stress increased by 83% between 1996-97 and 2003-04 compared with a decrease in total claims of 13% over this time period.

Mental stress accounted for 6% of all new claims in 2003-04 compared to 3% in 1996-97. In terms of the cost of Workers Compensation claims, in 2003-04, the time lost from work and direct costs associated with mental stress were approximately double that for all new claims.

The Mechanism of Psychological Injury

The World Health Organisation defines stress as “the reaction people may have when presented with work demands and pressures that are not matched to their knowledge and abilities and which challenge their ability to cope”.

This experience of stress may lead to a physical, psychological or social injury that is compensatable under the workers’ compensation legislation in the various states.

Psychosocial Hazards

Psychosocial hazards can be defined as “those aspects of work design and the organisation and management of work, and their social and environmental contexts, which have the potential for causing psychological or physical harm”.

Some examples of psychosocial hazards include work context issues such as organisational culture and function; interpersonal relationships at work; role in the organisation; career development, status and pay; home/work demands; participative decision-making and control over work.

Work content issues include content/demands of work; workload/work pace; work schedule/working hours and the physical work environment and equipment. A risk management approach is a primary intervention that targets these stressors to reduce the number of employees experiencing harmful levels of stress.

Risk Management Approach

A risk management approach has been found to be effective when applied to work groups within an organisation. This enables organisations to develop targeted strategies to improve people-related outcomes.

1. Hazard Identification – A Customised Approach

Large, Complex Organisations

For larger or more complex organisations, organisational data can be used to identify potential problem areas in the workplace. For instance, employee opinion surveys have been specifically developed to identify psychosocial hazards that may cause employees to experience harmful levels of stress.

This approach can be supplemented through the examination of other workplace data such as staff absenteeism, staff turnover and workers compensation claims to establish areas of concern.

Small, Less Diverse Organisations

Smaller or less diverse organisations, where problem areas may be well-defined, can use focus groups or work teams to identify psychosocial hazards, their key causal factors and work locations.



2. Risk Assessment

Work group consultation is essential in determining how the psychosocial hazards occur in the workplace, the frequency and duration of exposure and any evidence of adverse health effects experienced by members of the group. Depending on the size of the organisation, either an entire work group may be involved in this process or individuals from the work group may be selected to form focus groups. Ideally, these groups should involve between 6 and 10 participants. A facilitator is used to run the focus groups and guide the participants through the issues to be explored and the development of an action plan.

3. Risk Control

An action plan should consider the following levels of intervention:

Primary Intervention

Primary intervention involves addressing the psychosocial hazards that have the potential to cause psychological, physical and behavioural harm to employees by developing solutions to minimise exposure to the identified workplace factors (“stressors”). For example, if the identified stressor is a lack of control over the work that employees are undertaking, possible solutions may include:

- The development of supportive leaders who delegate and encourage participative decision making, allowing employees to use their initiative.
- The use of team projects to foster participative decision making and encourage employees to use their initiative.
- The use of regular team meetings to provide a forum for employees to participate in decisions that concern their work.
- The development of consultative mechanisms that enable participation of employees in broader organisational issues.

Secondary Intervention

Secondary intervention involves minimising the impact of stress on employees by identifying the precursors to harm and intervening early to ensure that individuals are better able to cope through the provision of stress management techniques, health promotion programs or employee assistance programs:

- Stress management techniques may include: relaxation techniques and/or the development of skills in time management, project management or conflict resolution.
- Health promotion programs may include: health screening e.g. blood pressure; fitness programs including gym memberships etc.; healthy eating programs and quit smoking programs. These should be customised to meet the needs of staff.
- Employee assistance programs provide employees with access to short-term, confidential, professional counselling.

Tertiary Intervention

Tertiary intervention involves implementation of safe and effective rehabilitation and return to work strategies. It is important to provide immediate and supportive action. This should include:

- Early contact with the employee to offer assistance.
- Early and expert assessment to identify the particular needs of the employee.
- Access to effective medical treatment if required.
- Involvement of the employee and supervisor to develop an agreed return to work plan.
- Flexibility in the return to work plan, which may include alternative duties, changes to work scheduling or changes in work methods.

(Continued)



Supervisors may require additional training to develop:

- The capability of recognising the precursors to psychological, physical or behavioural harm to facilitate early intervention.
- The skills to implement an effective return to work plan.

4. Monitoring & Review

Monitoring and review of the implementation of the action plan will facilitate continuous improvement in the process. This will assist in identifying and addressing barriers to implementation and refining the strategies to achieve effective solutions.

Where to from here?

Stress-related illness is a contemporary health issue that organisations have a legislative duty to manage. Utilising a risk management approach is an effective strategy for developing targeted solutions to improve people-related outcomes.

A key focus should be on developing upstream interventions to address issues at the organisational level.

Such strategies may include developing skills in:

- Supportive leadership
- Communication
- Alignment of organisational and individual goals
- Conflict resolution
- Balancing home/work demands
- Creation of clear career paths
- Provision of role clarity
- Matching the skills of employees with job demands.
- Participative decision-making.
- Work scheduling.
- Managing change.

Nonetheless, secondary and tertiary intervention approaches are important strategies in minimising impacts and providing a supportive environment to enable safe and effective return to work. ■

What Are You Sitting On?

Many jobs require a lot of sitting, which isn't the best thing for your back. In fact, sitting – even with good posture – puts more pressure on your back than standing.

This pressure is hard on your spinal column and nerves of your lower back. When we have poor posture, the pressure is even worse. We then place real strain on the ligaments of our lower backs.

Many muscles are involved in sitting. Back and abdominal muscles help us to bend and twist, but they also help to hold us upright. If these muscles are weak, it can be tricky holding a good sitting posture for a long time.

Sitting for long periods of time can also decrease blood flow to the muscles that are trying to hold us upright. Without good blood flow, our muscles can get tired.

Having tired muscles makes us more likely to slouch or sit with poor posture. This poor posture further decreases blood flow, making muscles even more tired and increasing the strain on our back. So, the longer you sit, the worse the problem!

What's the answer?

Stand and move around. Getting off that chair is the best thing you can do for your muscles and lower back. Also, your chair and backrest have to be adjusted at regular intervals as they loosen up over time.

Fingers, hands, arms, and torso need to be stretched periodically and you need to stand up, stretch your back muscles, and stroll around for a few minutes now and again.

An office chair that fits you properly, and gives your lower back support is best for your posture during long sitting sessions.



Active Sitting

The key to getting your core muscles working and increasing their strength is to try "active sitting." Active sitting is sitting with "super-powered" posture.

- Put your feet flat on the floor.
- Sit as tall as you can.
- Straighten your back.
- Puff out your chest.
- Pull in your chin slightly.
- Push your shoulders down.
- Move your shoulder blades closer together.

Sitting this way means that you're working your muscles, no matter where you're sitting. The more you practise active sitting, the easier it will become.

So, you'd like to sit on an exercise ball at work?

Keep in mind some safety issues.

The ball isn't for everyone.

The ball isn't the best choice for you if you:

- Suffer from balance issues.
- Have osteoporosis.
- Already have lower back pain.

If you have any of the issues above, talk with your doctor or physiotherapist before sitting on an exercise ball.

Check out your office space.

Do you have space for a ball and a chair? You still need to have a good chair to use for most of your workday. Do you have a space to tuck the ball away, so it's not in your way? The ball can very easily become a safety hazard if you're constantly stepping over or around it. Talk to your manager or supervisor. Perhaps there's a place you can keep your ball when you're not using it.

Finally, make sure you have the right size ball. Your knees should be at a right (90 degree) angle when you sit on it. Sitting on too small or too large a ball may affect your balance and your ability to sit safely.

The exercise ball isn't a magical cure to improve your posture and muscle strength at work. To help control your posture, sit on an office chair with good lower back support most of the time. ■



Sothertons Melbourne 30th Celebrations (Continued)



a real melting pot of people – vital ingredients that have well served the firm and its clientele. It's interesting to note that the function of a melting pot is to blend all available ingredients so that they appeal to as many people on many different levels.

Today that melting pot continues to bubble away, at times a little strained but usually harmoniously – a true testament to the multiracial society we live in.

As a result of the people that make up its very fabric, their differences and the cultures they all bring, our firm and its good name is very much a reflection of its people, past and present.

It is hoped that Sothertons Melbourne will maintain the principles of its past, successfully deal with the hurdles the present times have foisted upon us and look to a long term future that will be as fascinating and rewarding to the current, as well as to the next generation of clients, team members and up and coming directors. //

David Lissauer. ■



Sothertons Melbourne 30th Celebrations (Continued)



Clients who attended on the night were presented with a copy of "Lygon St. – Stories and Recipes from Melbourne's Melting Pot" by Michael Harden echoing the development of the firm over the previous 30 years as outlined by Director David Lissauer in his speech.



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