



## Flood Assistance Grants: Find out if you're eligible.

Special disaster flood assistance grants of up to \$25 000 are available to help Queensland primary producers, small businesses and not-for-profits who have been affected by the November-December 2010 floods (including those in January 2011). These grants are available under Natural Disaster Relief and Recovery Arrangements (NDRRA) and will help eligible applicants to pay for costs arising from flood damage. Download the [Govt. Flood Assistance PDF](#) to see if you're eligible...

**February 2011**

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## Changing rules for trusts

A lot of family businesses use discretionary trust structures. These have been popular because they provide both a level of risk management, separating the business from your personal assets, and are also quite tax efficient. A discretionary trust allows the trustee to appoint the income of the trust (this is typically the profit of the business) to any of its beneficiaries in the proportions that it determines from year to year. The entitlement of the



## Social media: the good the bad and the ugly

Social media allows every comment, word, thought, and rant of an individual to be accessible to the world. Everyone can have a say and much of what is said is often given credence regardless of the source or weight of evidence. At its best, social media gives every David a forum to beat Goliath. At its worst, the faceless pseudonym driven world of social media can be used to destroy reputations or spread misinformation either by intent or sheer ignorance. As a business and employer, the question is, is social media a threat or an opportunity and how paranoid should you

be?

## Social media and your team

Aggrieved or just plain naive employees have the capacity to turn a bad day at the office into a brand embarrassment.

Take the example of the 13 Virgin Atlantic crew members who used facebook to insult passengers (calling them “chavs”) and generally complain about the airline. In a statement, Virgin Atlantic confirmed that “13 members of its cabin crew will be leaving the company after breaking staff policies due to totally inappropriate behaviour.”

The BBC reported the case of a Swiss woman fired by Nationale Suisse for using facebook on the day she called in sick with a migraine saying she had to be in a darkened room and could not use her computer. Allegedly, another employee alerted the company to the fact that she was using facebook that same day.

Australia is not isolated from the facebook firing phenomena. In a recent case before Fair Work Australia a hairdresser successfully won her case for wrongful dismissal after her employer fired her for, amongst other things, comments she made on facebook stating “Xmas bonus alongside a job warning and no holiday pay!!! Woohoo the hairdressing industry rocks man!!!”

In the [decision](#), Fair Work Commissioner Bissett said that “What might previously have been a grumble about their employer over coffee or drinks with friends has turned into a posting on a website ....Posting comments about an employer on a website (Facebook) that can be seen by an uncontrollable number of people is no longer a private matter but a public comment....A Facebook posting, while initially undertaken outside working hours, does not stop once work recommences.”

Despite this, Fair Work Australia saw that the comments made by the hairdresser “were silly in the context of being made in a public forum” but not damaging to the hairdressing business.

As an employer, the question of how to protect your corporate image without impinging on your employees personal lives is vexing and remains largely unanswered. *Continued over the page*

Any form of investment whether it’s in technology or in time needs to have a clear and measureable objective. Social media is an untamed beast. Does your business have the time and resources to measure and manage what is being said 24/7? If you have a

beneficiary is not fixed, rather it is a decision of the trustee each year. Normally the trustee is either the key person in the business or a company controlled by this person. In a typical family situation, Mum and Dad may be the trustees or directors of the trustee company. Using this structure business owners have the flexibility to distribute income in the most tax efficient way. None of this has changed.

A common technique employed by a lot of trusts was to appoint some of the income to a related company. Normally, this was done where the other beneficiaries had received income for the year that would take them past the 30 cent in the dollar tax rate and by appointing this excess income to a company the family could limit its immediate tax cost at 30 cents in the dollar. It was also common for trusts to appoint this income to the company but perhaps not pay all or any of this income over to the company. It created a debtor creditor relationship between the company and trust which is called an unpaid present entitlement. This simply means that the company is entitled to the money but it was not paid at the time.

For more detailed advice on what these changes could mean for you email [Ben Fitch](#) from [IMPACT Accounting Solutions](#) or call 07 5530 6395.

blog or are on twitter, do you have the resources (and enough to say that is valuable) to maintain consistency? The online community are understandably cynical of business and their desire to simply spin –they can get that from the mainstream media.

The Commonwealth Bank found this out when a customer, a journalist, used twitter to vent her frustration at delays in the bank’s mortgage processing centre. She then reported in [news.com.au](http://news.com.au) the fact that 1 hour and 17 minutes later she was “contacted by someone offering to help to solve my problem.” The journalist then states that the bank had said it would continue to “reach out to customers via social networking.” So, is the bank acting on twitter posts? Apparently not. Not long after this story broke, a [US blogger](#) pointed out that the tweet responding to the journalist’s complaint was not from the bank “reaching out” but from a private employee who appeared to work for the bank (the tweet was from @ozdj not @CBAOnline).

There are business operators that actively use social media to their advantage. Virgin America states that it uses social media to boost its brand presence, allocating up to 70% of its advertising budget to the format. It’s a good match for a business that sells the vast majority of its tickets online. In Australia, there was the Tourism Queensland’s “[Best job in the world campaign](#)” that primarily used social media (as part of an integrated strategy) that attracted 8.4 million site visits.



## Deductions for study expenses

Taxpayers who received youth allowance to undertake full-time study and incurred study expenses are now eligible for a deduction from the ATO.

We will amend these assessments to include a deduction of \$550 for each year they are eligible. Eligible taxpayers are those who lodged a tax return for each year and:

- received youth allowance to study full-time and declared it on their tax return
- did not claim a deduction for these expenses, and
- paid tax.

Further information is available at [www.ato.gov.au/studyexpensechanges](http://www.ato.gov.au/studyexpensechanges)

## Quote of the month

“All you need is love. But a little chocolate now and then doesn’t hurt.”

*Charles M Schulz*

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