

GNS Profit Builder

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MEMBER



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CONGRATULATIONS LINDA BRIERS!

As many of you will have already heard, our Financial Planner, **Linda Briers**, has achieved the rare distinction of being named one of Australia's top Financial Planners by the Australian Financial Review.

"Masterclass for Financial Planning" is an examination for financial planners conducted annually and each year the top 50 achievers in Australia are recognized for their outstanding performance. Linda is one of only 12 Victorian financial planners to make it into the Australian Top 50.

You may not be aware, however, of Linda's areas of expertise: retirement income planning; self-managed super funds; and wealth creation strategies.

Everyone needs financial planning advice at some point of their lives, never more so than in the years leading towards retirement. We live in an increasingly complex world where the rules and regulations relating to taxation and superannuation have long since become incomprehensible to the man in the street. Charting a course through this regulatory minefield, making the right investments and tying it all together into a comprehensive plan for your estate is not a trivial task. Getting appropriate advice is crucial to ensuring you achieve your goals.

Most people don't plan to fail but most people fail to plan. So why not make a start this year and formulate a strategy: set a timeframe, define clearly the goals you want to achieve, determine the level of risk you're prepared to accept and let 'top 50 Linda' draw up a plan for your future peace of mind.

To discover how Linda can help you achieve your personal financial goals, call her today on (03) 9499 7444.



Linda Briers

What is the Masterclass?

The Masterclass for Financial Planning, hosted this year by AFR 'Smart Investor', has been running for 7 years now. It is an on-line examination that tests financial planners on their technical knowledge of tax, superannuation, Centrelink, asset allocations and other financial planning strategies. As part of the examination, candidates are required to apply that knowledge to specific real-world case studies, simulating the work they do every day with clients and their unique sets of requirements.

For a more detailed account of the examination process and a complete set of Australia-wide results, see the 'Australian Financial Review Smart Investor' magazine, February 2006 edition.

Land Tax Surcharge for Trusts

The Victorian Government has legislated a further tax impost on property. With effect from January 2006, a land tax surcharge will apply to all property held in a trust where the aggregate value is between \$20,000 and \$2.7 million. The new tax will be charged at 0.375% of the property value.

As a transitional measure, trustees of existing discretionary trusts will have a one-off opportunity to nominate a beneficiary of the trust for land tax purposes. If a nomination is made, the trustee will be assessed at ordinary land tax rates on trust property acquired on or before 31st December 2005. All purchases of land in a trust after this date will incur a tax on that land at the surcharge rate.

Trustees will be required to lodge two forms with the Victorian State Revenue Office to avoid the new surcharge. A 'Notification of Lands Held in Trust' form must be returned by March 31st 2006. Then a 'Nomination of Nominated beneficiary' form will be required to be lodged by 30th June 2006.

If you have property held within a trust, you need to consider the appropriate beneficiary to nominate and how that will affect the nominated person.

If you would like to lodge these forms yourself, please find the relevant information at the Victorian State Revenue website: www.sro.vic.gov.au. (Please advise our office if you choose to lodge the forms yourself).

If you would like GNS to lodge these forms on your behalf, you will need to contact us by Friday 10th of March. We anticipate that some discussion will need to take place between us prior to lodging the forms to make sure that the most appropriate person is selected as the nominated beneficiary.

For more information or to arrange an appointment, please call Anthony on (03) 9499 7444

Recent Changes to Super that could benefit You!

According to the Australian Superannuation Fund of Australia (ASFA), Australians should be aiming for a savings target of at least 12-15% of their salary over at least a 30-year term. With compulsory employer contributions at just 9%, this means you can't afford to neglect your retirement planning needs indefinitely

Abolition of superannuation surcharge: Contributions to super are now only taxed at 15%, so if you are on the highest marginal tax rate and can afford to put additional amounts into superannuation you will be immediately 33.5% ahead on your investment within super compared to the same investment outside of super. Salary sacrificing to super makes sense.

Superannuation Choice: Most employees can now decide where they have their super invested.

Superannuation is generally the second biggest asset people own after their home. See if you are eligible to choose and then compare your current super fund – the fees, the fund's investment style and importantly, the insurance benefits. Alternatively, if you have a large super balance and have the time and skills, consider a Self Managed Super Fund.

Super Splitting: Australians now have the ability to split super contributions made after 1 January 2006, with their spouse. If your spouse has minimal super or does not work, splitting contributions can help minimise tax and also maximise retirement income. It also has the ability to allow couples to access two Reasonable Benefit Limits (RBL), and provide more tax-free super. Seek advice on the complexities as your existing super fund may not offer this opportunity.

Retirees- Term Allocated Pensions: From 1 January 2006, the term of a Term Allocated Pension (TAP) can be extended to allow payments to be made until age 100. If you are approaching retirement or are already retired and are worried about outliving your capital, consider a new TAP. TAPs now provide extra flexibility and protection against longevity risk and can assist those wanting to access the Age Pension or the Pension RBL. Those already retired can rollover into a new TAP. Beware that not all providers may offer these enhancements.

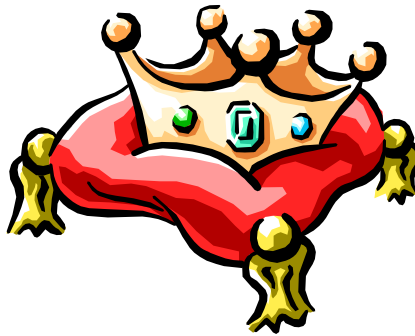
Over 55 and still working: 'Transition to retirement' pensions are now available to those who have reached 'preservation age' but who are still working. If you are over 55 and working, but need extra income, a 'transition to retirement' pension can supplement your employment income. They can also be used together with a salary sacrifice strategy to minimise the tax you pay. Seek advice on the complexities.

Low-mid income earners - Government Co-contribution: If you earn less than \$58,000, the Government will match your undeducted contributions up to a maximum co-contribution of \$1,500. If you are in this income bracket and want to direct more funds into your super, consider taking advantage of this Government initiative. Particularly attractive for those working part time or approaching retirement.

To find out more, call Linda on (03) 9499 7444.

Succession Planning Doesn't Have to Be a Disaster

You may have plenty of thoughts about how you will spend your retirement...visits with the grandchildren...trips across country, days on the golf course. But have you thought about your business? Did you know that barely 30 percent of family businesses survive into the second generation and fewer than 15 percent of them endure into the third? A lack of solid vision and succession planning will prevent your business from making it into that 30 percent. It's important not to see your retirement as an event but as a process that your business must go through. Typical succession plans have two important elements to consider:



Transferring power-consider who is best suited to have control over and make decisions about how your business operates. While you may want your family members to receive the wealth concentrated in the business, you may not have a family member who is qualified or who wants to run your business. Identifying someone who can run the business and continue your

vision is not a decision to be left to happenstance or successful schmoozing. Exercise care and consider what qualities make a good leader, who demonstrates those qualities and who is really qualified to run your business.

Transferring assets-this is the process of transferring your wealth from the business to any designated family members etc. The beneficiaries may be different from the people to whom you have decided to transfer power, so this will require explicit instruction and planning.

If you would like more information, feel free to contact us. We can assist in a smooth transition to retirement

Test Your Customer Loyalty Programme

While you may have loyal customers, you can't become lazy or complacent. Schedule a regular check up of your customer loyalty program. You can use this test as a guide.

1. Have you introduced all of your employees to the meaning and importance of customer loyalty?
2. Are customer loyalty goals built into employee performance and compensation plans?
3. Do you have a way to evaluate and review loyalty rates regularly?

4. Do you reinforce the company's commitment to loyalty by posting the rates for everyone to see?
5. Is your team involved in the deployment and maintenance of the loyalty program?
6. Is there an assortment of marketing, selling and customer-care tools aimed at cultivating loyalty at each customer stage?
7. Have you identified the five biggest loyalty breakers in your company and develop and execute plans for eliminating them?



8. Do you continually look for ways to modify and fine-tune your loyalty program?

Some important dates for your diary....

- 28/2/06 - Oct-Dec 05 activity statements - due and payable
- 28/2/06 - 2004/05 Annual GST return - lodgement & payment
- 28/2/06 - Tax return due & payable for company & super funds which are new registrations
- 21/3/06 - Feb 06 monthly activity statement due & payable
- 31/03/06 - Victorian Trust Land Tax return & individual nominations due for lodgement
- 28/4/06 - Jan-Mar 06 activity statements - due and payable
- 28/4/06 - Super due for Jan-Mar 06 quarter
- 21/5/06 - 2005/06 FBT return due & payable
- 21/5/06 - April 06 monthly activity statement due & payable

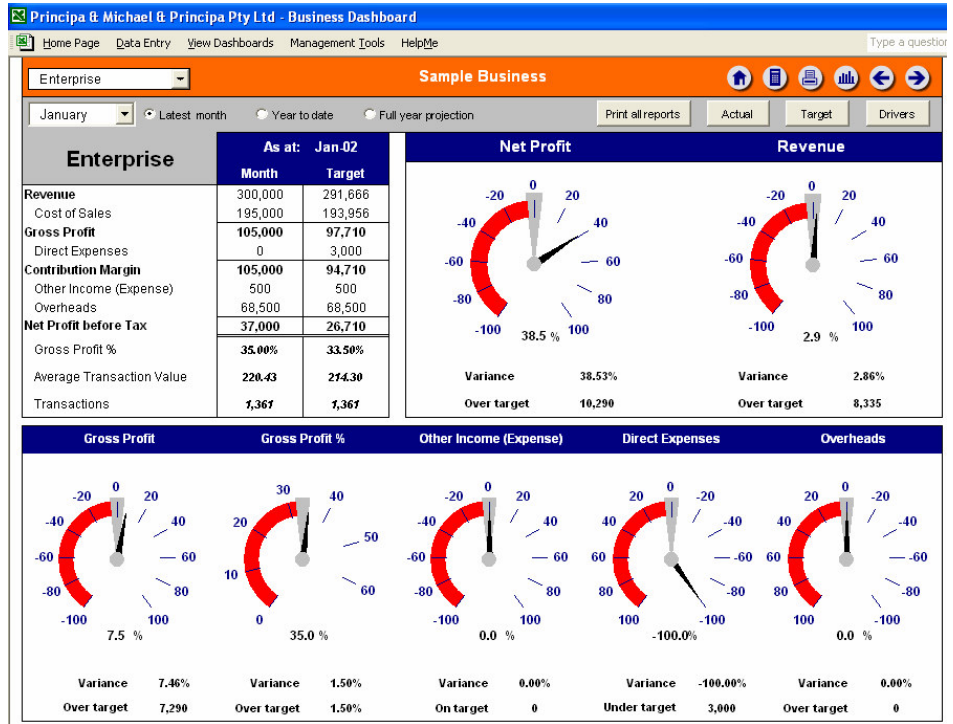
DIGITAL DASHBOARD

A better way to monitor your business performance

A new software package from Principa, available through the GNS Group, gives you a simple one-page overview of your business key performance indicators.

We are all constantly bombarded with information, data, numbers, results and condensing everything into a simple and easily-digestible format is a constant challenge! Principa's DashBoard™ business tracking software is first in its class when it comes to helping you run a more profitable business. It is one of the leading edge business tools available today and in conjunction with other resources and processes available it can put you in the driver's seat to take your business from good to great.

DashBoard™ draws data from Principa's outstanding GamePlan™ software. Targets are initially set through the What If Analysis, then transferred to the Profit and Cash Flow plan to fine tune monthly targets. DashBoard™ then provides you with a high level assessment of the profit and cash flow implications of different sets of assumptions. Once you have set your assumptions and planning targets GamePlan™ will produce the relevant Balance Sheet, Income Statement and Cash



Sample Digital Dashboard screen with business indicators clearly and concisely displayed

Reconciliation based on those targets. Targets are then transferred to the Profit and Cash Flow plan where seasonal adjustments and fluctuations can be made. Targets are then exported to the Business DashBoard™.

You can save up to 5 different scenarios and view them side-by-side to compare different business strategies and facilitate better

decision-making.

The software is easy to install and easy to use but it will become an invaluable tool for planning and monitoring the performance of your business.

For more information or to arrange a demonstration, talk to Danny on (03) 9499 7444

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