



Key Administration
SOLUTIONS

▶ Christmas Closures, Parties and Gift - do you know the ATO rules?

▶ Are you using Receipt Bank? And Bank Statement Fetch?

▶ BAS Time – is yours lodged? If not what are we waiting for?

Financial *focus*

IN THE LEAD UP TO CHRISTMAS WE LAUNCH OUR VERY FIRST QUARTERLY NEWSLETTER - OUR AIM IS TO KEEP YOU INFORMED AND COMPLIANT.

It's been a really busy year again at Key Admin and to round the year off the team are heading out for a scrumptious Christmas Dinner and a live band. What are your plans and do you know the rules?



Gifts, Christmas Parties, GST and Deductions

Claimable deduction and GST (if appl.)

Non-entertainment gifts qualify as a deductible expense and are not subject to fringe benefits tax (FBT) if their value is less than \$300 per employee (including GST). Examples of “**non-entertainment**” gifts include: food hampers, flowers, clothes, sports watches, skincare/beauty products, perfume, wine, and gift certificates.

Gifts for customers, suppliers, and volunteers are also a deductible expense, so long as they are not excessive or overly valuable. This is not clearly defined, so we advise that you exercise conservative judgement when making a call.

For the entire cost of a Christmas party to be a deductible expense, and for your employees to avoid being liable for fringe benefits tax (FBT), your Christmas party must meet the following criteria:

- ✚ Held on your business premises
- ✚ Held on a working day
- ✚ Held for current employees, volunteers, customers, and suppliers only
- ✚ No alcohol
- ✚ Only finger food or a light meal provided
- ✚ No employee associates (e.g. spouses, children, etc.) present

Non-claimable and no GST

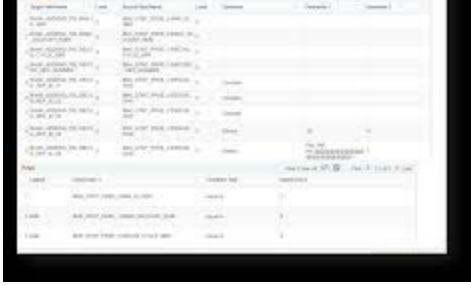
Entertainment gifts for employees, such as tickets to the cinema, theatre, or a sports event, are not deductible and you **cannot reclaim GST**, regardless of price. (However, note that a \$50 gift voucher for the cinema is deductible, while an entry ticket worth \$50 is not.)

When it comes to work Christmas parties and deductions, one important factor to consider is whether your party involves “**entertainment**” or not. For taxation purposes, it is entertainment and not deductible if:

- ✚ Alcoholic drinks are served, regardless of the venue
- ✚ It's held at a restaurant or café
- ✚ It's held at a sporting venue, theatre, cinema, or night club

And if a Christmas party includes any of the following elements, the entire cost is non-deductible:

- ✚ Alcohol is served
- ✚ Employee associates (e.g. spouses, children, etc.) attending
- ✚ Held at a location other than your business premises



DID YOU KNOW THAT SOMETIMES BANK FEEDS GO WRONG?

With Receipt Bank's easy submission methods you'll never lose another receipt or invoice. You will save time as you no longer have to make trips to drop off your paperwork! There's a whole range of ways to submit and you can choose whichever methods that suit your businesses workflow:

- Receipt Bank App (iPhone & Android)
- Email
- Post
- Dropbox

...and many more

By signing up on our account we can use the Fetch feature to automatically receive copies of your business bank statements without having to ask you!

At Key Admin we are always looking for ways to make our clients' lives easier. One of the ways we can do this is to use Receipt Bank, the award-winning add-on that automatically converts all your invoices and receipts into data, making it easy for you send your financial information straight to us.

**EASIER FOR US,
EASIER FOR YOU!**

**TALK TO US ABOUT
GETTING ON BOARD**

SEPTEMBER BAS IS DUE 25TH NOV

**YOU MAY HAVE ALREADY RECEIVED YOUR BAS
AND PAYMENT FORM FROM US BUT
IF WE HAVE CONTACTED YOU FOR MORE
INFORMATION PLEASE HELP US TO LODGE
ON TIME BY GIVING US THE NECESSARY
INFORMATION TO MAKE YOUR LODGEMENT
ACCURATE.**

Have you checked out our website lately? If not visit us at www.keyadmin.com.au

Welcome to our newest team members –

Pauline – Senior Bookkeeper
Michelle – Operations Administrator
Mary – Senior Bookkeeper/Management Accountant

Key Administration Solutions Pty Ltd
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Christmas Closures

Key Admin will close at lunch time on Friday 21st December and will re-open with limited staff on the 2nd January 2019.

If we run your payroll please kindly check in with your Bookkeeper by **Friday 14th December** to arrange for **holiday pays** to be prepared in advance over the public holidays.