Mclowd™

RELEASE NOTES

MARCH QUARTER 2020

Document version control

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CONTENTS

1. INTRODUCTION

These Release Notes summarise the product improvements and bug fixes released during the most recent quarter.

It is designed as a summary only.

For more detailed information, please refer to the relevant section of the User Manual, or contact the Support Team.

2. ACCESS

Mclowd provides three versions of its SMSF accounting software under a freemium licensing model:

- Free Forever
- Pro
- Premium

Unless otherwise stated, all improvements are available in all versions.

3. FUND SET UP

The Fund set up process has been completely rebuilt, providing a more structured and intuitive process for migrating an existing (or brand new) fund into Mclowd.

STEP	OPTIONS	ACTION	STATUS	DESCRIPTION
Fund Details	Please Select	SAVE	✔ Completed	Enter fund details, including ABN and financial year for which you want to start using Mclowd.
Member Details		EDIT	✔ Completed	Add and review Fund Members and their accounts.
Member Opening Balances		EDIT	✔ Completed	Add Member Opening Balances including taxation and preservation amounts.
Prior Year Losses	Please Select	SAVE	✔ Completed	Add Tax Losses Carried Forward and Capital Losses Carried Forward for financial years prior to migration.
Bank Accounts		EDIT	✔ Completed	Add and edit Bank Account information for accounts owned at the time of set up.
Investments	Please Select	SAVE	✔ Completed	Add Opening Balances for Assets owned at the time of set up.
Revaluation at Migration	Please Select	SAVE	✔ Completed	Investment value of assets of 30-Jun at time of migration.
Add Receivables / Other Assets	Please Select	SAVE	✔ Completed	Add Receivables at time of setup e.g Distributions Receivable.
Add Liabilities	Please Select	SAVE	✔ Completed	Add Liabilities at time of set up e.g. Tax Payable.
Income and Expense Balances		EDIT	✔ Completed	Add Income and Expense balances for the previous financial year.
Review and Close Financial Year		EDIT	✔ Completed	Review and close the Financial Year for the opening year of the fund's migration into Mclowd.

To help users with the migration process, links to migration support, the user manual and services marketplace have also been added to the interface.

Migration Support		GO		Mclowd now provides Migration Support.
Help Centre User Manual		GO		Read about all of the fund setup topics in our Help Centre.
Marketplace		GO		There are dozens of qualified professionals available in the Marketplace who can take the hassle out of your migration.

4. MEMBER PAYMENTS PROCESSING

A member account administration page has now been released to help users manage member accounts more easily.

This page allows users to record the following:

- pension establishment from accumulation balance

- pension payments

- lump sum withdrawal

- rollover out

- internal transfer

- pension rollback

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The following upgrades have also been released for member benefit payments:

- In line with ATO rules on SMSF, a more detailed condition of release has been added which can be accessed upon pension establishment and lump sum withdrawals:

Condition of Release	Select ▼
	Select
	Attained 65 years old
	Attained preservation age
	Compassionate Grounds
	Contribution Splitting
	Family Law Payment
	Financial Hardship
	First Home Super Saver Scheme
	Not applicable
	Pay Division 293 Tax
	Paying Excess Contributions Tax
	Permanent Incapacity
	Refund for Excess Concessional Contributions
	Refund for Excess Non-Concessional Contributions
	Refund for Overpayment of Co-Contributions
	Retirement
	Rollover
	Temporary Incapacity
	Terminal Medical Condition
	Terminating Employment >= 1 July 97, Benefits < $200

- To more easily monitor member balances, benefit and preservation components details can now be viewed prior to pension establishment

Benefit & Preservation Component Details for ACCUM01 - J Trial Accum

	PRESERVED	RESTRICTED NON PRESERVED	UNRESTRICTED NON PRESERVED	TOTAL ($)	TOTAL (%)
TAX FREE	$0	$0	$9,154	$9,154	8%
TAXABLE	$21,131.75	$0	$84,145.66	$105,277.41	92%
TOTAL	$21,131.75	$0	$93,299.66	$114,431.41	100%

* Transfer preservation components to Unrestricted Non Preserved? ⦿ Yes ○ No

- To help users in monitoring the pension requirements of the member, a pension minimum calculation screen can also be seen once a new pension has been established.

Pension Minimum Calculation

AGE OF BENEFICARY AT 01/08/2018	64
MINIMUM PERCENTAGE FACTOR	4%
PURCHASE PRICE	$114,430
FULL YEAR MINIMUM PENSION PAYMENT	$4,580
FULL YEAR MAXIMUM PENSION PAYMENT	$11,443

19/5/20

- In the case of pension payment processing, a breakdown of member components can also be verified as per the pension payment screen:

Payment Details

	PRESERVED TAXABLE	PRESERVED TAX FREE	UNRESTRICTED NON PRESERVED TAXABLE	UNRESTRICTED NON PRESERVED TAX FREE	RESTRICTED NON PRESERVED TAXABLE	RESTRICTED NON PRESERVED TAX FREE	TOTALS
STARTING BALANCES	21,131.75	0.00	84,145.66	9,154.00	0.00	0.00	114,431.41
FULL PROPORTION	18.47%	0.00%	73.53%	8.00%	0.00%	0.00%	100.00%
UNRESTRICTED PROPORTION	-	-	90.19%	9.81%	-	-	100.00%
PAYMENT PROPORTIONAL AMOUNTS	0.00	0.00	1,400.00	0.00	0.00	0.00	1,400.00
REMAINING BALANCES	21131.75	0.00	82745.66	9154.00	0.00	0.00	113031.41

5.   DOWNSIZER CONTRIBUTIONS

In accordance with Law Companion Ruling LCR 2018/9 for Downsizer Contributions, Mclowd has now released an upgrade supporting this type of contribution.

Add Contribution

Member Details

Contribution on behalf of   J Trial (J Trial Accum) ▼

Contribution Class   Cash/Bank ▼

Add Contribution

Date   04/07/2018   Reference   CON000004

Description   Contribution

Account Receiving Funds   1-1000 Macquarie CMA ▼

Contribution Type   Downsizer Contribution - Non Concessional ▼   Taxable in Fund   No

Downsizer Contributions Cumulative

	MEMBER	FUND
TO DATE	0.00	0.00
THIS TRANSACTION	0.00	0.00
TOTAL	0.00	0.00
REMAINING	300,000.00	600,000.00

Amount

ADD CONTRIBUTION   CANCEL

To aid in compliance monitoring a cumulative contribution balance screen has also been added.

6. CARDNO LIMITED (CDD) DEMERGER

Support for the Cardno Limited - Integra Limited Demerger is now available within the relevant section of the interface (Assets > Corporate Actions > Demergers).

ACTION	DESCRIPTION
BHP/SOUTH32	Income tax: demerger of South32 by BHP Billiton Limited ATO Ruling CR 2015/40
NAB/CYBG	Income tax: return of capital by way of in specie distribution of shares in CYBG PLC by National Australia Bank Limited ATO Ruling CR 2016/13
WFD/OMN/URW	Income tax: sale of Westfield Group stapled securities to Unibail-Rodamco SE - capital gains consequences ATO Ruling CR 2018/31
WES/COL	Income tax: Wesfarmers Limited - demerger of Coles Group Limited ATO Ruling CR 2018/59
CDD/ITG	Cardno Limited - demerger of Intega Limited ATO Ruling CR 2020/10

This function supports automatic calculation of the CGT event, share ratio, cost base adjustment and units related to the demerger.

Demerger Details

* Posting Date	23/10/2019	(allotment date)	
Demerged Asset	ITG - INTEGA GROUP LIMITED: ORDINARY FUL ▼		
* Share Ratio	1 (Existing)	:	1 (Demerged)
* Cost Adjustment Ratio	49.94 (Existing)	:	50.06 (Demerged)

Demerged Data

ASSET NAME	ROLLOVER RELIEF?	ACQUISITION DATE	CGT DATE	VOLUME	PRICE PER UNIT	TOTAL	REMARKS
CDD - CARDNO LIMITED:ORDINARY FULLY PAID		01/07/2019	01/07/2019	100.00	$4.99	$499.40	Existing
ITG - INTEGA GROUP LIMITED: ORDINARY FULLY PAID	No ▼	23/10/2019	23/10/2019	100.00	$5.01	$500.60	Demerged
			Totals	**200.00**		**$1,000.00**	

7. BUG FIXES

Fixes for the following bugs were deployed during the March quarter.

DRP Balances – GL vs SOFP

The Dividend Reinvestment Plan balance showed a credit balance in the ledger but in the Statement of Financial Position it was showing as a debit balance. The logic has been updated to allow for a negative value in the DRP account.

Reports Pack – Trial Balance Report Date

When embedded in the Reports Pack the Trial Balance Report date was defaulting to the current date, rather than the date corresponding to the relevant Reports Pack.

Opening balance date – alternative assets

In the fund set up the date of purchase for alternative assets was picking up the fund start date.

SDS Bank Data Feeds

Remove requirement for General Authority Form (as no longer required by SISS).

Demergers

If a user added another parcel of an asset that has already been demerged, they were unable to process the demerger for just the new parcel. This has now been resolved.

Opening balance navigation

After saving an opening balance entry, instead of reverting back to the assets - opening balances page, the user was being taken to the assets tab.

Display issue – average unit cost on disposal screen

While unrelated to the generation of the underlying journals and year end calculations, the disposal screen was displaying average unit cost per disposal as the *"sum of average unit cost"* instead of *"average total cost divided by total units".*

Asset Parcels

ACQUISITION DATE	CGT DATE	UNITS	AVG. UNIT COST $	AVG. TOTAL COST $	UNITS SOLD	UNITS LEFT	PROCEEDS $	SOLD COST $	GAIN/LOSS $	LONG TERM CAPITAL GAIN $	SHORT TERM CAPITAL GAIN $
26/10/2016	26/10/2016	2,869.0000	5.2283	15,000.00	2869	0.0000	21.52	15,000.0000	-14,978.48	-14,978.48	0.00
09/11/2016	09/11/2016	1,131.0000	5.5276	6,251.76	1131	0.0000	8.48	6,251.7600	-6,243.28	-6,243.28	0.00
	Totals:	4,000.00	10.76	21,251.76	4,000.00	0.00	30.00	21,251.76	-21,221.76	-21,221.76	0.00

Problems with fixed interest assets in year end

The simplified year end process was recording a revaluation for fixed interest assets, which the legacy interface was not.

The Detailed Statement of Financial Position was not retrieving the correct valuation type for fixed interest assets, resulting in duplication (as to valuation).

8. WORK IN PROGRESS

The following projects are currently in development and scheduled for deployment during the June quarter 2020.

Member administration

In one of the larger projects being targeted for delivery during 2020, we are rebuilding the logic regarding member and fund status, incorporating:

- Member status history
- Member account status history
- Fund status

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This will allow Practitioners and Trustees to:

- Manage the departure (and as required arrival) of members during the course of a financial year

- Have those events automatically reflected in period processing

- Manage the wind up of a fund

Upgrade for Depreciation – Direct Property

This project involves delivering support for the ability to record a Division 43 capital works allowance as a deduction in the tax return, while excluding the same from the applicable Operating Statement Report.

The accumulated capital works allowance will also be shown as a cost base adjustment in the Capital Gains Report when the relevant property is disposed.

COVID-19 withdrawals

In accordance with recent announcements by the ATO, a new condition of release will be added to FY20 and FY21 processing: "Compassionate Grounds – Corona Virus" and otherwise subject to the monetary limits specified in the relevant regulations.