

WilliamBuck

Preparing your practice for EOFY: Setting your practice up for success

Acknowledgement of Country

In the spirit of reconciliation, Cubiko acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

Gaagal by Miimi and Jiinda



Housekeeping

- If you have a question, please add it to the Q&A area at the bottom of your screen. This helps ensure that we can see and answer your questions.
- This session will be recorded. A copy of the recording will be sent out later today, along with any links or resources shared in today's session.

Introductions



Belinda Hudson



Rob Dickson

Session overview

- Actions to take before EOFY
- Setting realistic and measurable goals for the next financial year
- Understand how to manage important financial tasks such as sorting employee super, pre-paying costs for tax advantages, and reviewing your company structure to ensure a smooth EOFY transition
- Learn strategies for effective cash flow management, annual budget setup, and forecasting to predict increasing costs and ensure sustainable revenue for the upcoming financial year

Actions to take before EOFY



Free Download

Preparing your practice for End of Financial Year Workflow



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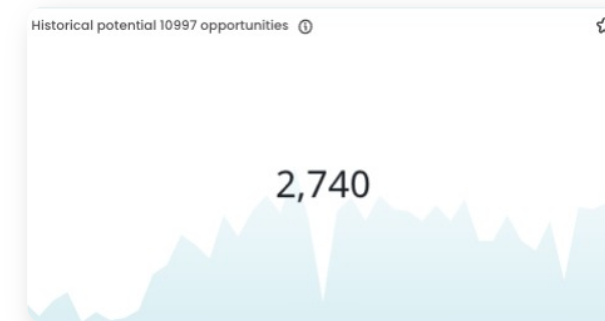
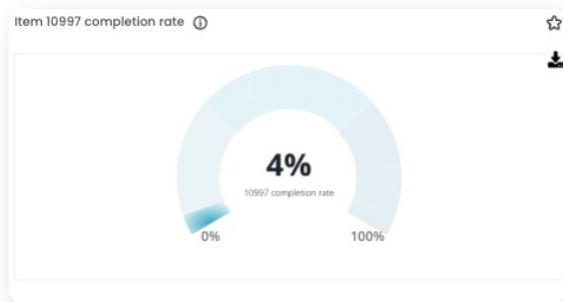
Missed incentives audit

- Look for work that may have been completed, but not invoiced for.



Missed incentives audit

- A common workflow to see missed 10997 incentives



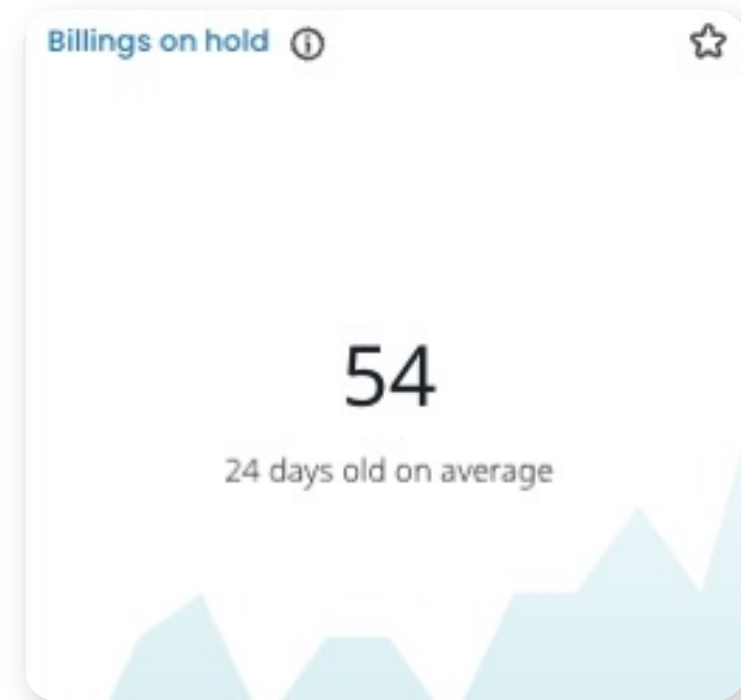
Uncompleted appointments

- How high is too high?
- Are there any trends?
- Are you looking at completed appointments?



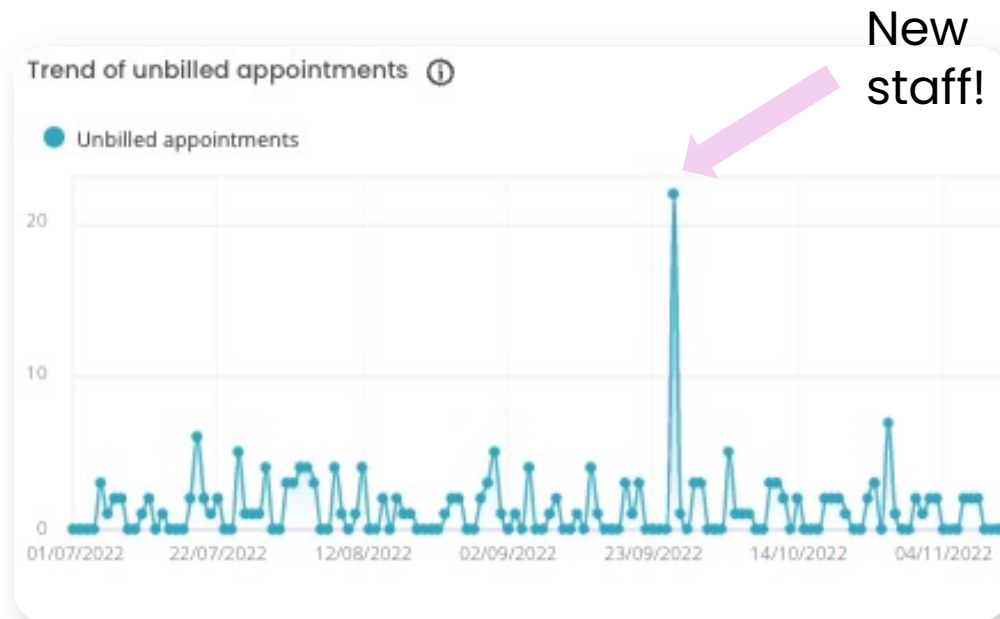
Billings on hold

- Cash flow implications for held accounts
- An opportunity to review your policies

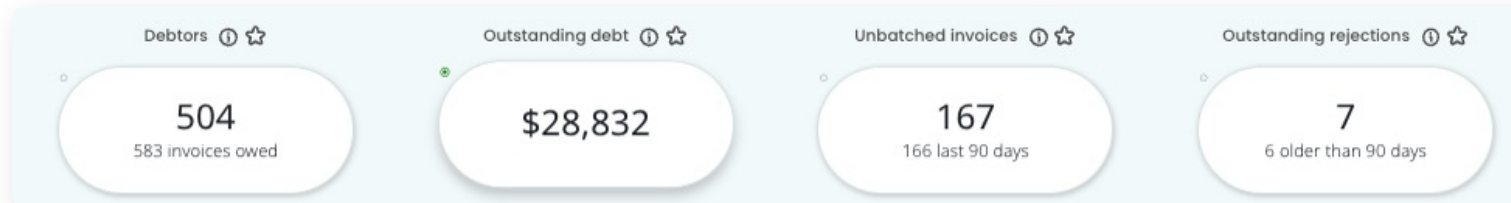


Missed billings

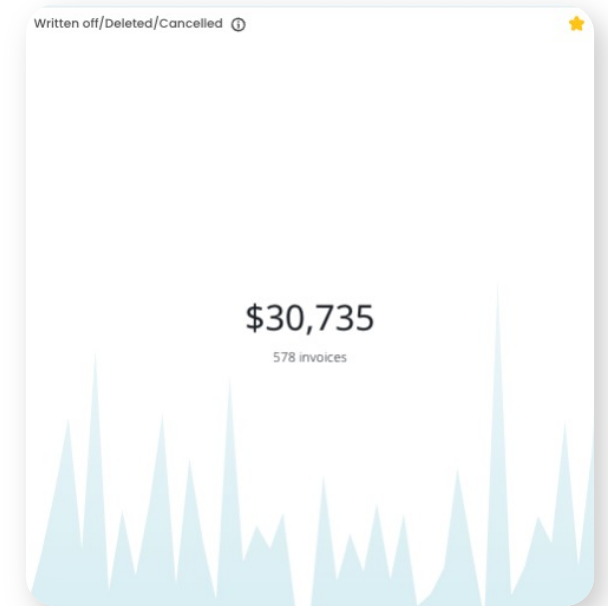
- It's easy to do
- Good news – you can check!



Debtors



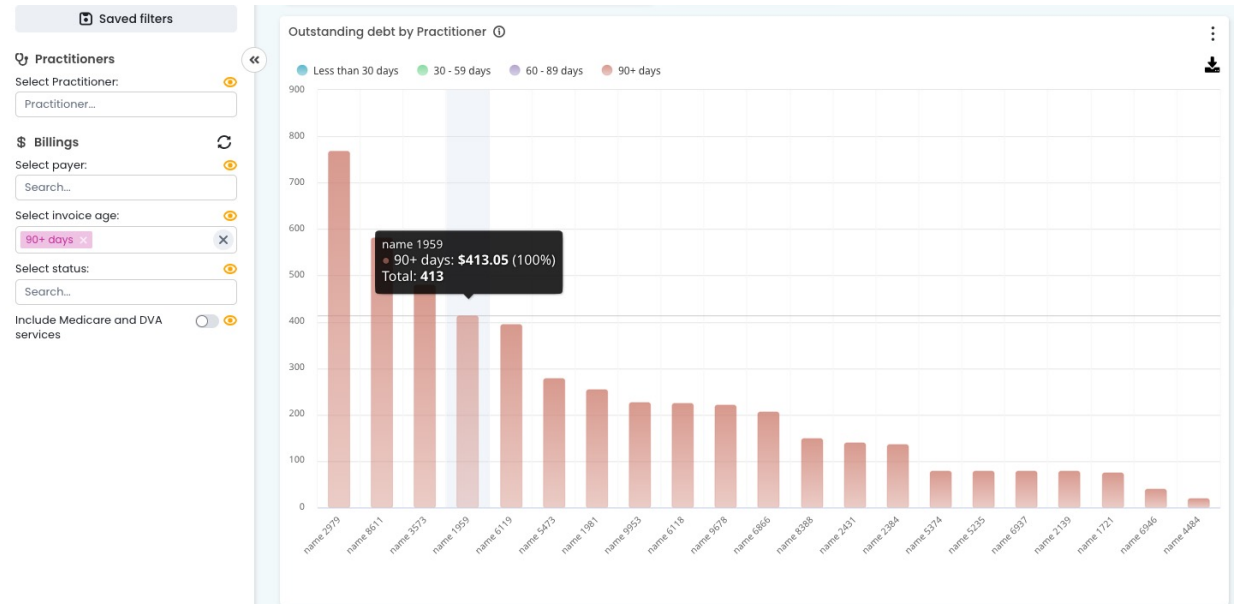
- Review debtors
- Understand recovery process
- Review by period comparison



Invoices aren't like wine

They don't get better with age

- Investigate your aged debtors.
- Does it make sense to write off aged debt before EOFY?
- Is it reasonable to recover that outstanding invoice?

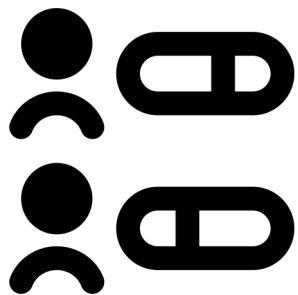


Debtors

Practitioner	MBS Item	Amount owing	Next appt d...	Time	Appt with
		\$28,831.70			
firstname 6329	Item 721, Item 723	\$310.00	14/06/2023	11:10	firstname 6329

- Implement change
- Review processes
- Delegate
- Use tools at your disposal

Setting realistic and measurable goals for the next financial year

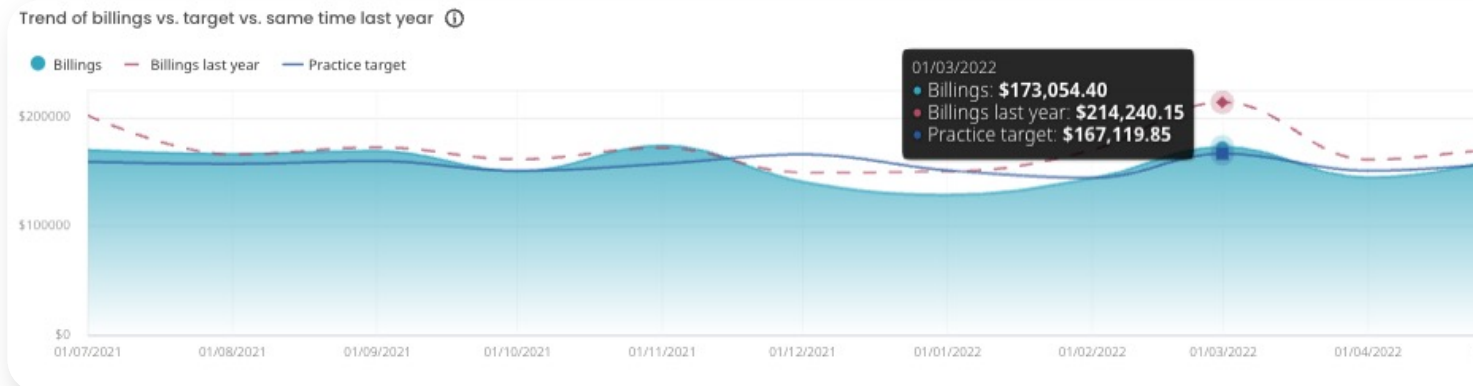


How often do you forecast billings?

- Quarterly to six monthly
- Annually
- We don't forecast billings

Looking back

- What were our projections last year/quarter?
- How did we go with what we were looking to achieve?



📅 Dates ↻ (

1 Jul 2023 → 30 May 2024 🗑️

👤 Practitioners

Select Practitioner: 🗑️

Practitioner...

Select role: 🗑️

Role...

💰 Billings ↻

Select items: 🗑️

Search...

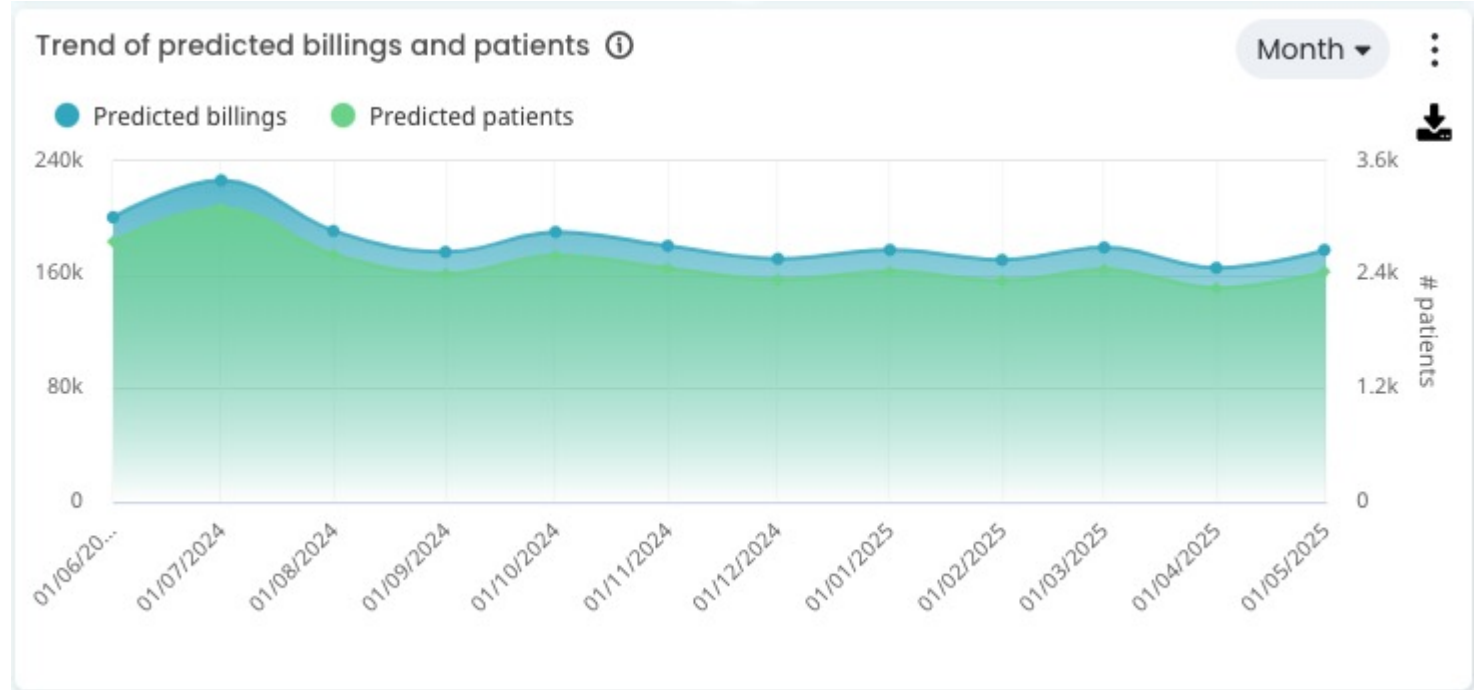
Exclude unpaid services 🗑️

Exclude COVID-19 vax services 🗑️



Planning ahead

- Any changes to the plan?
 - Dr joining the practice?
 - Dr leaving the practice?
- Expected changes in your practice financials?





Free Download

Preparing your practice for End of Financial Year Workflow



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Disclaimer

The information presented in this presentation is general in nature and has not been prepared for any one individual or organisation. This information should not be used or treated as professional advice and viewers make their own enquiries and seek professional advice concerning their own personal circumstances before utilising any information provided in this presentation. All examples provided are for demonstration purposes only.

Federal Budget announcements

Instant asset write off extension

Currently there is draft legislation to increase this to \$20,000 for FY2024 for businesses with <\$50m turnover. In the Budget an extension to 30 June 2025 was announced. In order to claim assets must be installed and ready to use. Applies on asset by asset basis, check for composite assets.

Small business energy rebate

To support small business cash flow and ease cost of living pressures the Government will expand the Energy Bill Relief Fund to provide \$3.5b in energy bill relief for all Australian households and certain eligible small businesses.

From 1 July 2024, 1 million eligible small businesses will receive a \$325 electricity bill rebate and around 10 million households will receive a \$300 electricity bill rebate.

HELP debt relief

Changing the indexation applied from 1 June 2023 (backdated) from 7.1% to 3.2% and 4% in FY2024. On a debt of \$26,500 a credit of \$1,190 would be applied across the 2 years. Going forward indexation will be tied to CPI or wages index whichever is lower.

What's new in tax for 2024

Temporary Full Expensing changes

- Temporary Full Expensing ceased on 30 June 2023 and the updated threshold for claiming assets is \$1,000 for businesses with < \$10m turnover. There is draft legislation to increase this to \$20,000 for FY2024 for businesses with <\$50m turnover.

Small business skills and training boost

- Introduced during FY2023 this boost will cease on 30 June 2024.
- Additional 20% deduction for eligible expenses

Bonus deduction for electrification

- For businesses with < \$50m turnover, a proposed deduction of 20% on eligible assets or improvements facilitating electrification or enhancing energy efficiency (draft legislation)

Reminder that for any asset to be included and depreciated it must be installed and ready for use.

Year end Payroll and changes from 1/7/2024

Key Dates

STP finalisation – 14 July
SGC – 28 July
Payroll tax – 21-29 July
(check your state)

- Reconcile STP payroll data with financials (earnings, tax & super) FINALISE
- Reportable Fringe Benefits
- Stage 3 tax cuts start on 1/7/2024 (net pay will go up for most employees)
- SGC will be increasing to 11.5% for employees from 1/7/2024
- Review your payroll tax exemptions (record keeping), thresholds different in each state
- Pay super prior to 30 June to get tax deduction in FY2024, allow for processing time
- Data matching

Tax planning tips - business

1. Review your asset register for scrapped or disposed of assets
2. Purchase assets (installed & ready for use before 30 June)
3. If purchasing a car reminder that the depreciation limit is \$68,108
4. Bad debts write off prior to 30 June, record keeping important to demonstrate efforts have been made to recover and write off is genuine
5. Prepay expenses prior to 30 June up to 12 months in advance (interest on loans, rental, other costs)
6. Bonuses to staff, can accrue pre and pay after 30 June (quantify, advise staff and retain evidence of decision pre 30 June)
7. Revenue recognition – delay income
8. Consider audit insurance





Tax planning tips – Trusts & Companies

If you have a trust or company in your group then you need to consider the following prior to 30 June:

1. Trust resolutions should be done prior to 30 June
2. s100A – trustee can be assessed at top marginal rates rather than the intended beneficiary where one person receives benefit (cash) and another person is taxed (eg, adult child). Accurate recording of payments made to beneficiaries.
3. Deal with any Div7A loans and minimum repayments
4. Dividends – consider franking % which is based on previous years tax rate
5. Review your structure to ensure still meeting requirements (trust v company)

2024 | Year end tax planning and financial reporting guide



Unlocking tax and reporting insights for year-end success

Download our guide now



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Question & Answer