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## WELCOME

### WINTER 2021

Hello everyone and welcome to our July edition of the Acumon Connect Newsletter.

The NSW Government will be offering financial support to businesses impacted by the recent COVID-19 restrictions and stay-at-home orders. If your business or not-for-profit organisation has been impacted by the restrictions, you may be eligible to apply NOW ONLINE.

Have you?

- \* Made sure your business and contact details are up-to-date with the Australian Business Register (ABR)?
- \* Made sure your personal, contact and business details are up-to-date in your MyServiceNSW Account and business profile?
- \* Created a MyServiceNSW account and business profile (if you don't already have one)?

We will continue to communicate information on the assistance package, grants and financial support as it becomes available.

**The Acumon Team.**

## LOCK-DOWNS: WHAT HELP IS AVAILABLE?

**FOR YOU - COVID-19 DISASTER PAYMENT** is available to eligible workers who can't attend work or who have lost income because of a lock down and don't have access to appropriate paid leave entitlements. And, it only applies from the eighth day of lock down. That is, there is nothing you can claim for the first week of a lock down.

The payment amount depends on how many hours of work you have lost in the lock down period (week).

<20 hours \$325      20+ hours \$500      (*applications for the disaster payment need to be made weekly.*)

**FOR YOU - PANDEMIC LEAVE DISASTER PAYMENT** of \$1,500 for each 14 day period is for those who have been advised by the health authorities to self-isolate or quarantine because:

## KEY DATES

### FOR JULY 2021

- 21** June Business Activity Statement  
PAYG Instalment Activity Statement  
(quarter 4, 2020-21)
- 28** Activity Statement (quarter 4, 2020-21)  
Instalment Notice (quarter 4, 2020-21)  
Super Guarantee Contributions
- 31** Franking Account Return for 30 June  
Early Stage Innovation Company Report

**The COVID-19 business grant maximum offering (based on eligibility) has now increased from \$10,000 up to \$15,000.**

**The NSW Government is also introducing a Saving Jobs support program to maintain employment AND a Micro-business grant for small businesses and sole traders with an annual turnover between \$30,000 and \$75,000.**

- You have coronavirus (COVID-19)
- You've been in close contact with a person who has COVID-19
- You care for a child, 16 years or under, who has COVID-19
- You care for a child, 16 years or under, who's been in close contact with a person who has COVID-19.

The payment might also be accessible if you are a carer for someone impacted. Eligibility for this disaster payment is very similar except that you need to use any appropriate leave entitlements if it is available to you (for example, pandemic sick leave, personal leave or carer leave).

## SUPPORT FOR BUSINESS

### NEW SOUTH WALES

The NSW Government has announced **new grants of up to \$15,000 for businesses** adversely impacted by the recent COVID-19 lock downs. Eligibility for the grant is streamed into general business, and hospitality and tourism.

The value of the grant is determined by the impact of the lock down on your turnover. Your business will need to prove a decline in turnover across a minimum 2 week period from 26 June 2021 to 17 July 2021, compared to the same period in 2019.



70%+ **\$15,000** 50% or more **\$10,500** 30% or more **\$7,500**

**ELIGIBILITY** to be eligible for the grant, you must:

- Have an active ABN
- Demonstrate your business was operating in NSW at 1 June 2021
- Have a total annual Australian wages of \$10million or less as at 1 July 2020
- Have business costs for which there is no other government support

**EVIDENCE** you will be required to:

- Submit an Australian income tax return, Notice of Assessment or other documentation demonstrating the business had an aggregated annual turnover between \$75,000 and \$50million (inclusive) for the year ended 30 June 2020.

**\*\*APPLICATIONS ARE NOW OPEN\*\***

## CONGRATULATIONS

### JASON MOORE, LARA SEARLE & JASON LOURENS ON YOUR ACHIEVEMENTS

A big congratulations to these Acumon staff members and their recent success.

Well done to JASON MOORE on being the successful recipient of the CPA Australia Prize in First Year Accounting in recognition of your performance during the 2020 academic year at The University of Newcastle. This prize is awarded annually to the student with the highest combined overall grade in first year accounting units at the Newcastle Campus.

And congratulations to both LARA SEARLE & JASON LOURENS on completing your fourth module of the CA program, you now get to move onto the fifth & final subject!



## THE NATIONAL PLAN'S IMPACT ON BUSINESS

### THE ECONOMIC IMPACT OF COVID-19



COVID's impact varies sector by sector and region by region as we bounce from one set of operating conditions to another depending on the Government's response to outbreaks.

The National Plan will impact differently on different sectors and it will be important for business operators to understand the potential impact on them at each phase.

#### **Phase 1 - Be prepared for further ad-hoc lock downs and restrictions**

- Map the impact of restrictions on your business, your cashflow and your team and what you will need to survive. Understand whether it is worth trading, the cost of trading and the potential of hibernating.
- Model contingency scenarios and understand the best available action.

#### **Phase 2 – taking advantage of eased restrictions**

- Lock-in any COVID gains – this might be keeping or adapting any new services, building on new technologies, or nurturing a database of new customers (while protecting your relationship with your existing customers). Business has changed, understand what has changed and how you can benefit from these changes.

#### **Phase 3 – no lock downs and returning travel**

- Understand what your customer base will look like when restrictions ease. If your business benefited from COVID, is there a potential to be detrimentally impacted when your customers have greater choice. If eased restrictions open new or returning opportunities, what can you do to drive this business to you?

**COVID impacts differently depending on the business, the sector, and geographic location. There is no one size fits all approach to surviving and thriving. If you would like us to review your businesses circumstances and ensure you have the depth of information you need to make the right decisions, please contact us.**



**WE'RE CLIENT FOCUSED**  
*and that's the* **BOTTOM LINE**

## NUTELLA MUG CAKE

### 90-SECOND OOZY NUTELLA MUG CAKE

This super quick and easy mug cake oozes warm Nutella goodness. Don't wash your beaters straight away, you're likely to go back for seconds! (Oh, and it's gluten free too!)

#### Ingredients

- 2 tbs gluten-free self-raising flour
- 2 tbs brown sugar
- 2 tbs Dutch cocoa powder
- 1/4 tsp gluten-free baking powder
- 1 egg (large)
- 2 tbs milk
- 1 tbs oil
- 2 tbs Nutella chocolate hazelnut spread
- 1 scoop ice cream (\*to serve)

#### Method

1. Combine the flour, sugar, cocoa and baking powder in a bowl.
2. Make a well in the centre and add the egg, milk and oil. Use electric beaters to beat until well combined.
3. Spoon into a 435ml (1 3/4 cup) mug. Spoon the Nutella into the centre. Microwave on High/1000watts/100% for 70 seconds or until risen. Top with double cream or ice-cream and drizzle with chocolate sauce.

#### Notes

- Don't need this to be gluten-free? Use regular self-raising flour and reduce the cooking time to 60 seconds.
- Top with either ice cream or double cream and gluten-free chocolate sauce.



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## SELF MANAGED SUPER FUNDS

### THE ISSUES AND OPPORTUNITIES

**From 1 July 2021, the maximum number of members a SMSF can have increased from four to six. Why would you have a fund with six members and what are the implications?**

Currently, over 70% of SMSFs have just two members and those with four members represent only 4% of the SMSF population. The use of six member funds is likely to be small but adds additional choice and flexibility.

#### FAMILY GROUPS

Six member funds provide family groups with a vehicle for controlling superannuation savings and investment strategies. For families with more than four members, previously the only real option was to create two SMSFs (incurring extra costs) or place their superannuation in a large fund.

A larger fund also offers a level of protection if a fund member is travelling overseas for a prolonged period of time. The residency rules require, amongst other things, 50% of members measured by market value to be in Australia.

#### ESTATE PLANNING

Estate planning is a benefit of the new laws particularly tax-effective intergenerational wealth transfer as the assets of a fund generally are not part of the estate. Take the example of a family business that holds the commercial property of the business in their family SMSF. If the parents die, the children might keep running the business and maintain the commercial property within the SMSF as an asset. Holding assets within the SMSF also provides a level of asset protection from creditors.

#### THE PROBLEM AREAS

- **INVESTMENT DECISIONS WITHIN A FUND** - Problems can occur when members have different investment needs, for example parents might be closer to retirement while the children are focussed on the longer term. The investment strategy of the fund may not meet everyone's requirements.
- **DISPUTES** - the more members in a fund the greater the potential for disputes. For those with legal capacity to be a trustee (18 or over), the rules relating to the appointment and dismissal of trustees, voting rights and meetings need to be clear.
- **WHAT HAPPENS WHEN A MEMBER DIES** - steps need to be taken to ensure that when a member of the fund dies, their wishes are respected. For example, appointing a legal personal representative as trustee, reversionary pensions or binding death nominations.

#### WHO CANNOT HAVE A SIX MEMBER FUND?

Not all SMSFs will have the option to allow six members because in some instances, the number of individual trustees that a trust can have is limited to less than five or six trustees by State legislation (Queensland for example). In these cases, fund members might opt to use a corporate trustee.

**If you are looking create wealth and use what you have built already to your best advantage, please contact us on 02 4931 1100.**

The material and contents provided in this publication are informative in nature only. It is not intended to be advice and you should not act specifically on the basis of this information alone. If expert assistance is required, professional advice should be obtained.