

ACUMON CONNECT

WINTER ISSUE | JULY 2023

WELCOME

We hope this newsletter finds you in good health and high spirits. Fingers crossed the coldest days of Winter are behind us!

Our team has been hard at work, assisting our valued clients – individuals and businesses alike – to navigate the ever-changing landscape of financial markets and regulations.

We want to keep you informed, so in this edition we share information on recent tax developments and industry trends.

At Acumon, our goal is to empower you with the knowledge and expertise needed to make informed decisions that drive your success.

Our dedicated team of experienced accountants and advisors are committed to delivering personalised solutions tailored to your unique needs. We are here to support you every step of the way, whether you require assistance with tax planning, compliance, financial reporting, or strategic business advisory.

Please reach out to us with any questions or concerns you may have. Together, let's forge ahead and unlock new possibilities for your finances.

Wishing you well,

Scott, Christian & The Acumon Team.

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“Money, like emotions, is something you must control to keep your life on the right track.”

Natasha Munson

TAX CHANGES

There have been several important Australian tax updates for the 2022/2023 financial year, aiming to support individuals and businesses. One significant change is the extension of the Low and Middle Income Tax Offset (LMITO) for an additional year. This offset provides tax relief for individuals earning low to moderate incomes, reducing their overall tax burden. Moreover, there has been an increase in the Medicare levy threshold, allowing individuals to earn a higher income before they are liable to pay the levy.

For businesses, the instant asset write-off threshold has been extended, enabling small to medium-sized enterprises (SMEs) to claim immediate deductions for eligible assets.

These tax updates aim to stimulate economic growth, provide relief to taxpayers, and support the recovery of businesses in Australia and if you'd like to discuss your tax planning strategies – personal or business – don't hesitate to make an appointment with one of the team.



REMINDER: CLAIMING 'WORKING FROM HOME' EXPENSES

The Australian Taxation Office (ATO) has updated its approach to how you claim expenses for working from home.

Previously, there were two fixed-rate methods to choose from for the 2021-22 income year:

- A cover-all 80 cents per hour rate for expenses incurred while working from home (which was available from 1 March 2020). This COVID-19-related rate was intended to cover all additional running expenses incurred while working from home; or
- If you had a space dedicated to work but were not running a business from home, you could claim 52 cents for every hour you worked from home to contribute to the running expenses of your home. This rate doesn't cover certain items such as the depreciation of electronic devices, which can be claimed separately.

From the 2022-23 financial year onwards, the ATO has combined these two fixed-rate methods to create **one revised method** accessible by anyone working from home, regardless of whether they have a dedicated space or are just working at the kitchen table.

The new rate is **67 cents per hour** and covers your energy expenses (electricity and gas), phone usage (mobile and home), internet, stationery, and computer consumables. You can separately claim the cost of the decline in value of assets such as computers, repairs, and maintenance for these assets, and if you have a dedicated home office, the cost of cleaning the office. If there is more than one person working from the same home, each person can make a claim using the fixed rate method if they meet the basic eligibility conditions.

OR YOU CAN CLAIM THE 'ACTUAL' METHOD

Some people might find that the actual method produces a better result if their expenses are higher. As the name suggests, you can claim the actual additional expenses you incur when you work from home (and reduce the claim by any personal use and use by other family members). However, you will need to ensure you have kept records of these expenses and the extent to which the expenses relate to your work.

Using this method, you can claim the work related portion of:

- The decline in value of depreciating assets – for example, home office furniture (desk, chair) and furnishings, phones and computers, laptops or similar devices.
- Electricity and gas (energy expenses) for heating, cooling and lighting.
- Home and mobile phone, data and internet expenses.
- Stationery and computer consumables, such as printer ink and paper.
- Cleaning your dedicated home office.



**WE'RE ACTION ORIENTED
TO CREATE VALUE.**

Just some of the ways that the team from Acumon is here to help you.

Financial Planning: We offer practical advice on financial planning, including budgeting, cash flow management, investment strategies, and risk management. We pride ourselves on helping our clients to make informed decisions about their financial future and achieve their long-term goals.

Business Growth Strategies: Our experienced team can share insights and strategies to help your business thrive and expand. We cover market analysis, customer retention, scaling operations, optimising profitability, and exploring exciting new revenue streams.

Accounting Best Practice: The team will assist with tips and guidance on maintaining accurate and up-to-date financial records, bookkeeping practices, and compliance with accounting standards. Or we can do it for you! We'll streamline your processes, implement accounting software, and manage your financial audits.

A WINTER WARMER FOR A QUICK DINNER



ONE-POT ITALIAN CHICKEN

Ready in 25 minutes and with limited washing up afterward - this dish is great for busy nights.

INGREDIENTS

- 1 tbsp olive oil
- 20g unsalted Butter
- 4 chicken breast fillets
- 2 garlic cloves, finely chopped
- 80g (1/2 cup) sun-dried tomatoes, sliced
- 80ml (1/3 cup) white wine
- 250ml (1 cup) thickened cream
- 125ml (1/2 cup) liquid chicken stock
- 60g pkt baby spinach
- 1 cup fresh basil leaves, torn
- Crusty bread (and maybe a little more butter) to serve

METHOD

Step 1. Heat the oil and butter in a large non-stick frying pan over high heat until butter is foamy. Season the chicken and add to the pan. Reduce heat to medium-high. Cook the chicken for 5 minutes each side to until just cooked through. Transfer to a plate. Cover with foil to keep warm.

Step 2. Place the garlic in the pan. Cook, stirring, for 1 minute or until aromatic. Add the tomatoes and stir to coat. Add the wine and cook for 1 minute or until reduced. Add the cream and stock. Return the chicken to the pan and simmer for 5 minutes or until liquid is reduced. Stir through the spinach until wilted.

Season and sprinkle with the basil leaves. Serve with crusty bread and a glass of white wine if you'd like it.



BUSINESS GROWTH STRATEGIES

For some businesses and industry sectors, recent changes in consumer habits have meant potential. And even growth. Navigating the growth phase in business can be challenging.

Fortunately, the team at Acumon is experienced in this area and can guide you each step of the way.

It's important to remember that when it comes to driving business growth, implementing effective strategies can make all the difference.

Here are a few proven approaches that have delivered results for businesses across many industries:

- 1. Market Expansion:** Identify new target markets or geographical areas where your products or services can meet unmet needs. For example, a local bakery can explore online sales to reach customers beyond their physical location.
- 2. Product Diversification:** Expand your product or service offerings to cater to a broader customer base. A software company, for instance, could develop complementary tools or modules to enhance its existing software suite.
- 3. Customer Retention and Upselling:** Nurture existing customers by providing exceptional service and incentives for loyalty. Offer personalized upselling opportunities, such as a telecom provider offering discounted plans or additional features to long-term customers.

BUSINESS GROWTH STRATEGIES - CONTINUED

4. Strategic Partnerships: Collaborate with complementary businesses to leverage their customer base and resources. For example: A fitness studio might partner with a nutritionist to offer bundled services or joint promotions.

5. Digital Marketing: Embrace online platforms and social media to increase brand visibility and engage with a wider audience.

6. Operational Efficiency: Streamline internal processes, reduce costs, and improve productivity. Implementing an inventory management system or automating repetitive tasks can enhance efficiency for many companies.

Remember, successful growth strategies are tailored to your specific business and market conditions. It's crucial to evaluate each opportunity carefully, measure outcomes, and adapt as needed. By adopting these strategies and continuously monitoring their impact, you can position your business for sustained growth and long-term success.



If you'd like specific advice or assistance in this area we have three conveniently located offices:

- Hunter Valley
- Newcastle
- Lake Macquarie.

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.

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