



End of Financial Year 2020-2021

The end of the financial year (EOFY) is just a week away, so **NOW** is the time to consider and act before 30 June. This year with so many changes and taxation concessions being introduced, review and action is more important than ever.

For those in business, this process involves two important and somewhat mutually exclusive planning events.

- ***The business plan (strategic plan) review and update***
- ***The annual accounts review and taxation planning***

Both these planning steps are important and as such, we thought we would share some thoughts with you on both.

Business or Strategic Plan Review and Update

The most effective business planning process is one that produces a simple succinct plan, which encompasses a number of traits. Gone are the days of phone book style business plans, which whilst they were filled with words and innuendo that might have had all the necessary information relating to the business goals and objectives, they were prepared in such a way that finding the information within the plan was akin to finding a needle in a haystack.

A simple (1-2 page) business plan, if prepared well and done with the following traits in mind should provide all the necessary information to identify the business goals and objectives and more importantly targets for the short and longer term. As you read through, we challenge you to compare these points with how your current plan, should you have one, stacks up. Does your plan do the following?

- Provide a very clear direction - that is direction on who you are as a business, where you want to be in ten years' time and where you want to be in 12 months' time. (*Note - whilst this ten year goal is by no means set in stone, it is at least identified for now in light of your prevailing circumstances*).
- Identify the biggest opportunities and obstacles ahead for your business.
- Highlight the conviction and greater commitment to your business strategy. The aim of which is to share and build with your team and market place.
- Allows you to enrich your leadership capabilities.
- Inspires your employees with a crystal-clear vision that reinforces daily efforts.
- Unleashes a culture that empowers employees with responsibility and accountability.
- Eliminates task and priorities that simply don't fit with your business's strategic direction.
- Uncovers hidden issues that are inhibiting success.
- Looks to generate momentum in business operations
- Provides clarity and consistency as to the business direction

We believe a well developed but '**Simple Plan**' is the difference between companies that prosper and "breakaway" from the pack and those that unfortunately tread water.

So a question to you, what does your business' strategic plan look like and how is it helping you and your team achieve your vision?



Annual Review and Taxation Plan

Typically, at Navwealth we have looked to commence the annual review of the business (year's performance) in early June. We have found that with a bit of planning with the annual results all but know many thousands of dollars can be saved and or put to beneficial use therefore optimising our outcomes.

Annually, we typically work with many of our business clients to actively peruse the planning checklist and set in train actions and priorities that ensure the house is in order when it comes to 30 June, the cut-off date for our annual accounts and tax returns.

Whether you run your own business or not, we recommend that you take some time to stop and review our Tax Planning Checklists (business and or individual) as the information could enhance your end of financial year results. The key areas include:

For business

- Superannuation Guarantee change 9.5%-10.0%
- Loss carry back measures for companies
- Capturing and prepaying expenses
- Timing of Business Income and expenses
- Related Party Transactions
- Bad debts and asset write offs
- Superannuation contributions
- Trading Stock
- Capital Gains/Losses

For Individuals

- Personal Income Air BNB, Uber style services and related deductions
- Personal Super Contributions
- Gift/Charity Deductions
- Capital Gains Tax
- Offsetting Capital Losses
- Vehicle Expenses
- Work related deductions (home office) and more...

The accompanying checklists provide more detail and context in regard to the above along with other areas that warrant review and consideration.

For those of you who have identified the tax-planning program as part of your scoped services, you should already have heard from us. If you have not and or would like to request a personal tax-planning meeting, please contact the Navwealth accounting team, either by email accounting@navwealth.com.au or call our office on (02) 9008 3000.



Importantly - The attached material and related checklists are for guidance purposes only, the attached does not constitute advice and or recommendations of Navwealth Accounting and or its associated entities, Navwealth Financial. It is also important to note that correct action could mean the difference between a great outcome and a costly experience. Please contact Navwealth Accounting on 02 9008 3000 should you have any queries or require assistance with your taxation planning options.