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**Webinar: Survival and Stimulus**  
*Business Guide to Corona Crisis*

Wednesday 8 April, 5.30pm

# Your hosts



## **David Evers**

*Managing Director & Principal*  
Chartered Accountant & Financial  
Planning Specialist

30+ years of Accounting and Financial  
Planning Experience.

Treasurer of the Gosford Erina Coastal  
Business Chamber.



## **Steve Walker**

*Principal*  
Chartered Accountant & Registered  
Company Auditor

30+ years of Accounting and Tax  
experience.

Designated in-house stimulus specialist.

# About Us

- Adviceco. (formerly Robson Partners) is one of the Central Coast's leading **accountancy** and **financial planning** firms.
- With origins **since 1988**, we have established a united team of **28 professionals**.
- We provide quality **accounting, tax** and **wealth** advice to businesses and families.
- We exist to help our client to ***be better off*** in a way that is meaningful to them. This is what they are passionate about.
- Adviceco. has offices in the Central Business Districts of **Gosford, Wyong** and **Sydney**.



# What brings us here

- The Corona Crisis and Government Stimulus in support of SMEs.
- Ten options available



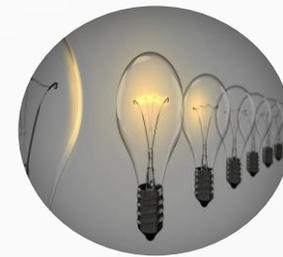
JobKeeper Payments



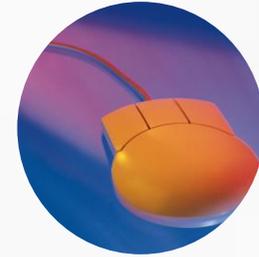
Tenancy Legislation



Wage Subsidies



Payroll Tax



BAS Discounts



Instant Asset Write-Off



Depreciation  
increase



Fee waivers



Loan Support &  
Interest Rate Relief



Small Business  
Grants

# JobKeeper payments

## *What?*

- \$1,500 per fortnight per employee paid by the government to preserve employment

## *Who For?*

- For businesses who have experienced a 30% downturn in response to the Corona Crisis. Includes sole traders, trusts and partners in partnerships
- Not for Profits have to demonstrate a 15% downturn to be eligible

## *How to access?*

- Register your interest with the ATO. Applications and proof of downturn will take place directly with the ATO.

## *When?*

- **Now** to 30 September 2020

# Case Study

## JobKeeper



### Facts

- Mr & Mrs Jones are employed by their family company (Jonesco Pty Ltd) on a part time basis.
- They draw a gross salary of \$1,500 **per month** each and have been for several years
- Revenue of Jonesco Pty Ltd drops by 30% or more.



### Strategy

- Professional Advice
- Register for JobKeeper stimulus with ATO



### Results

- Jonesco Pty Ltd increase the salary of Mr & Mrs Jones to \$1,500 **per fortnight** each (slightly over \$6,000 per month) so that the company will be eligible for a full subsidy of all the wages paid.
- Cash flow provided by JobKeeper \$3,000 per fortnight for up to six months (approx. \$36,000)

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# Tenancy Legislation – Commercial tenants

## *What?*

- Up to 50% rental waiver and up to 50% rental deferral

## *Who For?*

- Commercial Tenants who qualify for JobKeeper

## *How to access?*

- Good Faith negotiations between landlord and tenant. Percentage determined by drop in turnover. A minimum of half the decrease in rental charge is to be in the form of a rental waiver

## *When?*

- Immediate

# Case Study

## Rental waivers and deferrals



### Facts

- Retailshop Pty Ltd operates in a large shopping centre paying \$10,000 per month in rent (not based on turnover)
- Revenue decreased by 50% and the company qualifies for JobKeeper



### Strategy

- Ensure financial records remain up to date
- Retailshop Pty Ltd and landlord to negotiate in good faith based on turnover fall.



### Results

- \$2,500 per month waived and \$2,500 per month deferred to be repaid over a period of at least 24 months after the end of the pandemic period.
- Rental increases prohibited

  
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# Wage subsidies for Apprentices and Trainees

## *What?*

- 50% wage subsidy for Apprentice's or Trainee's wage up to a maximum of \$7,000 per quarter.

## *Who For?*

- Businesses who employ less than 20 Staff including Trainees and Apprentices.

## *How to access?*

- Organisations with eligible trainees should be contacted by Industry.gov.au. If not, contact an AASN (Australian Apprenticeship Support Network) Provider.

## *When?*

- 9 months from 1 January 2020 to 30 September 2020.



# Payroll Tax deductions

## *What?*

- Payroll Tax cut
- Deferral of payment for up to six months

## *Who For?*

- Businesses in NSW with Australian Wages between \$900,000 & \$10m (other States also have their own plans)
- Business with higher wages can obtain a deferral of payments

## *How to access?*

- No need to pay March, April & May amounts – 25% annual discount calculated on annual reconciliation

## *When?*

- Now to June 2020.

# BAS discounts

## *What?*

- Between \$20,000 - \$100,000 credit to BAS liability

## *Who For?*

- Active employers as at 12 March

## *How to access?*

- Automatic on lodgement of Business Activity or Instalment Activity Statement

## *When?*

- Now until lodgement of September Activity Statement

# Case Study

## PAYG Credit



### Facts

- Mr & Mrs Jones – operates through a company
- Currently pay themselves \$1500 per month each
- No PAYG(W) deducted or paid to ATO. Have been paying this for several years



### Strategy

- Proactively manage BAS reporting.
- On lodgement of March BAS they will disclose their normal wages.



### Results

- Will obtain a \$10,000 credit on their BAS (tax free)
- On lodgement of their June and September BAS they will receive an additional \$5,000 credit.
- Credit will be offset against any other liability on the BAS such as GST. If the Net BAS is a credit the ATO will refund the net balance.

  
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# Case Study

## BAS Discount *and* JobKeeper



### Results

- Mr & Mrs Jones (using details from previous examples)
- Job Keeper - \$1,500 per fortnight for up to six months (approx. \$36,000)
- BAS Discount - \$10,000 on March BAS, \$5,000 on each of June BAS & September BAS. (Total \$20,000)
- If the company remains eligible for the full period of support it will receive around \$56,000 in support



# Instant Asset Write-Offs

## *What?*

- Instant asset write-off (IAWO) threshold from \$30,000 to \$150,000

## *Who For?*

- All businesses with aggregated annual turnover of less than \$500 million (up from \$50 million)

## *How to access?*

- Purchase of New or Second Hand Plant & Equipment costing less than \$150,000 purchased and installed ready for use prior to 30 June 2020 (cars limited to \$57,581)

## *When?*

- Now to 30 June 2020



# Depreciation of asset spending

## *What?*

- Deduction of 50 per cent of the cost of an eligible asset on installation, with existing depreciation rules applying to the balance of the asset's cost;

## *Who For?*

- Businesses with aggregated turnover below \$500 million

## *How to access?*

- Purchase of New Plant and Equipment costing more than \$150,000 before 30 June 2020 and more than \$1,000 between 1 July 2020 and 30 June 2021. Does not apply to second hand assets

## *When?*

- Applies to eligible assets acquired after announcement and first used or installed by 30 June 2021

# Fee waivers and payment negotiation options

## *What?*

- Various discounts and deferral including, state and local taxes, some bank fees, and some business insurance policies.

## *Who For?*

- Businesses impacted by Covid 19

## *How to access?*

- Contact the applicable organisation

## *When?*

- As soon as you can

# Interest rates and loan options

## *What?*

- (1) Up to six months deferral of existing loan repayments
- (2) Up to \$250,000 unsecured loan with a six month deferral and a three year term. 50% guaranteed by federal government

## *Who For?*

- (1) Business and Individuals
- (2) Business impacted by Covid 19

## *How to access?*

- Talk to your bank

## *When?*

- Now



# NSW State Government Grant

## ***What ?***

- Up to \$10,000 Grant

## ***Who for?***

- Small Business having between 1 – 19 staff with a turnover of more than \$75,000 which have been “highly impacted” by the *Public Health COVID -19 Restrictions on Gathering and Movement Order 2020* issued on 20 March

## ***How to Access***

- Apply through Service NSW

## ***When***

- Application form on Service NSW Website by 17 April

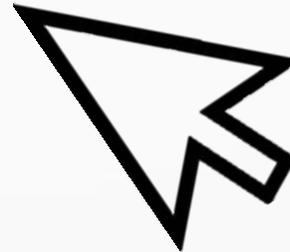
# What we're doing for clients now

## *The Stimulus Strategy Road Map - 10 Key strategies to survive COVID-19*

1. Get **professional advice** tailored to your unique set of circumstances
2. Review of **HR and Team** options
3. Review to **reduce and defer taxes**
4. Review **cashflow**
5. Review **stimulus packages** available and register
6. Proactively Manage **BAS reporting**
7. Review **Capital Budget Equipment** – what do I need?
8. Document a **Business Survival Plan**
9. Review **personal circumstances** - What can you/your team do as individuals
10. Review **Superannuation**

# If you're not already working with us...

- Consider the strategies and case studies highlighted today and how they might apply in your personal circumstances.
- Visit [www.adviceco.com.au/survival-and-stimulus-webinar](http://www.adviceco.com.au/survival-and-stimulus-webinar) to:
  - Complete the feedback form.
  - Access the webinar presentation and recording.
  - Express your interest to attend a personalised complimentary Financial Discovery with a qualified AdviceCo. Professional



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# Questions



# Keep in touch



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