BusinessPlus+ Newsletter

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Issue – October 2020

Federal Budget 2020 – Some Business Observations

To obtain a summary overview of the recent Federal Government Budget for 2020/21, please click on the link HERE.

The Budget was built on key assumptions, including a vaccine for COVID-19 next year and no future lockdowns.

Businesses will welcome the substantial new expensing of capital expenditure regime and loss carry-back measures.

Cash availability for households will be boosted by the accelerated personal income tax cuts. Australia's economic recovery will rely upon businesses and households spending, rather than saving, the additional cash available.
In this article, we examine some of the key announcements affecting business.

Temporary Full Capital Investment Expensing

Businesses with an aggregated annual turnover of up to $5 billion will be able to deduct the full cost of eligible capital assets acquired after 7.30 pm on 6 October 2020 (Budget night) and, **importantly, used or installed ready for use by 30 June 2022**. Eligible capital expenditure will apply to new depreciable assets and the cost of improvements to existing eligible assets. **For businesses with an aggregated annual turnover of less than $50 million, full expensing also applies to second-hand assets.**

Businesses with an aggregated annual turnover between $50 million and $500 million can deduct the full cost of eligible second-hand assets under $150,000 purchased by 31 December 2020. Businesses that hold assets eligible for the enhanced $150,000 instant asset write-off will have an extra 6 months, until 30 June 2021**, to first use or install those assets.**

Small businesses (aggregated turnover of under $10 million) can deduct the balance of their simplified depreciation pool at the end of the income year while full expensing applies. Provisions preventing small business from re-entering the simplified depreciation regime for five years will continue to be suspended.

Observation

This is a massive announcement for businesses that are trading and have the ability to finance capital expenditure. **Importantly, the eligibility for businesses will be key – the assets must be acquired after 7.30 pm on 6 October 2020 (Budget night) and must be first used or installed ready for use by 30 June 2022.**

The question of when a capital asset is used, or installed ready for use, is a factual question and we expect that, as we get closer to the key date of 30 June 2022, substantiation will be key. **Proper planning will be necessary to ensure that this requirement is satisfied.**

Further, the full expensing will apply in the first year of use, and not the year of purchase. This means that expenditure on the capital asset may be deductible in either the 2021 or 2022 financial years.

Temporary Loss Carry-Back- Companies Only

The Budget announced **that companies** will be able to carry-back tax losses incurred in the income years ending 30 June 2020, 30 June 2021 and 30 June 2022 to offset income from the income year ended 30 June 2019 onwards. Currently, companies can only carry tax losses forward to offset income from a future income year.

The temporary measure will be available to corporate tax entities with an aggregated turnover of less than $5 billion. **A refundable tax offset will be generated in the year the loss is made. However, the refund will be limited so that the amount carried back is not more than the taxed profits of the earlier year and does not generate a franking account deficit.**

Companies will make the election to use the loss carry-back provisions when lodging their tax return for the income years ending 30 June 2021 and 30 June 2022.

Observation

The temporary loss carry-back rules are a welcome relief for eligible companies that have been impacted by COVID-19. **The measures effectively represent a cash flow benefit to these businesses by allowing them to reclaim some of the tax paid in limited previous years when they were profitable.**

Increase in Small Business Entity Turnover Threshold

The Government announced in the Budget an increase to the small business entity turnover threshold from $10 million to $50 million – **but only for the following specific tax concessions:**

- **From 1 July 2020**, eligible entities below the threshold will be able to ***immediately deduct certain start-up expenses and certain prepaid expenditure***;
- **From 1 April 2021**, eligible entities below the threshold ***will be exempt from the 47% FBT on car parking and multiple work-related portable electronic devices (such as phones or laptops) provided to employees.***
- **From 1 July 2021**, eligible entities below the threshold ***will be able to access the simplified trading stock rules, remit PAYG instalments based on GDP adjusted notional tax, and settle excise duty and excise-equivalent customs duty monthly on eligible goods under the small business entity concession.***

Observation

The increase to the small business entity turnover threshold from $10 million to $50 million is welcome, and it's expected that more business will be able to now benefit from the specific concessions and simplified rules. **The Government has predicted that this change will simplify eligibility and reduce red tape for around 20,000 businesses.**

However, the increase to the threshold is only relevant for the specific concessions that are noted above. The eligibility turnover thresholds for other small business tax concessions (such as the small business CGT concessions and the small business restructure rollover) will remain at their current levels.

This will create further confusion and uncertainty as even more turnover thresholds will apply for different concessions small business entities; now we have $2 million, $10 million and $50 million turnover caps - depending on the relevant concession – confusing isn't it?

Budget Scorecard

Not everything on the "Business Wish-list" comes home in the announced Budget, however perhaps some of these will be reflected in the May 2021 Federal Budget – effectively the pre-election budget. Please refer to the budget scorecard summary on the next page for details of items that missed the cut, that would have been useful for taxpayers generally and businesses specifically.

Proposed measures	Federal Budget 2020-21
Short-term	
Measures to address domestic unemployment and underemployment rates	
Bring forward personal income tax cuts	✓
Temporarily suspend or significantly reduce HELP loan repayments	X
Further corporate tax rate cuts for base rate entities	X
Reducing employment on-costs	X
Short-to-medium term	
Measures to stimulate growth of gross domestic product	
Extend general capital allowance incentives on a longer-term or permanent basis	✓✓
Introduce targeted capital allowance measures for specific industries (e.g. agriculture, import replacement, education and construction)	X
Long-term	
Measures to improve the sustainability of our tax system	
Reform of the GST	X
Land tax and stamp duty reform in conjunction with changing the rate of GST	X
Review the CGT framework e.g. rate of concessions and availability of exemptions	X
Introduce a universal investment allowance that provides depreciation claims over a 5-year period to simplify the capital allowance regime	X

JobKeeper Extension – Decline in Turnover Test & Alternative Methods for Special Situations

Basic Decline in Turnover Test

From 28 September 2020, businesses seeking to claim the JobKeeper payment will be required to demonstrate that they have suffered a 30% or more decline in turnover**, using current GST turnover – consistent with their BAS disclosure.**

From 28 September 2020, businesses will be required to reassess their eligibility with reference to their current GST turnover in the September quarter 2020, to be eligible for the JobKeeper Payment from 28 September 2020 to 3 January 2021 (the first extension period).

For the first extension period, businesses will need to demonstrate that their current GST turnover has fallen by 30% in the September quarter 2020 (July, August, September) relative to a comparable period (generally the corresponding quarter in 2019).

The Commissioner of Taxation has set out alternative tests to establish eligibility in specific circumstances where it is not appropriate to compare current turnover in a quarter in 2020 with current turnover in a quarter in 2019 and is similar to the Commissioner's existing discretion.

The Commissioner has now outlined eight (8) situations where comparability may not provide a meaningful indication of a decline in turnover and requiring an alternative turnover test. These are summarised below.

Scenario One - New Business Commenced

Purpose of Rule:

This alternative test allows the decline in turnover test to be applied to an entity which didn't carry on a business in the relevant comparison period. It does not apply to an entity that was operating one or more businesses and commenced a new additional business. **The entity must have commenced business before 1 March 2020 but after the first day of the relevant comparison period.**

Scenario Two - Business Acquisition or Disposal

Purpose of Rule:

This alternative test allows the decline in turnover test to be applied to an entity that acquired or disposed of part of their business from the start of the relevant comparison period in 2019 (including more than one acquisition or disposal) and the acquisition(s) or disposal(s) changed their turnover. **This test recognises that, due to the acquisition(s) or disposal(s), the business now was not the same business then, so the business in the relevant comparison period in 2019 is not comparable after the acquisition(s) or disposal(s).**

Scenario Three - Business Restructure

Purpose of Rule:

This test recognises that, due to the restructure, the business now was not the same business then, so the business from the start of the relevant comparison period in 2019 is not comparable after the restructure.

The use of the term 'restructure' here does not refer to a legal restructure of the entity through which the business is carried on, such as a sole trader restructuring to carry on the business through a company. It refers to an internal restructure such as by:

- merging the operations of two of an entity's businesses to increase efficiency and sales; or
- separating out the managerial and human resources operations of those now merged businesses into a separate division to improve efficiency and reduce staff undertaking those roles.

Scenario Four - Business Had Substantial Increase in Turnover

Purpose of Rule:

This alternative test is available to an entity if it had an increase in turnover of:

(a) 50% or more in the 12 months immediately before the turnover test period or before 1 March 2020;
(b) 25% or more in the 6 months immediately before the turnover test period; or before 1 March 2020;
(c) 12.5% or more in the 3 months immediately before the turnover test period or before 1 March 2020;

This test recognises that, due to rapid growth, the business now was not the same business then, so the business in the relevant comparison period in 2019 is not comparable after the growth.

Scenario Five - Business Affected by Drought or Natural Disaster

Purpose of Rule:

This alternative test is available to an entity if it has been affected by a drought or other natural disaster in the relevant comparison period in 2019.

This test recognises that, due to a drought or other natural disaster which adversely affected the business, it is not appropriate to use the relevant comparison period in 2019.

Scenario Six - Business Has Irregular Turnover

Purpose of Rule:

This alternative test is available to an entity if it has an irregular turnover that is not cyclical, such as can occur in the building and construction sector. This test recognises that, due to the non-cyclical irregular turnover, it is not appropriate to use the relevant comparison period in 2019.

This alternative test is available to an entity if:

(a) for consecutive three-month periods ending in the 12 months immediately before the turnover test period or 1 March 2020, the entity's lowest turnover for any of those three-month periods is no more than 50% of its highest turnover for any of those three-month periods; and
(b) the entity's turnover is not cyclical.

Scenario Seven - Sole Trader or Small Partnership with Sickness, Injury or Leave

Purpose of Rule:

This alternative test is available to an entity if:

(a) the entity is a sole trader or small partnership that has no employees;
(b) the sole trader or at least one of the partners did not work for all or part of the relevant comparison period due to sickness, injury or leave; and
(c) the turnover of the sole trader or partnership was affected by the sole trader or partner not working for all or part of that period.

Scenario Eight -For a business that temporarily ceased trading during the relevant comparison period

Purpose of Rule:

Temporarily ceasing to trade includes a business ceasing to make supplies or where it cannot otherwise offer its goods and services to customers. It does not require that the entity stopped carrying on business but requires a suspension of the ordinary activities of the business due to some event or circumstance outside the ordinary course of business. Temporarily ceasing to trade also has to be for a week or more- for example, where a business that is run from purpose-built premises ceased trading for a week or more to move into new premises.

This alternative test is available to an entity if:

- the entity's business had temporarily ceased trading due to an event or circumstance outside the ordinary course of the entity's business
- the entity's business had temporarily ceased trading for a week or more
- some or all of the relevant comparison period occurred during the time in which your entity's business had temporarily ceased trading, and
- the entity's business resumed trading before 28 September 2020.

Ceasing trade at the end of a business day, on weekends and public holidays or ceasing trade during the off-season of a seasonal business would not satisfy this requirement. These all form part of the ordinary course of the entity's business. This alternative test **will not generally apply** where a business ceases trade because its sole trader or partner (in a small partnership) goes on planned leave.

If you would like a full overview of these alternative tests, please click on the link HERE

An Agile Business Approach in Uncertain Times

2020 has been particularly chaotic, but let's face it, even in typical times most planning and budgeting processes are frustrating. They start five or six months early with promises of visionary transformations that quickly give way to tedious templates, endless financial forecasts, haggling over targets, and battling for resources. Companies have an opportunity to make a clean break this year, with the pandemic requiring a more agile approach.

Organisations and leaders have an opportunity during this recovery period to go beyond just getting back to normal. It is our belief that leading organisations will seize the opportunity that this crisis has presented to reinvent their business and create new sources of advantage in what will inevitably be a 'new normal'.

There is no defined playbook for leaders in this instance; the only real certainty that exists is that no business strategy will survive fully intact. Leaders that focus on being prepared for the inevitable uncertainties will be better placed than those trying to predict the unpredictable.

Leaders must now refocus their organisations from one of crisis, contingency, reaction and inward focus, to that of programmatic and coordinated market-facing reinvention. Preparing a recovery plan of action should be the highest priority for leaders and doing so requires a more considered understanding of the new business environment.

The objective of this article is to equip business leaders with questions to consider as they prepare their organisations for the 'new normal': -

- *What are the plausible scenarios that may unfold as a result of the crisis?*
- *What are the characteristics of the future business environment – the macro trends and sustained disruptions?*
- *What opportunities and risks will this new environment offer our industry and organisation?*
- *What changes should be made to existing business and operating models?*
- *What are the key strategic choices and 'no-regrets' moves to make in the next 3-12 months?*

Here are three things that work more effectively in generating improved planning & budgeting outcomes.

Change the Purpose of Planning and Budgeting:
Most planning and budgeting systems are designed to help senior executives predict, command, and control. Predict precisely what the company must do to deliver smooth, stable trends in earning per share (EPS). Command each siloed business unit and function to execute detailed plans that will add up to the desired total. Then rigorously control activities within each silo to make sure people conform to plans and deliver required results.

First, analyses by Bain & Company and others finds that predictable EPS trends explain only 1% of total shareholder returns. **Improving performance (return on invested capital and earnings growth), on the other hand, has 30 times greater impact. It pays to plan for higher performance, not for predictable earnings.**

Second, **the predict, command, and control model is especially ineffective in periods of constant crises** and black swan events like pandemic disease, social unrest, digital disruption, military conflict, terrorist attacks, financial shock, and environmental crisis. Historically, two-thirds of successful new businesses have had to ditch their original strategic plans to cope with unforeseen market conditions. In a world of unpredictable and accelerating change, long-term forecasts will be increasingly unreliable, and commanding people to stick to flawed plans will grow more dangerous.

Effective planning and budgeting define success as improving outcomes for customers, employees, investors, and communities — ***not as hitting budgets***. It **focuses on learning, adapting, and growing** — not on trying to predict the unpredictable. It tells the truth about forecasts, making it commendable to expose honest uncertainties and potential pivot points — not pretend they are unthinkable.

Shift the Focus from Financial Precision to Strategic Success:
A better approach is to turn the targeted outcomes developed in step one (above) into strategic portfolio guidelines that drive the budgeting and adaptation process. These guidelines **force discussions that allocate resources from the strategy down**, rather than from individual projects up.

Here are some typical questions strategic portfolio guidelines might raise:

- *What are the outcomes that will be most important for strategic success?*
- *Considering those priorities, where should resources go? For example, how much of our resources should go to running the business (operations) versus changing the business (innovations)?*
- *Within innovation, what's the right balance of resources going toward incremental innovation versus breakthroughs?*
- *How much should go to various customer segments?*
- *How much should go to different sales and distribution channels, geographies, business units, brands, or product lines?*
- *How much of our technology resources is properly spent on keeping current systems running versus developing new features or improving architecture?*
- *What hypotheses must be true for these resource allocation strategies to work, and how can we test them most quickly and efficiently?*

When executives tag individual investments with these strategic classifications and add them up, they often discover surprising patterns. Their greatest growth opportunity may turn out to be losing market share and investing little in innovation. Ninety percent of the technology budget may be going to simply keeping the lights on and fixing legacy systems. Investment in the online channel preferred by key customers may turn out to be woefully low.

By properly aligning resources with strategic priorities, companies can better see the tough trade-offs that should be made but aren't working — either because of neglect or because decisions are being made by the wrong people.

This has only become more important in the current turbulence. Executives responsible for strategic outcomes should make the resource trade-offs to achieve them. In agile organizations, such as NatWest Group (formerly Royal Bank of Scotland), performance units submit not only their recommended resource allocation plan but also what they could deliver with 20% more or 20% less. ***They anticipate what could be cut without sacrificing strategic objectives and how they should respond to unexpected events and results.***

Plan Faster and More Frequently:

If budgets are inflexible and a crucial forecast can't be adjusted, the person making it naturally obsesses over its accuracy. Left untouched, even small mistakes can compound over time and make a mess of plans. However, if we can adjust a long-term forecast every quarter, month, or week, we can continually improve its accuracy in far less time and with far less effort. **Setting bold, challenging objectives and then adjusting plans to incorporate valuable lessons learned is the best way to improve.**

Five-year business strategies are hard to predict. **Fortunately, business planning can follow the following principles:** ***describe an expected path, estimate the uncertainty and a reasonable range of outcomes, clarify the hypotheses behind the predictions, track the validity of those hypotheses, change those that are wrong and adapt the plans to achieve the best possible results in light of the most accurate information.***

For most companies, traditional planning and budgeting has a comfortable certainty built into it. It's hard to give that up. But precision is not the same as accuracy and **plans that are flexible enough to *focus on what truly creates value* are worth the discomfort.**

Exploring Plausible Future Scenarios- Some Questions:

- *Which of our previous expectations need to be rethought?*
- *What prospects seemed unlikely or years away, but could now be accelerated?*
- *What might consumers particularly value in each scenario?*
- *How might this vary across key variables (for example, regions, segments, or demographics)?*
- *What are the biggest threats to our current business in each scenario?*
- *What mitigations and preparations are required?*
- *What new providers, companies, business models, and ecosystems might emerge?*
- *Which existing companies are best positioned to succeed?*
- *What capabilities, relationships and assets are important in each of these scenarios?*
- *How might our investment choices need to change?*

Questions for exploring the Macro Environment Trends:

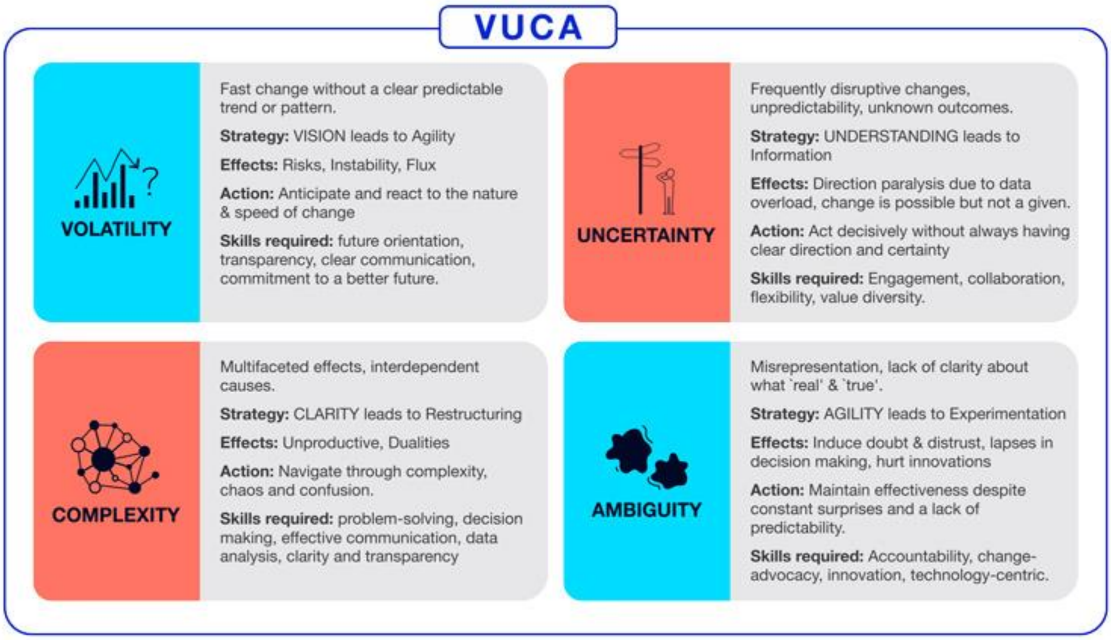
- *What aspects of government intervention will create opportunities for our business?*
- *Which regulations will require changes in our current strategy?*
- *Do we proactively monitor the regulatory environment?*
- *Can we manage the increasing speed at which regulation is made and updated?*
- *Are changes to the geopolitical landscape affecting international trade or global supply chains?*
- *Is there a rise in interventionist or protectionist government policy?*
- *Have government interventions and stimulus packages been effective in helping economies hibernate and emerge relatively unscathed?*
- *Is there increased difficulty accessing capital for small or medium businesses?*
- *Is the balance shifting towards individual privacy and liberty or towards societal security?*
- *Will societal and environmental trends that were rising pre-COVID return, accelerate or drop-off?*

Questions for Business Leaders on Business Model Shifts: -

- *To what extent are customer needs, preferences and consumption patterns shifting?*
- *Will consumer confidence and demand take on similar levels in similar market segments?*
- *What business model changes are required considering the 'new normal' customer needs?*
- *What new segments, services, products and propositions will emerge from the crisis?*
- *Which sector value chains have proven vulnerable and lacking in resilience requiring fundamental overhaul?*
- *What new partnerships and ecosystem collaborations will sustain operational continuity in the new normal?*
- *How will the work of businesses change, and what are the resultant impacts on global and virtual workforces and workplaces?*
- *How has the criticality of physical assets and infrastructure changed?*
- *What heightened monitoring and remediation capabilities are required?*

- *What long lasting changes to the cost of global goods and services will occur?*
- *How will the wide scale adoption of digitisation, advanced analytics, accelerated cloud technologies and platforms and artificial intelligence create advantage for our business?*

Over the past few months, leaders have been put to the test, forced to make decisions on highly complex and systemic issues amidst rising ambiguity and volatility. Over the months ahead, as countries navigate the health and economic crisis, businesses will emerge from hibernation, faced with the task of powering back up and shaping their recovery in an economic and business environment that remains highly uncertain. **We are now truly living in and adapting to a "VUCA" world – filled with Volatility, Uncertainty, Complexity and Ambiguity.**



Leaders will be required to make choices that will have immediate and longer-term implications. Having a more considered understanding of the evolving business environment, accelerating trends and a vision for what the 'new normal' aspiration for the business should be, is crucial.

Act Now

No one action, by itself, can dispel a heavy cloud of uncertainty or significantly mitigate its impact. But if organisations can get out of their defensive crouch and assume a more aggressive stance, they have a better chance of maintaining their balance and shaping their future. Building and harnessing the mutually reinforcing attributes of optionality, agility, and resilience will enable leaders to adopt the strategies and mind-sets that allow them to succeed in the full spectrum of uncertain outcomes. Pursuing this path takes a lot of courage. Companies must consciously lean into changes and counterintuitive activities in the precise moments when it is most uncomfortable to do so, or when the forces of inertia and gravity are pushing them toward a predictable outcome.

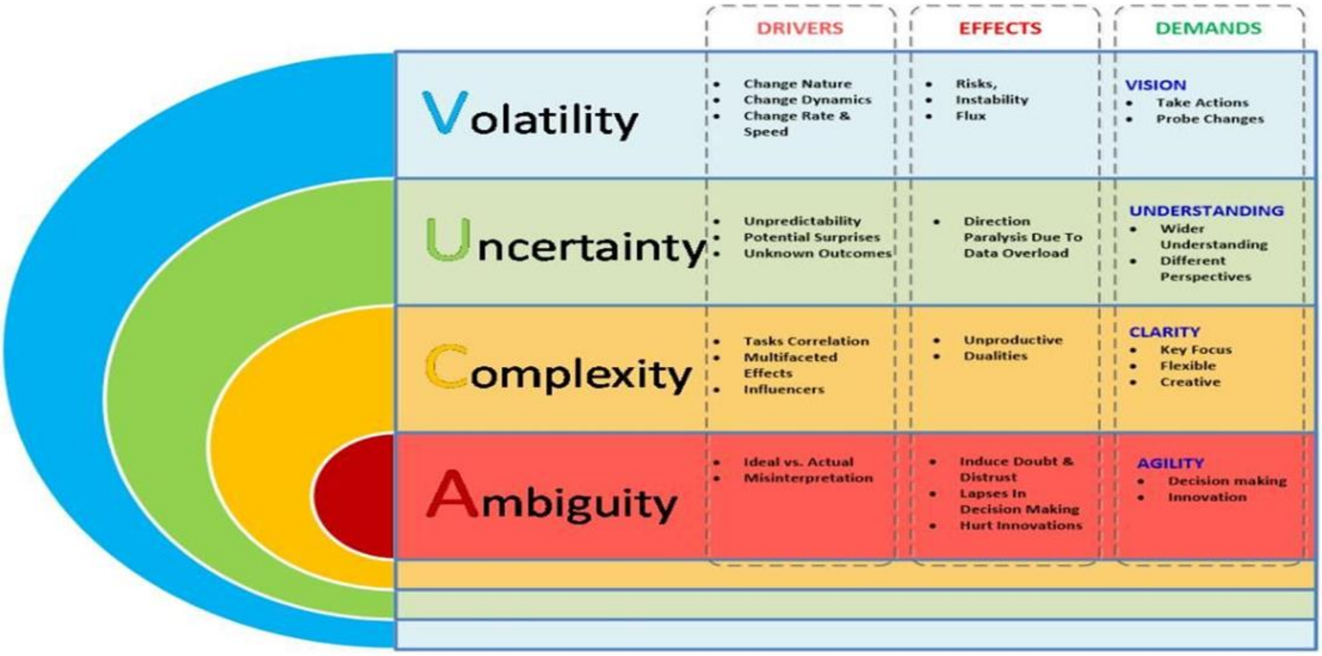
What does "VUCA" (*expressed in positive terms*) mean for your leadership and your business strategies?

VISION - *Paint a picture of the future you want, linked to your business purpose (or revised purpose). Together; as a compass and for orientation; in order to confer meaning and spark motivation for you and the business team– and to forge internal and external identity and effectiveness.*

UNDERSTANDING - *Understand interconnections; make them transparent. Reflect on the context. Think and plan meta-strategically. Start from the result and work backwards. Harmonise skills. Embrace and exploit behaviours and reactions. Convert anxiety and resistance into productive energy.*

CLARITY - *Focus on what counts and what it really means for your business- Trust, transparent connections and processes. Apply energy and force exactly where they will be most effective.*

ADAPTABILITY/AGILITY - *Flexibility. Scrutinise hierarchical management techniques. Promote a consistent culture for making decisions and accounting for mistakes. Interact transparently with objections. Facilitate innovation and build up resilience.*



Payroll Updates required by no later than 16 November 2020

The ATO has now updated tax withholding schedules to reflect the 2020–21 income year personal tax cuts that were brought forward to the 2021 financial year.

Updated schedules are available at www.ato.gov.au/taxtables.

Changes to personal income tax thresholds announced by the Government during the Federal Budget have been incorporated into the withholding schedules and tax tables **and will apply to payroll payments made on and from 13 October 2020.**

As the changes to withholding are made part way through the income year, employers and other payers who are unable to immediately implement these changes into their payroll will have until 16 November 2020 to do so.

Employees and other payees will receive their entitlement to the reduced tax payable for the entire 2020–21 income year when they lodge their income tax return.

Approaches to Improving Business Profitability & Cashflow

Virtually every company is familiar with the broad challenge of improving work efficiency and streamlining costs to boost profitability. By simplifying operational procedures and focusing the product ranges, companies can reduce complexity in specific areas and increase revenue while reducing costs. Companies can also achieve long-term structural improvements by, for example, optimising plant operations, inventory management and distribution structures.

Regardless of their individual circumstances, companies usually ask themselves the same question: ***Where does the operational full potential lie along the value chain, and how do we achieve it?***

Examining Operational Performance

Regardless of its financial situation, every company should carry out an operational performance improvement program occasionally. However, the motivations for conducting such a program vary substantially. Typical reasons include urgency to achieve financial targets, exhausted cost-reduction potentials, a challenging strategic and competitive position, and evolving market conditions.

Expanding Leadership Positions

Successful market leaders work constantly to improve a good cost structure. However, some market leaders achieve a satisfactory profit margin but fail to fully exploit their profitability potential.

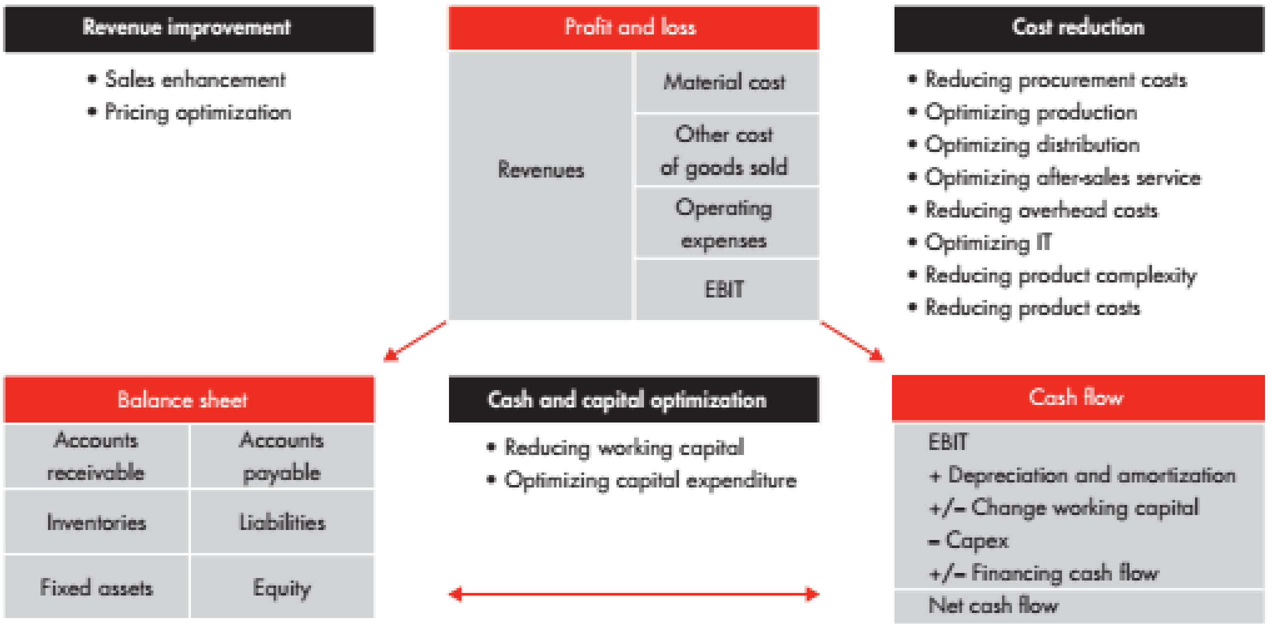
Closing Cost Gaps

The key is to determine the extent to which the current profitability and cost gap results from operational inefficiencies.

Operational Restructuring

Companies experiencing stormy weather are often confronted with drastic changes in market conditions. Especially in capital-intensive sectors, cyclical or structural market weaknesses quickly lead to revenue losses and dwindling profits. In this situation, companies must optimise their operational business, usually under time constraints.

The diagram below summarises ten focused initiatives that will contribute to improved business profitability and cashflow.



Source: Bain & Company

Cost management and protecting the bottom line can mean the same thing if handled correctly. This is even more true for companies facing loss of revenue in times of economic uncertainty. However, we know costs don't fall in line with revenue, due to the fixed costs component of overheads – perhaps totalling 70% to 85% of all overheads, depending upon the nature of the industry the business operates within.

In difficult times, leaders and their financial team normally turn to the big items to find savings. This usually includes reducing staffing headcount, closing offices, cutting marketing budgets, inventory and moving to cheaper premises, to name a few.

These types of large cost cuttings can often feel like a 'Let's See if it Works' School of Management strategy of *'slash and burn'*. But it doesn't have to. However, the approach to cost management does need to be prudent to ensure it does not undermine the key differentiated business strategies that management have adopted.

The diagram below illustrates some guidelines to the various cost reduction initiatives and the approach that might be used by business owners and management.

	Initiative		Approach
Cost reduction	• Reducing procurement costs	→	Expertise
	• Optimizing production	→	Expertise
	• Optimizing distribution	→	Expertise
	• Optimizing after-sales service	→	Expertise
	• Reducing overhead costs	→	Benchmarking
	• Optimizing IT	→	Expertise
	• Reducing product complexity	→	Analytics
	• Reducing product costs	→	Benchmarking
Cash and capital optimization	• Reducing working capital	→	Benchmarking
	• Optimizing capital expenditure	→	Benchmarking

Source: Bain & Company

Advisory Work has increased due to COVID-19

COVID-19 has been a catalyst for many small and medium-sized enterprises to ask their accountants to undertake more advisory work.

The key advisory work that has been undertaken includes:

- Calculations to determine a client's eligibility for JobKeeper.
- Budget updates.
- Cashflow Forecast updates.
- Analysis of financial performance for submission to banks.
- Understanding the business' numbers and giving advice on strategies that could be implemented.
- Capital expenditure advice relative to the introduction of instant asset write offs by the government.
- Advising clients on potential eligibility and utilisation of the Loss Carry Back Scheme provisions contained in the Federal government's Budget.
- Participation in regular business review meetings to determine strategies that suited the circumstances that individual clients were encountering because of COVID-19.
- Participation in "think tank" business reviews to determine financing strategies for the next 2 to 3 years. In some of these discussions a decision has been made to attempt to raise capital utilising Crowd Sourced Funding Equity Raising, rather than applying for a bank loan and then having to identify suitable security that could be offered to the bank.

If you would like assistance with any of these or other business specific matters, please contact your CBSW director or our Business Advisory specialist – Lyall Bear.