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BUSINESS ADVISORS AND TAXATION ACCOUNTANTS

EOFY CHECKLIST FOR SMALL BUSINESS OWNERS

Practical steps to boost your business's profitability and financial sustainability.



This checklist helps you move beyond basic compliance, focusing instead on improving your profitability, strengthening financial sustainability, and ensuring long-term business success.

Review, plan, and document critical financial decisions with these practical actions:

1. Optimising Depreciation on Eligible Assets

Effective depreciation management is a powerful tool to reduce your taxable income and improve your cash flow.

- Strategic timing for equipment and infrastructure purchases to maximise tax deductions.
- Align your depreciation schedules with your cash flow and loan repayments for better debt management.
- Maintain detailed asset registers, including purchase dates, costs, and depreciation claimed.
- Conduct an annual asset review with your accountant.
- Regularly communicate with your accountant about compliance and optimising depreciation strategies.
- Stay informed on legislative changes and updates from the ATO.
- Consult your accountant before major machinery or infrastructure purchases.

2. Smart strategies for Stock Valuation

Accurate stock valuation is vital for informed decision-making, effective risk management, and securing funding.

Methods of stock inventory valuation (review and choose):

- Review if the cost method is suitable based on your current and expected inventory costs (e.g., manufacturing, purchasing).
- Evaluate net realisable value (NRV) by estimating the selling price minus any selling costs.
- Consider market value (mark-to-market) based on current market prices and anticipated future prices.

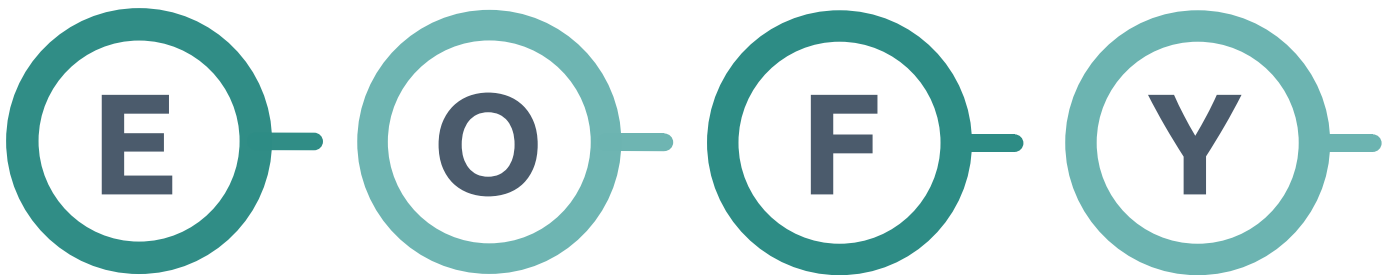
Strategic tips:

- Select and document the method best suited to your financial and operational goals.
- Apply your chosen valuation method consistently every financial year.
- Regularly evaluate how your valuation method impacts cash flow and tax outcomes.
- Clearly document your valuation decisions and calculations for compliance and audits.

3. Maximising superannuation

Superannuation helps you build wealth, reduce taxable income, and supports effective succession planning.

- Review your concessional and non-concessional contribution strategies each year.
- Use business income strategically to make super contributions.
- Consider superannuation as a tax-effective wealth transfer method for succession planning.
- Plan contributions early in each financial year.
- Maintain detailed records of all super contributions for compliance and future planning.
- Regularly seek professional advice to optimise your superannuation strategy.



4. Understanding capital gains tax implications

Capital Gains Tax (CGT) can significantly impact the sale or transfer of business assets, including property and shares.

- Understand and apply key exemptions (e.g., main residence, small business CGT concessions).
- Keep thorough records of asset purchases, improvements, and historical data.
- Obtain professional advice for scenarios involving succession, restructuring, or selling to minimise CGT liabilities.
- Plan business succession early to structure transfers tax-effectively.

5. Accessing tax incentives and rebates

Ensure your business takes full advantage of all available incentives and concessions.

- Check your eligibility annually for key tax incentives such as the instant asset write-off.
- Confirm eligibility for relevant concessions and incentives (such as small business CGT relief, income tax offsets, simplified PAYG instalments, and energy efficiency incentives).
- Keep comprehensive records to support your incentive and rebate claims.
- Regularly consult your advisors to ensure you're taking full advantage of available benefits.

6. Importance of good financial records

Good records underpin strategic decisions, easier finance approvals, and enhanced profitability.

- Keep open channels of communication with us and your extended professional team.
- Maintain accurate, current financial records for strategic and operational benefits, not just compliance.

Ready to optimise your businesses financial health?

Contact us today to discuss how we can support your EOFY strategies, maximise your profitability, and ensure you're set up for a successful year ahead.

Contact Us!



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