



EOFY CHECKLIST FOR ESPERANCE FARMERS

Practical steps to boost farm profitability and financial sustainability

This checklist helps you strategically manage end-of-financial-year tasks. It's more than just ticking boxes, it's about improving farm profitability, sustainability, and long-term business success.

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

1. Optimising depreciation on critical farm machinery

Effective depreciation management reduces taxable income and enhances cash flow.

- ☐ Check and use special depreciation rules available for primary producers (accelerated depreciation for water facilities, fencing, fodder storage).
- ☐ Strategically time machinery and infrastructure purchases to maximise immediate 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 grain inventory valuation

Accurate grain valuation supports informed decision-making, risk management, and funding.

Methods of grain inventory valuation (review and choose):

- ☐ Review if the cost method is suitable based on your current and expected grain production costs.
- ☐ 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 farm income strategically to make super contributions.
- ☐ Transfer farm wealth tax-effectively into personal retirement savings.
- ☐ Regularly seek professional advice to optimise your superannuation strategy.
- ☐ Plan contributions early in each financial year.
- ☐ Adjust your superannuation strategy annually according to farm performance, legislation, and personal retirement goals.
- ☐ Maintain detailed records of all super contributions for compliance and future planning.



4. Understanding capital gains tax implications

Capital Gains Tax (CGT) significantly affects farm sales or transfers.

- ☐ 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 farm succession early to structure transfers tax-effectively.

5. Accessing tax incentives and rebates

Ensure your farm takes advantage of available incentives and concessions.

- ☐ Check eligibility annually for incentives such as farm management deposits, income averaging, fuel tax credits, accelerated depreciation, and instant asset write-offs.
- ☐ Confirm eligibility for primary-producer-specific concessions (small business CGT relief, income tax offsets, simplified PAYG instalments, 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 farm's 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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