



ANDRESEN M^CCARTHY PARTNERS

LEADING THE WAY



Christmas Edition 2023

INSIDE:

- Catching Up On Carry Forward Contributions
- How To Manage Cash Flow During Uncertain Times

Catching Up On Carry Forward Contributions

Is it time to catch up on your super contributions?

Every financial year, the cap for concessional and non-concessional contributions is set at a specific limit. For the 2023-24 financial year, this limit was set at \$27,500 for concessional contributions.

If you make concessional contributions less than the annual contributions cap, and your super balance is below \$500k you can accrue any unused amounts and carry them forward for use in later financial years. This allows you to (potentially) make larger concessional contributions in a single financial year if the concessional cap hasn't been fully utilised.

Most working Australians will contribute at least a portion of their concessional contributions through their employment, specifically through their super guarantee contributions. However, any remaining amounts from that financial year can be applied to your carry-forward limits.

Example of Bringing Forward Contributions:

Let's assume that a registered nurse made a concessional contribution of \$15,000 in

the 2018-19 financial year out of the total cap of \$25,000. This means they have \$10,000 in unused amounts to add to their total cap for the following year (brought forward).

If, in the following year, she contributes \$20,000 in concessional contributions out of the total cap of \$25,000 (for the 2019-20 year), she will have an additional \$5,000 in unused contributions to add to her total unused amount (now \$15,000). In the following year, she can contribute up to \$40,000 total.

Any unused cap amounts can be carried forward for up to five years. Your catch-up contributions for the 2023-24 financial year (this current year) can accrue as far back as the 2018-19 financial year; however, once the five-year limit passes, they will expire.



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Catching Up On Carry Forward Contributions *cont.*

To be eligible to make catch-up concessional contributions, your total super balance must be below \$500,000 as at the prior 30 June.

Before making additional contributions to your super it is highly recommended that you speak with us, a professional adviser, for guidance on eligibility, benefits, and whether it is the right course of action for you.



Important tax dates

21 DECEMBER

Lodge and pay November 2023 monthly business activity statement.

21 JANUARY

Lodge and pay quarter 2, 2023–24 PAYG instalment activity statement for head companies of consolidated groups.

Lodge and pay December 2023 monthly business activity statement except for business clients with up to \$10 million turnover who report GST monthly and lodge electronically.

28 JANUARY

Make quarter 2 of 2023–24 super guarantee contributions to funds by this date.

Note: Employers who do not pay minimum super contributions for quarter 2 by this date must pay the super guarantee charge and lodge a Superannuation guarantee charge statement by 28 February 2024.

31 JANUARY

Lodge TFN report for closely held trusts if any beneficiary quoted their TFN to a trustee in quarter 2, 2023–24.

Lodge tax return for taxable large and medium entities as per the latest year lodged (all entities other than individuals), unless required earlier.

Payment for large and medium entities with a 31 January due date is:

- 1 December 2023 - for companies and super funds for trusts - as stated on their notice of assessment.



How To Manage Cash Flow During Uncertain Times

Cash flow management is a critical aspect of success for small businesses. Understanding and controlling the movement of money in and out of your business are vital. Below are some tips for effective cash flow management.

Develop a Detailed Cash Flow Forecast:

Create a comprehensive monthly or quarterly cash flow forecast to anticipate potential shortages or surpluses and facilitate proactive decision-making.

Monitor and Update Regularly:

Regularly update your cash flow forecast to reflect changes in the business environment, ensuring its relevance to your current situation.

Invoice Promptly and Follow Up:

Invoice clients promptly and follow up on overdue payments to improve cash flow and strengthen client relationships.

Negotiate Favourable Payment Terms:

Negotiate with suppliers for favourable payment terms to enhance your ability to manage cash flow effectively.



Offer Early Payment Discounts:

Encourage prompt payments by offering early payment discounts to clients.

Implement Strict Credit Policies:

Assess client creditworthiness and enforce clear credit policies to minimize the risk of late or non-payment.

Diversify Revenue Streams:

Ensure a stable cash flow by diversifying your sources of income.

Control Operating Expenses:

Regularly review and reduce operating expenses without compromising quality.

Build a Cash Reserve:

Set aside a portion of profits as a cash reserve to provide a financial safety net.

Explore Financing Options:

Investigate financing options such as loans or lines of credit to manage cash flow during growth or downturns.

Embrace Technology:

Utilize accounting software and financial tools for streamlined invoicing, expense tracking, and reporting.

Seek Professional Advice:

Consult with us, as financial experts, for tailored guidance on optimising cash flow management strategies.

By implementing these essential tips, small businesses can enhance their financial resilience and position themselves for sustained success during uncertain times.

We are here to help

Make use of us! This guide is merely a starting point, designed to help you identify areas that might have a significant impact on your personal and business planning.

We are always pleased to discuss matters with you and advise in any way we can.





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Merry Christmas

FROM AMCP

Karen O'Neill
*Worst Gift you
have ever received?*
Anything that belongs
in a kitchen
(because I sure don't!)



Matthew Russo
Have you ever recycled a
Christmas present?
Maybe, cant disclose
as they may be
reading this!



Jo Hehir
Favourite meal at
Christmas time?
Fresh Seafood &
Crisp Glass of
Rosé



Lindsay Roberts
*Favourite
Christmas song?*
Mariah Carey -
All I Want for
Christmas



Janelle McQualter
*Favourite gift received
as a child?*
Jack the cabbage
patch kid



As another year draws to a close, we want to give our heartfelt thanks to all of our valued clients, business partners and colleagues for all their continued support.

We hope your holiday season involves the making of some very joyous memories for you and yours.

We will be taking a short break from Friday 22nd December 2023 and returning Monday 8th January 2024

