

# KBA Accountants Newsletter

December 2024



## **A Big Merry Christmas and a Happy and Prosperous New year from us all!**

I know we all receive a lot of these Jolly messages this time of year and if you do not have time to read ours now, all good keep it aside and have a read when you can as this is a combination of our Newsletter and our Jolly Ho Ho Ho message.

Firstly and most importantly from all of the team at KBA accountants please have a **Merry Merry Christmas and a Happy and Prosperous New Year**. I hope you all get some special time with family and friends over the Christmas and the new year holidays, and for those of you that get a chance to have a decent break over Christmas take the time to relax and refocus for the new year. Being a small business person in this current environment can be challenging and draining, so make sure you take the time for yourself also check in with yourself and give yourself that much needed self-care we all deserve.

**For our business** I see another busy year ahead, we and most of the world have navigated out of the possible recession that can occur after Inflation gets out of control and governments of the world must put the brakes on using things like interest rate increases. It looks like we have the soft landing that we all hoped for. Interest rates unfortunately I predict will remain a little too high but in the second half of the year I expect we will see them finally starting to move down. Employment will stay low and getting good staff will still be a challenge for us all. So over the Christmas Break take the time to see where your business is going and where you want it to go. Are there opportunities that you could grow and prosper with that you are currently not? Possibly areas that are not working for you and it might be time to focus your energies on in other directions? Do you just need to streamline what you are currently doing to maximise the profit you are chasing?



So how has KBA gone this year well I am **sitting in my home office** on Saturday morning after our annual team Christmas function reflecting on another year for KBA, the 26<sup>th</sup> in fact and what a year it has been and for a change I am not hung over which is a pleasant change but basking in a winner's glow more on that next.

**The team finished off the year** with a somewhat competitive and somewhat fun bare foot bowls at the Mooloolaba bowl club, dressed as either golfers or tennis players (Hence the Team photo) we battled from 1pm to 3pm there was some that were competitive (Stephen Chris and Caitlin) others in it for the fun. After almost 2 hours of competition Stephen & Chris decide they were the winners but with just 15 minutes to go the senior Partner (That would be Greg) challenged them to a winner takes all (not that they realised at the time) final game, one end the winner is the closest bowl to the jack. Chris and Stephen came out strong and Greg & Daniel looked gone but with the final bowl of the day after Daniel had with his final ball skilfully cleared the way **Greg Bowled the bowl of the day** to knock the oppositions winning bowl out of the way and drop our bowl right next to the Jack taking the win and the Game for the day and most importantly bragging rights for the rest of the night. We then enjoyed a nice late lunch and a few drinks and discussed the days play, a few kicked onto Mooloolaba for a few more drinks and then a final few carried on into the night at the Alex bluff Bar I am sure there heads are not in a good space this morning but I know we all had a great time and it was a great way to finish off the year as the office is now closed.





## SCAMS BEWARE!!!!

Please be vigilant as the scammers are getting smarter, Greg was even dumb enough to let his Medicare account get hacked recently so you let your guard down for a minute and they are in. KBA are committed to the security of all your data, but it is imperative that you all do your bit. On that point please please do not send your TFN in any documentation to anyone either via post or email, we have your TFN's, so we do not need you to send them to us with your tax work or any other documents you send us. Also bank details we will call you to request them if we need them and if you are not sure it is us that is calling then please feel free to call us back on the number you know, or we can arrange the use of our secure Portal for sensitive information like this to be forwarded to us. You will notice TFN's do even show on the Tax returns we prepare, and you have signed through the secure Fusesign process just to be 100% sure.

**Patience Is a virtue** - It has been another challenging year for us this year we had both Caitlin and Macey off on maternity leave at the same time from May/June onwards and unfortunately their replacements did not stay long we lost Melanie who left the industry, Ash moved to Brisbane, Charlie to Gympie and Nicky to Bundaberg. Macey and Caitlin have returned to part-time with their normal hours to be resumed in the early new year, and we have added Daniel to the team, Mark has taken some well-deserved long service leave late in the year as well. Nicolette our receptionist moved on and Marks partner Julez has jumped into that role with Maddie assisting her. Many of you have been patient and very understanding while we have worked through this staff shortage/mums having bubs and the rest of the team has worked tirelessly to keep us almost on top of our work load (Luckyly Greg's partner Bev is a nurse and works a lot of afternoon shifts so she does not see how many extra hours Greg does in the evening when he gets home which is why you may have seen some late night emails from him. You may have also noticed that we stopped taking clients for a period to make sure we could do our best to look after our existing clients.

We have also had many software changes this past year and they have created a few teething problems, but we are working through them.

Good news we will be back to full strength early in the new year and will be able to stay on top of things once we clear a little back log from some of the jobs we did not get done before Christmas.

We are also opening our books to new client again so if you have any family or friends that might need our help please reach out.

The other good news is both bubs are doing well and have made many noisy visits to the office.

**Invoicing** - We use to include our invoices with your tax work when it was sent out but realised that there is a lot in those packs we send out and many of you were missing the invoices, so we have started sending them out separately. However, with the 2 expected mums being away and our focus on getting the work done and out to you we have fallen behind with some of those invoices and we will be catching up with them over the next couple of days and in the early new year. So, if you get an invoice that you think is a little old that is why, the bonus is that you have had all of this extra time with the money in your accounts.

Please also ensure you have removed our old bank account ending #399 and instead use the account detailed on the invoice we send you; we plan to close the old account very soon.

We do our best to keep our firms charges to a minimum and know we are not the cheapest on the Coast but by far not the dearest either and feel we are good value for money but like all businesses at the moment our costs are rising especially labour costs so our prices have increased as you would expect, to cover these increasing costs.



**Getting onto your work in the new year** - We have plenty to get through in the next 6 months as returns will need to be lodged by the 30<sup>th</sup> June 2025 so if we have not started your work yet you will hear from us. Last year there were many of you that did not want us to start your work until much later in the year but that meant a bottle neck of work in the last quarter which we need to avoid this year. The main reason, we found out, that most of you did not want us to start until later in the year was that you did not want to have to pay your taxes early (Makes Sense) but we can avoid that even if we prepare your returns early by delaying the lodgement until the last possible date hence delaying the tax debts and also delaying changes to the PAYG instalments however doing them earlier will mean you will know what is due exactly and you therefore can plan for the eventual payment to the dreaded tax man.

**Normally we chase you for your work but this year we will get your work underway and then let you know what we need from you. If for some reason you do not want us to start your work let us know ASAP**

**Tax changes in 2024/2025** - Luckily not a lot to be honest, other than the major change for 2025 being the lower of the personal tax rates which many of you on wages would have noticed a nice bump to your take home pay.

From 1 July 2024, the tax cuts have:

- reduced the 19 per cent tax rate to 16 per cent \$18200 to \$45000
- reduced the 32.5 per cent tax rate to 30 per cent \$45000 to \$135000
- increased the threshold above which the 37 per cent tax rate applies from \$120,000 to \$135,000
- increased the threshold above which the 45 per cent tax rate applies from \$180,000 to \$190,000.

Also do not forget the 2% Medicare charge needs to add to all the above

There is still always plenty to talk about and options to employ to reduce your tax and we will be improving our communication on those items in the future we often just employ a bunch of options to reduce your tax and maybe do not communicate them as well as we should so more communication from us all in 2025, **Caitlin just finished a job for a new client and saved them close to \$30000 in tax** by using a tried and tested tax saving option that their previous accountant, which was a Big and reputable firm on the coast, had not thought of.

**If you have been happy with our service feel free to leave us a 5-star rating and or an awesome review on our socials, if however, we have not met your expectations in any way please reach out so we can have the chance to resolve the situation to your satisfaction.**

**So that is a wrap for 2024 we did not want to make this one a long-winded newsletter/Christmas message but wanted to take the time to say HO HO and all that and take a small amount of your time to keep you updated on a few things that we thought would be good to know.**

**We are looking forward to 2025 and a much more stable year and a return to our usual awesome service.**

