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Thomas Noble & Russell
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REVIEW OF CASUAL EMPLOYMENT STATUS

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New laws for long-term casual employees came into effect in September after a Fair Work Commission reviewed the terms in modern awards. It was also to correct any interaction issues with the changes to casual employment that came into effect through amendments to the Fair Work Act 2009 in March 2021.

Under the law, casual employees have the right to convert to permanent employment after 12 months of employment if they can demonstrate they have had a regular pattern of hours on an ongoing basis over the previous six months.

The Fair Work Ombudsman has warned Australian businesses to review their employment arrangements with casual employees or face fines of up to $66,000.

However, small business employers - defined as employers with less than 15 employees at any given time - are not required to offer eligible casual employees an opportunity to convert to permanent employment.

The only other exemption from the new law is when the employer understands they have “reasonable grounds” to not make the new offer. The Fair Work Ombudsman considers such grounds to include where the employer would have to make a significant adjustment to the employees work hours for them to be employed full-time or part time, or where the position is to be made redundant.

Under the new laws, businesses are required to write to an employee within 21 days after the employees 12-month anniversary to inform them of the conversion offer, or to advise the reasons why they are not making the offer. The employees then have 21 days to accept the offer, in writing, or the employer can assume the offer has been declined.

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It's acceptable for the casual employee to make a request to be converted to permanent employment, as long as they have been employed for at least 12 months, have worked a regular pattern of hours over the last six months and can continue to work these hours in a full-time or part-time capacity.

The Fair Work Ombudsman has also confirmed that employers cannot in any way reduce or change the employees' hours or terminate their employment as a way of not having to offer the conversion of their casual employment.

The new casual conversion laws are part of the National Employment Standards which means if companies fail to make the offer to their eligible employees, they could face penalties in excess of $66,000 or $13,000 for individuals.

So, now is the time to ensure that you, as business owners, review current arrangements with casual employees and ensure they are updated accordingly.

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GETTING READY FOR AUDITS

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Audits can be challenging but the key to a successful audit is planning and preparation.

There are three common types of audits:

1. External audits: performed by an external auditor. External auditors provide independent opinions.
2. Internal audits: performed by internal employees of a company or organisation. They are mostly for internal use.
3. Compliance audits: performed to ensure a company or organisation comply with specific regulations.

External audit in particular has an important role as part of good governance and in maintaining the integrity of financial reporting.

Business managers, executives and directors rely on audited financial statements to set up and/or monitor KPIs and business objectives for the next 12 months and beyond.

External parties such as customers, suppliers, government agencies and banks also rely on audited financial information to make decision whether to engage and support the organisation or not.

So, how should a business prepare for an audit?

- Review your financial reporting obligations and/or requirements by the various stakeholders: An organisation may be subject to certain reporting obligations to regulators in accordance with its constitution or funding agreements.
- Plan ahead: Review previous errors and audit findings/recommendations, and whether any action was taken in improving the accounting process. Organise an independent valuation of assets such as property if required. Also, review resource requirements and whether there are sufficient and competent team members to prepare for the upcoming audit.
- Identify significant changes: The auditor would like to know whether there are significant changes compared to prior year so they can plan the audit better.
- Develop a timetable and assign responsibilities: Using the AGM date or lodgement due date, develop an audit timetable by working backwards. Allow sufficient time for your own team and auditor to meet the deadline.
- Review the latest accounting standards: The Australian Accounting Standards Board (AASB) website lists the latest accounting standards by operative date.
- Communicate and be proactive: Economic conditions and business operations are changing rapidly therefore while we can anticipate changes, there are events that are outside our control so once an issue is known, all you can do best is to discuss this with your auditor and find out the likely solutions as soon as possible. Delaying the process will not help the situation any better.
- Prepare paperwork: Close the books, reconcile all accounts and have them ready per the agreed timetable.

Following the above steps will help ensure a smooth audit, with planning, preparation and communication key to auditing success.

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TAXING TIMES FOR INDIVIDUAL RESIDENCY

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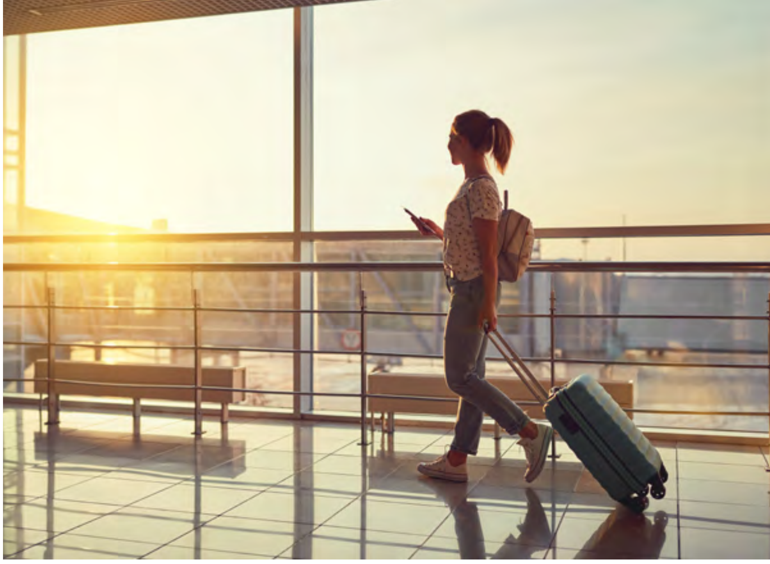

As part of the 2020/21 Federal Budget, the government announced changes to individual tax residency rules, intending to simplify the rules. With international borders finally opening, Australian expats considering a return home, should familiarise themselves with the changes.

Under the current individual tax residency rules, a person would be a resident of Australia for income tax purposes if they satisfy at least one of the following residency tests:

1. Residence according to ordinary concepts (i.e., someone who resides in Australia);
2. The domicile and 'permanent place of abode' test;
3. The 183-day test; or
4. The Commonwealth superannuation fund test.
5. The above tests are required to be performed in descending order until one is satisfied.

These rules for individuals have practical difficulties to apply, and as the primarily 'resides' test is highly subjective, it's been creating uncertainty and resulting in high compliance costs for individuals and their employers.

There have also been discussions between the Board of Taxation and the government since 2016 regarding the modernisation and simplification of the individual tax residency rules.

The reason the tax residency rules are important is because an Australian tax resident will be taxed on worldwide income and the individual top marginal tax rate is relatively higher (47 per cent) compared to global comparisons.

However, there are still some benefits of being tax residents, including:

- 50 per cent CGT discount if the CGT asset is held for greater than 12 months;
- Main residence exemption from CGT rules upon sale;
- Possible exemption for stamp duty surcharge or land tax surcharge on property transactions.

As part of the Federal Budget announcement, the government announced it will replace the current individual tax residency rules with new primary and secondary tests to determine one's tax residency.

The primary test is the 183-day test, that is, if a person who is physically present in Australia for a period of 183 days or more in any income year, they will be considered as a resident for Australian tax purposes.

The secondary test is a factor test, which applies to individuals who spend more than 45 days but less than 183 days in Australia in an income year. The secondary test focus is on four factors, two of which must be satisfied by that person to be deemed a resident for tax purposes. These include:

1. The right to reside permanently in Australia (e.g., citizenship or permanent residency);
2. The ability to access accommodation in Australia (e.g., rights of ownership, leasehold interest, licenses);
3. Whether the individual's family (spouse or any of their children under 18) are generally located in Australia;
4. The individual's Australian economic connections (employment, carry on business, interests in Australia).

Although the new proposed rules remove uncertainties exhibited under the current tax residency rules, it may impose some practical challenges as well, including Capital Gains Tax, and the Double Tax Agreement.

For Australian residents contemplating either a move home or indeed, a move abroad, it would be worthwhile discussing the arrangement with your accountant prior. They will be able to advise on how to structure your affairs in mitigating any tax liabilities on your return to Australia.

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BUSINESSES RIPE FOR M&A ACTIVITY

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The FY21 M&A Deals: Year in Review Report highlighted an increased number of transactions in FY21 compared to FY20 despite the COVID disruption to businesses worldwide.

As a firm, HLB Mann Judd completed a number of transactions with offshore purchasers, who were not able to travel to Australia to meet management face-to-face. This demonstrates how global transactions progress despite the obvious restrictions imposed on organisations.

The first quarter of FY22 has seen a record number of transactions commence across a variety of industries.

So, what's causing the surge in demand? There are a few principal reasons for this, namely:

- Baby Boomer-led businesses: The baby boomer generation, who are incredibly entrepreneurial, are reaching retirement age. This should be giving rise to intergenerational change. However the children are increasingly less interested in taking on the family business and would rather their parents sell the business and leave them the money.
- Stock markets recovery: The bounce back in global stock markets and, by association, superannuation funds, over the last 12 months has brought retirement aspirations forward, allowing business owners to plot their financial future with more confidence and certainty. In addition, the market recovery results higher price/earnings ratios for listed businesses allowing them to offer higher acquisition prices and still achieve a multiples arbitrage for shareholders.
- Debt is cheap: While many businesses have been hit hard by the pandemic, many have prospered and benefitted from government incentives and reduced operating business costs. In addition, record low interest rates has resulted in cheap borrowing costs, allowing organisations to dramatically lower their cost of capital. Businesses with excess capital, or access to cheap debt have realised there is a golden opportunity to dramatically increase the value of their business through targeted acquisitions to take on new geographies, products, services or technology.

The Australian private equity and venture capital sector is currently sitting on $13 billion of unspent funding allocated for acquisitions which needs to be spent.

There are currently many hot sectors for transactions, with most industries going through a redefinition of market dominance. Health and freight and logistics have been heavily disrupted, the market transition to electric vehicles is accelerating, and businesses associated with traditional vehicles are redefining business models to be future-proof.

There has never been a better time to consider exiting a business or investing in your business, as buyers and sellers are aligning valuation expectations and funds are readily available to facilitate the transaction.

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SUPER: WHAT YOU NEED TO KNOW

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As with life, the only constant with our superannuation system is change. It's important to familiarise yourself with any legislative changes, and how you could best maximise new rules in optimising your balance now and in the future.

Some recent changes to super include:

- Increase in the concessional (before-tax) contribution cap: From 1 July 2021, the annual cap for concessional (before-tax) contributions into superannuation rose from $25,000 to $27,500. This increased cap allows people to contribute more to super on a pre-tax basis. Further, the unused concessional cap amounts from previous years may be able to be carried forward to future years if your super balance is less than $500,000.
- Higher non-concessional (after-tax) contributions cap: Non-concessional contributions are voluntary contributions made using after-tax dollars. The non-concessional contributions cap also increased from 1 July 2021 to $110,000 per year (previously $100,000). Non-concessional contributions may be an option to top up your super if you've reached your concessional contributions cap, been in receipt of an inheritance, or have cash available from the sale of a large asset.
- Bring-forward rule extended to age 65 and 66: The superannuation 'bring-forward' rule allows eligible people to contribute up to three years' worth of non-concessional contributions in a single financial year (three years x $110,000 = $330,000). Previously, this option was only available to those under age 65. Australians aged 65 and 66 (that is, under 67 at the start of the tax year), will now be able to make up to three years of non-concessional super contributions under the existing bring-forward rules. This change has been backdated and covers contributions made on or after 1 July 2020.
- Transfer balance cap: The transfer balance cap limits the total amount of super that can be transferred into a retirement phase income stream, where there is no tax on investment earnings. From 1 July 2021, the transfer balance cap increased from $1.6 million to $1.7 million for members who commence a pension or tax-free retirement income account for the first time.
- Temporarily reducing superannuation minimum payment amounts: To assist retirees, the Government has reduced the minimum annual payment required for account-based pensions and annuities, allocated pensions and annuities and market-linked pensions and annuities by 50 per cent for the 2021–22 financial year. Superannuation and annuity providers calculate the minimum annual payment required as at 1 July each year, based on the account balance of the member or annuitant. The 50 per cent reduction will apply to this calculated minimum annual payment.
- New age threshold for downsizers: The eligible age for downsizer contributions will be lowered from age 65 to 60 under a proposal expected to take effect from 1 July 2022. This will allow retirees to contribute up to $300,000 to superannuation from the proceeds of the sale of their home. In the case of couples, it may be possible to contribute up to $300,000 each. 60 is the lower limit age – there is no upper limit.

As always, it's worth speaking with a qualified professional about how these measures affect you now and in retirement.

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"The eligible age for downsizer contributions will be lowered from age 65 to 60 under a proposal expected to take effect from 1 July 2022. This will allow retirees to contribute up to $300,000 to superannuation from the proceeds of the sale of their home."

DIGITAL EMPLOYEES STRENGTHEN THE CLIENT EXPERIENCE

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More businesses are turning to technology to strengthen relationships both within and outside of their organisations.

Robotic Process Automation (RPA) and Artificial Intelligence (AI) are changing the way businesses engage with staff as well as their clients and customers.

Both RPA and AI rely on automated bots that run on programmed instructions, with the use of bots in the workplace transforming client and staff engagement, through:

- Staff morale: employees spend more time engaging with clients/customers or working on interesting and complex tasks
- Accuracy: bots are less likely to make errors or typos
- Compliance: bots will follow programmed rules without deviation
- Consistency: routine tasks are repeatedly performed the same way
- Reliability: bots will complete a task any time of day and without interruption
- Speed: bots can complete a task 4-5 times faster, improving efficiency.

There are, however, some differences between RPA and AI bots.

RPA bots

Process automation is software that can be programmed to conduct repetitive tasks across applications. It operates with existing software and essentially eliminates the need for an employee to perform a repetitive process within the business. It's best described as a bot that works 'behind the scenes.'

HLB Mann Judd Sydney recently welcomed its first digital employees. 'Harry' was built to assist the firm's audit and assurance division while 'Anna' is a resource available to the entire firm. Both bots were built by the firm's transformation team.

The bots operate on the Microsoft platform and staff can interact with them through an app or chat. Harry's role in the audit team is to conduct several repetitive tasks required during a client engagement. These include downloading ASX announcements for listed clients, regulatory database searches, and drafting and formatting documents for review by senior staff and partners.

The introduction of Sydney's digital employees has freed up the firm's staff to spend time engaging with clients and focusing on the more technically challenging aspects of an engagement.

AI bots

AI takes automation to the next level. AI bots are required to put two and two together. They use different technologies to comprehend, learn and act with human-like intelligence.

The success of AI requires a collaborative effort between humans and machines. AI bots must be trained and monitored to accomplish specific tasks, process large amounts of data and recognise patterns in the data.

AI is considered the 'front office' bots in an organisation as they interact directly with the client. AI will collect information and provide a simple solution. For instance, voice assistance, smart metering, GPS mapping, predictive text, or chatbots.

Importantly, a digital employee or bot should not be considered a replacement for human intelligence. It's recommended businesses undertake a process review to identify processes within the business that are both repetitive and time-consuming for staff. The added support of automation within an organisation may just help the human-side of the business to flourish.

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ATO NEXT 5,000 PROGRAM FOR PRIVATE GROUPS

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The ATO's current approach to engaging with the thousands of private groups includes two key streamlined assurance review programs – the Top 500 Program and the Next 5,000 Program.

These programs cover Australian resident individuals who, together with their associates, control wealth of more than $50 million.

The ATO is not currently reviewing all of the Next 5,000 Program client groups, but they expect to have contact with everyone over the course of four years from 2019 to 2023.

Notices for the Next 5,000 Program started to come through in 2020, although the level of activity has varied only gained momentum in the second half of 2021.

A key principle underlying these reviews is "justified trust", where the ATO seeks to gain a full understanding of the group's tax situation by focusing on four key areas, including:

1. Governance
2. Tax risks
3. New and significant transactions
4. Book to tax performance.

Getting a tick from the ATO means they have a degree of comfort the group is appropriately meeting their tax obligations and can be relied upon to continue doing so; in turn, minimising the need follow up reviews in future years.

If there are any concerns, the ATO will provide detailed feedback on areas for improvement, including on managing risks and, where applicable, will give the client an opportunity to take action to correct an error or mitigate a risk going forward. Depending on the nature and extent of the issue, however, it could also lead to further ATO action.

HLB Mann Judd has been notified of over 20 Next 5,000 reviews for clients, with the Sydney firm receiving around a dozen such letters for private client groups. While the ATO website sets out a broad framework for the way these reviews are to be carried out, in practice, we have seen great variation in the specific processes followed.

Some have involved an initial video meeting with the ATO (either with the client attending or with advisers only), followed by tailored information-gathering letters covering different issues to varying levels of detail. For another review, the initial meeting was not required; instead, the ATO sent a lengthy, more generic information-gathering letter for which the responses were prepared collectively by the client and the HLB Mann Judd team.

The ATO's stated timeframe for the streamlined reviews is around four months from the time information is submitted in response to their questions. It has also been accommodating in allowing extra time where needed to provide requested information.

The clients who cope best with these situations, and who are able to satisfy the ATO with the least possible stress, time commitment and disruption to their business, are the ones who have their systems in order before the ATO comes knocking. They have well documented procedures and processes, written tax advice for complex transactions, and a consistent approach in ensuring their tax compliance and risks are managed correctly.

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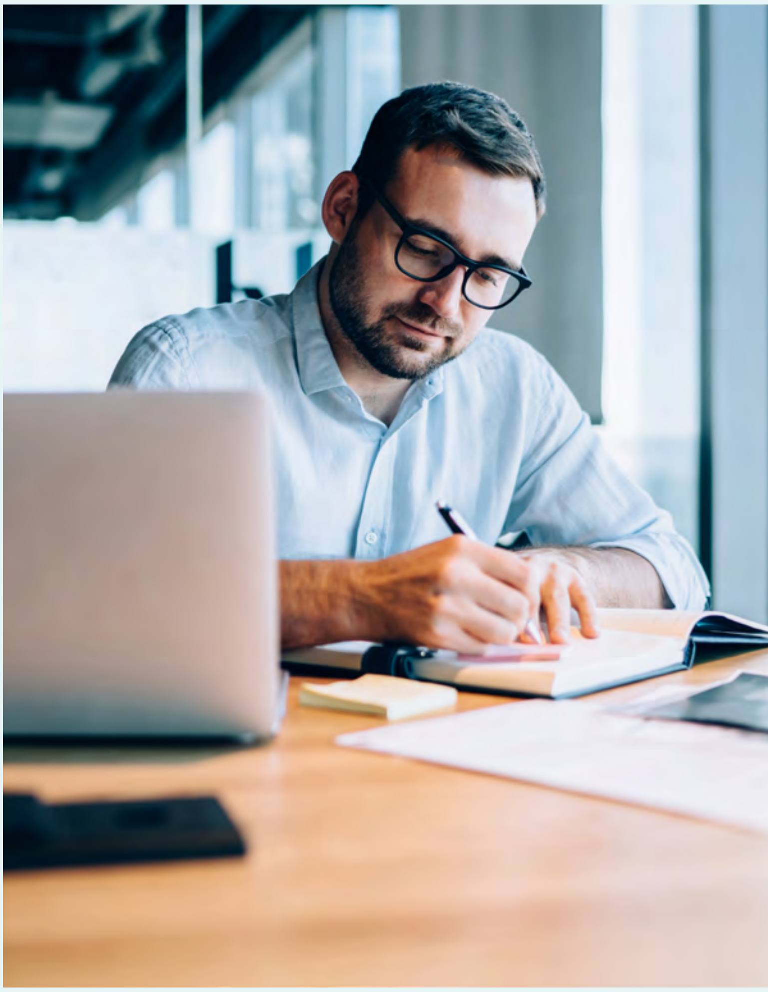

VOLATILITY A TIMELY REMINDER TO DIVERSIFY

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Australian investors have endured a rollercoaster 18 months with panicked lows and now record highs. But, for every ebb and flow of the natural market cycle, there are strategies available to assist with smoothing investment returns over the long-term.

The majority of our clients are trying to achieve a specific goal - or goals - and are mostly concerned about ensuring they achieve this with a minimum amount stress. Hence a need for more consistent and reliable returns.

Over the past 20 years, for an atypical diversified portfolio (comprised of 35 per cent in Australian shares; 25 per cent international shares; 10 per cent property; 25 per cent in fixed interest; and 5 per cent in cash), each asset class had a turn in being the best and worst performer.

It proves that one of the most important principles of investing is to ensure you have a diversified portfolio. In practical terms, this means spreading capital among different investments so you're not reliant on a single investment for returns. The key benefit of diversification is it helps minimise risk of capital loss to a portfolio.

Other key advantages of diversification include preserving capital, particularly as not all investors are in the accumulation phase of life, and also generating returns, with some investments not always performing as expected.

A diversified portfolio should include a mix of growth and defensive assets. Growth assets include investments such as shares or property and generally provide longer term capital gains, but typically have a higher level of risk than defensive assets. Conversely, defensive assets include investments such as cash or fixed interest and generally provide a lower return over the long term, but also generally a lower level of volatility and risk than growth assets.

Determining when to use long-term and short-term investments as part of an overall wealth strategy will help investors to reach their goals. Long-term investments are generally assets like stocks and real estate that you plan to keep for a while, and provide opportunities for growth in a portfolio because you don't need to access the money for a significant period of time.

As the name suggests, short-term investments are those you plan to use to meet financial goals within a shorter time frame. You may need the money to provide a stable income source, rather than to build an investment portfolio. Short-term investments might include assets like bonds, cash, and annuities.

Of course, people re-evaluating their financial strategy should discuss any changing needs and circumstances with their financial adviser, who will also ensure their portfolio is sufficiently diversified to withstand future market volatility.

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"A diversified portfolio should include a mix of growth and defensive assets."

LOCKDOWNS SHINE LIGHT ON MENTAL HEALTH

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For most businesses, there has been a recognition that working during a global pandemic comes with a heightened need to manage the safety and wellbeing of staff.

The mental wellbeing of employees has never been challenged in the way it has been over the past 18 months.

The working from home phenomenon is undoubtedly here to stay. Even before the onset of COVID, the concept of remote working was regarded by many as the future of working. However, there remained a degree of reticence, including by some in the professional services sector.

Suffice to say, not only can staff be equally as productive working from home, but the added benefits that come with flexibility and family time have meant staff are arguably happier in their respective roles and more efficient with their time.

Regular, consistent and clear communication through a variety of mediums has been beneficial in maintaining high staff engagement levels. Often, a less formal approach is required, particularly given the volume of employees now working from home as a matter of course. An impromptu phone call from a manager to check in on a team member can have a positive impact on their state of mind and, in turn, their productivity level.

Some organisations have re-evaluated their staff benefits programs to better reflect the mental health needs of employees and their families. Over the past two years, , some of the firms within the HLB Mann Judd network provided staff with a Recharge Day, for example.

Supporting staff through the provision of physical and mental health activities, such as online yoga classes, and other group-based activities, have been well received and appreciated by employees.

Staff have also been able to access third-party community-based organisations for additional support if required, including Man Anchor and Parents at Work, providing specialised webinars on mental health and wellbeing for staff and their families.

Staff engagement can often be a difficult road for organisations to navigate but, during times of such uncertainty, employees need to feel valued and empowered. It's also proven to be an opportune time for management to create a better, more efficient organisational culture.

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AUSTRALIANS USING AIRBNB, UBER, AIRTASKER WILL BE REPORTED TO THE ATO

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New legislation is proposing for the Taxable Payments Reporting Scheme to be extended to operators of electronic distribution platforms (EDPs).

The Taxable Payments Annual Reporting Scheme is an industry specific reporting obligation that has targeted those industries operating in the black economy including building and construction, road freight, cleaning, IT, security services and the courier services industries. As Australia's sharing economy has continued to grow, a transparency gap has developed because current tax reporting systems do not adequately capture information about transactions in this part of the economy. As a result, the ATO is concerned there is a risk that Australians selling on platforms such as Airtaskter, Uber and AirBnB are not paying their fair share of tax.

Who is required to report?

Once the bill is enacted, the reporting regime will apply to platforms providing the supply of taxi travel and supply of short-term accommodation from 1 July 2022. Platforms providing the supply of asset sharing, food delivery, task-based services and other supplies will be subject to reporting from 1 July 2023. Generally, the supplies to be captured will include any form of supply, including the supply of goods, services, real property, advice and information however will exclude the following:

- Where only the title of goods are exchanged
- Financial supplies, (financial securities trading)
- Transfer of ownership of real property
- Where subject to certain withholding requirements
- Where the seller is the operator of the platform (under a reseller model).

Transactions that involve the lease of goods or real property that are made through EDP will be captured by the reporting regime. All supplies purchased through an EDP must also be a supply connected with the indirect tax zone – this is taken from GST concepts to broadly mean goods that are delivered in, made available in or removed from the indirect tax zone.

What information will be reported?

The seller's identification information that may be reported include legal name, date of birth, primary address, bank account details, ABN, telephone, and email details.

The transactional information that may be required includes total gross payment to seller, total net payments to seller, GST on the gross payments, fees and commissions withheld, GST on total fees and commissions, property address if related to rental real property and period for which property was booked during the reporting period.

What happens if the EDP providers do not comply?

If the TPAR is not lodged on time, impacted EDP providers may be subject to Failure to Lodge penalties. Regardless of the EDP provider's income year, the report must be prepared on a 30 June year end basis and is due 28 August of that year. The first reporting year will be the year ended 30 June 2023 and due 28 August 2023.

Now that the ATO have this information, what happens if the sellers do not report its earnings?

The ATO will use this information in two ways:

- collect this information to put income information into the online tax returns of sellers; and
- to identify sellers who are not meeting their tax obligations.

If the ATO identify sellers who have not reported their earnings, these sellers may be subject to penalties depending on their circumstance as follows:

Circumstance	Penalty
Failure to Lodge on Time – where seller hasn't lodged a tax return	$222 - $555,000 (depending on size of seller)
Failure to Take Reasonable Care -when making a false or misleading statement in tax return	Base penalty of 25% of the unreported income or 50% if SGE*
Recklessness – when making a false or misleading statement in tax return	Base penalty of 50% of the unreported income or 100% if SGE*
Intentional disregard – when making a false or misleading statement in tax return	Base penalty of 75% of the unreported income or 150% if SGE*

*Significant Global Entity (SGE)

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CYBERSECURITY GROWING BUT MISUNDERSTOOD

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Awareness of cybersecurity and online risks for businesses have increased markedly since the outbreak of the COVID-19 pandemic, but there is still a need to improve understanding and skills among business owners.

Over the past 12 months, cyber risk has started to be talked about at the very top levels of businesses, both board and executive.

According to the latest HLB Global Cybersecurity Report, 47 per cent of C-suite executives globally are concerned or very concerned about the risks to their business from cybersecurity issues. very concerned,

This heightened awareness has been driven by the increase in people working from home during the pandemic, creating a greater level of risk for organisations. This has triggered a shift in how companies view cyber-security and the likelihood of it affecting them.

Boards and management are now asking the right questions about what the business needs in terms of extra resources or system upgrades; however, they must also ensure they are equipped to fully understand the responses.

From a corporate governance perspective, executives can't simply rely on what they are being told by others in the organisation – they need to be able to properly analyse and assess the information and make decisions on whether the steps being taken to protect the business from cyber-risks are sufficiently robust.

As cyber-security continues to grow as an organisational threat, this gap in knowledge will become even more of an issue.

However, there are a few steps that businesses can take to protect themselves from a cyber-attack.

It's vital to have a security framework in place to manage cybersecurity risks, and this framework should be benchmarked against appropriate security standards, so that any gaps can be identified. It's also recommended that businesses conduct a vulnerability assessment and testing on a regular basis to identify cyber security exposures in their IT environment. Other measures include multi-factor authentication and adequate password protocols, secure cloud-based technology, virtual private networks (VPNs) and encryption methods.

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HLB Mann Judd firms are members of HLB International, the global and advisory accounting network.

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SPOTLIGHT ON... WOLLONGONG

PAUL APOLLONI
Partner, Business Advisory & Tax
WOLLONGONG

Once known for its steel-manufacturing, blue-collar roots, the port city of Wollongong has grown to be a mature accounting and business advisory market – with more growth to come.

Born and bred in The Gong, it was a natural step for business services and taxation partner, Paul Apolloni, to follow in his accountant-father's footsteps.

There have been marked changes to the profession since he began his career with a small firm on the south coast of New South Wales. Business advisory, in particular, has undergone significant change in recent years.

Software and technological advancements, including cloud-based technology, has driven the demand for live-time advice and support, especially during the Covid pandemic.

Within tax and business services, there continues to be substantial data collection from the ATO which has, in turn, increased compliance activities. There's also been continual legislative change to the tax system, with case law and rulings driving the need for more technical expertise within state and federal tax law.

There are five partners in the firm spread across business advisory, taxation, audit, superannuation and wealth management. A shortage of skilled accountants and advisers, coupled with a shift in people rethinking their businesses and investments has seen the firm's services being a valuable commodity. Post-COVID and with the advent of the Great Resignation, many people – some of whom have been made redundant – are now setting up their own businesses, resulting in a need for professional advice.

The core industries serviced by the firm are largely professional services, medical industries and construction – remain largely unchanged.

Construction, in particular, remains very strong, with a buoyant Wollongong property market continuing to bear fruit for property owners. On the city fringe, farm land is being developed and subdivided, and with the shift of Sydney people moving to regional areas, there's a natural level of activity underpinning the economy, all of which is further assisted with cheap debt and housing stimulus measures.

Client concerns over the past 18 months haven't been dictated by sector, but rather spread across the entire base. For many, cash flow was an issue – with some even were forced to shut down - and the health risk to staff and families took a financial and emotional toll.

As trusted advisers, the Wollongong firm were committed to the needs of clients, guiding them through some of the most challenging trading conditions. From administering Jobkeeper, to negotiating with banks and financial institutions regarding arrangements and liquidity issues, the firm became a strong resource for its client base. At an operational level, it also provided advice and guidance concerning safe reopening, staff management procedures and business risk management.

At the firm level, the partners took stock of IT infrastructure needs for the 50-odd staff members, implementing IT and HR plans before major lockdowns occurred. The firm also ran through hypothetical scenarios, and undertook split team working from home arrangements.

The partners were also very conscious of the mental and physical health of staff throughout lockdown periods, and created a fitness challenge. Staff members were encouraged to post photos of health and exercise sessions as a way to keep staff connected and morale strong.

Unlike many other accounting firms, HLB Mann Judd Wollongong didn't make any forced redundancies during the pandemic period; instead, it continued to recruit and grow the staff base.

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