

1. Branding

These days, the generation of people that you are marketing to are quite savvy consumers. They are bombarded every day with advertising material and know the brand characteristics they like and those that they don't. As a result you need to be attractive to them in every brand touch point. This means not only how attractive your logo and stationery is but how your business premises look, the state of your work van, how your receptionist answers the phone and so on. Ultimately these touch points sum up everything there is to say about your business to your target audience and to the general public. Take the time this season to take a look at what your business is really saying about you.

2. Staff

Hiring staff, firing staff, training staff, managing staff – the issue of staff can be a time-consuming and costly exercise. But it is an important one to get right. If you have non-performing staff it is important that they are managed properly to obtain the most out of them or else shown the door as ultimately they will end up costing you more than the exercise of removing them. However in a skills shortage and high employment environment this is not always easy. With money often being tight in a small business it is important to know your staff's 'hot buttons' – what motivates them. For some it will be bonuses, for some it will be flexible work conditions and working close to home. And it may be different buttons for different staff members. Finally, it is important to ensure consistency in a business with staff. Do you have written job positions, job manuals for when staff are away, etc. Is there consistency from the way the phone is answered through to how a customer is responded to?

3. Business Plan

It sounds like an old cliché but a 'business that fails to plan, (often) plans to fail'. Did you write a business plan enthusiastically when you first started out and filed it in a drawer never to be seen again? Or perhaps you did look at it for the first year or two but now you're too busy? The worst thing a business owner can do is to get bogged down in the business of doing business. Instead it is necessary to take time out regularly to make sure that your business is on track. For a business owner I would suggest at a minimum that you do a business plan yearly and then spend at least an hour a month reviewing and tracking how you are progressing. If the idea of a business plan is daunting, then please contact us for the One Page Business Plan. A great idea that one of our clients, Debbie O'Connor from White River Design, discovered and for which we thank her and use ourselves in our own business. Want to take it a step further? Have your staff fill in the business plan as well for themselves and the business to encourage them to take ownership and to hold both yourself and them accountable.

4. Profits and Cashflow

Accountants love to talk about cashflow but that is only because it is SO important in a business. You may have the most successful business with rising sales and great 'on paper' profits, but if you don't have cashflow then you won't be able to trade. The same can be said for growing businesses. Often it is when a business is experiencing a strong growth spurt that cashflow becomes an issue as it attempts to fund its growth. If you are planning (see point 3) then you will be planning for these issues as part of your business plan, but if you are not then you may be missing potential minefields. Similarly with profits, just because sales are rising, doesn't mean that your profits are growing. Businesses now have no excuse not to be keeping an eye on their bottom line as the Government is essentially forcing you via the GST to make sure that at least every quarter your accounts are up to date. So make sure you are not just filing the paperwork! Every quarter, take a look at your profits, cashflow and budget and make sure that your business is profitable. Not sure what reports to run, would like us to produce quarterly accounts for you or think it's time to invest in an accounting program? Just give us a call.

5. Growth Strategies

Growth in a business is an interesting phenomenon and changes with each business and each business owner. An important thing to recognise when you are in business (once again see point 3) is where you are going. If you want a boutique business with a small number of high end clients then your growth strategies will be very different from a business whose target is high sales but much smaller potential profits. As part of your business plan it is important to plan for growth or recognise if you don't want to grow any further and plan for that as well. This may include sales targets, marketing budgets, marketing plans as well as knowing when you will need to invest in staff, equipment, premises and so on and then how you are going to budget and pay for these additional expenses.

6. Asset Protection and Growth

This last point may seem like an odd choice but if you are building wealth then you want to ensure that it is protected. Therefore you may need to look at how you are holding either your wealth or how are running your business. There are a number of different entities that are right and wrong for both scenarios including using trusts for investment and trading or a company for trading. All entities are not the right fit for everyone and therefore it is important to make sure that you have the entity that is chosen specifically for your own situation. As important as protecting assets is building them. Many business owners think that they will sell their business and fund their retirement but this will often not be the case. Instead it is important to plan for asset growth strategies outside the business including superannuation (a fund or self-managed), shares and property or a combination of all of these. For more information on asset protection and growth please contact us.



The Spring Clean Issue

Spring is finally here! And to celebrate this issue of E-Tax Talk is the Spring Clean Issue. It is dedicated to helping you Spring clean your Business and Finances.

We have highlighted Six areas in your business to potentially cleanup and offered suggestions as to what you can do. We hope that you will use the information to motivate you to take the broom to your own business or financial situation!

At Accounting & Taxation Advantage we are serious about not being 'just bean counters' so if there is anything in this issue that tweaks your interest or highlights an area that you need to work on in your business but you don't know where to start then please give us a call.

We look forward to working with you to make your business all that it can be.

From Melissa, Jodie, Julie and Coleen (and the future of ATA, Edan - Melissa's nephew)



Key dates for October through to December

21 October 08
Monthly IAS due

11 November 08
Quarterly activity statement (BAS) due if manual or ECI lodgements

21 November 08
Monthly IAS due

25 November 08
Quarterly activity statement (BAS) due if ELS lodgements

21 December 08
Monthly IAS due

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