



Welcome to Accountants Minute. I'm Peter Towers, Managing Director of ESS BIZTOOLS.

### **Accountants providing proactive assistance to SMEs to raise capital**

There's a challenge for accountants to be proactive, to assist SMEs in what could be called a "left field" service – assistance in raising capital.

There's a lot of talk at present involving:

- the "Innovation Statement" by the Australian government a few days ago
- Business Angels
- Crowd Funding
- Venture Capital Funds indicating they have raised additional investment funds

Innovation is being encouraged. The financial press is full of stories about the initiatives of the government and universities with which businesses are going to be able to participate. Young, new businesses are being encouraged to get involved. This is great, however for the majority of entrants, the development of new products, processes or services will ultimately require raising some capital.

The challenge for accountants is to decide whether you're going to be proactive with these types of businesses or decline to get involved by "referring" what could be a great client to one of your competitors. Companies like Google started very small.

The Innovation Statement gives an opportunity for proactive accountants to get involved in yet another business advisory services product. Before a business can raise capital, the business must be "investment ready" to meet the requirements of the investment community.

What does "investment ready" mean?

- Does a business have a completed product, process or service that's able to be demonstrated?
- Is the Intellectual Property protected?
- Is there a market?
- Who are the customers?
- Are there persons with management skills available in the business?
- Are the key documents investors are going to want to read available, including:
  - Market Research documents
  - Marketing Plan
  - Intellectual Property and Patent Summary
  - Business Plan
  - Budget
  - Cashflow Forecasts
  - Share Capital Schedule
- Do the founders have corporate governance knowledge and skills?
- Have they been trained and practiced in the presentation of an investment pitch?

These are some of the items that need to be considered in assisting start-ups and small/medium enterprises to be ready to raise capital.

ESS BIZTOOLS has developed a full suite of products to assist accountants, like yourself, to offer this very important service in a very proactive manner – to avoid losing what could be an outstanding client to another accountant.

We invite you to participate in a special webinar we're presenting on Wednesday 20<sup>th</sup> January 2016 (when everyone is back from holidays, refreshed for a new year), featuring "**Proactive Services to Help Clients**", which will focus on how to help clients raise capital and obtain government grants. [Click here](#) to register to attend, free of charge.

To gain a more in-depth understanding of how ESS BIZTOOLS can help you provide this type of proactive service to your clients, a complimentary copy of an article, "**Preparing a Client to Raise Capital**", is attached with this transcript.

If you have any questions on any aspect of the services offered by ESS BIZTOOLS, please don't hesitate to contact us.

Merry Christmas and best wishes for a successful 2016 to you and your colleagues.

Peter Towers

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