



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

Building a Virtual Chief Financial Officer Service

The Commonwealth Bank's December 2015 edition of "Accounting Market Pulse" predicted that business advisory services and management consulting would be the top service lines to enter and grow for accountants for the next 12-18 months. This is just the latest in a number of predictions that have alerted accountants to significant changes that are occurring in their marketplace.

The big question is: how do accountants respond to these predictions? Ignore them or obtain the appropriate registrations to offer financial planning and superannuation advice. Many accountants appeared to have left the financial planning registration process too late.

A significant opportunity that's still available is to gear up to offer business advisory services by building a virtual Chief Financial Officer (CFO) service for your clients.

Whilst the industry surveys have indicated that small/medium enterprises want additional services, it would be very dangerous to assume that all small/medium enterprises will be prepared to pay for a wider range of services. Therefore, the earlier you get started in the business advisory services journey, the better.

Building a CFO service allows accountants to deliver "real financial services" to small/medium enterprises and includes:

- Monthly departmentalised management accounts – not tax returns where everything is shown in one Profit & Loss Account but dissected so that individual managers can receive financial data pertaining to their responsibility, just like big companies do.
- Key Performance Indicators (KPIs) on those individual business units.
- Ratio Analysis
- Benchmarking Comparisons – utilising Benchmarking.com.au to be able to have a conversation with your clients as to how the individual business units are performing as compared to their peers.
- Budgets and Cashflow Forecasts
- Management of Costs – it's interesting to note that, in the CCH survey of small businesses a couple of years ago, 1,300 small/medium enterprises nominated that their biggest single problem was management of costs. I wonder how many accountants have really sat down with their clients and helped them understand the cost they're incurring within their business.
- Business Plans
- Assistance in Raising Capital – this is going to become a lot more prevalent once the Federal government has passed into law the various components of the Innovation Statement.
- Systems for recording and then claiming:
 - Research and Development
 - Export Market Development Grant expenditures
- Identification of Grants
- Debtors' Management
- Personal Property Securities Register Due Diligence System – to save your clients from losing a lot of money and possibly their business.
- Corporate Governance – there's going to be more businesses wanting to incorporate as companies, however you don't have to be a company to have a good corporate governance system requirement.

ESS BIZTOOLS is presenting a special webinar on Tuesday 9th February 2016 at 11am AEST (12pm AEDT), featuring **"Build Value with Virtual CFO Services"**. You're invited to register to attend this webinar, free of charge, which will give you a great introduction to getting ready to offer business advisory services. [Click here](#) to register to attend.

We will also be presenting a special webinar on Wednesday 3rd February 2016, featuring **"Starting in Business Advisory Services"**, which provides an overview of the ESS BIZTOOLS' Business Advisory Services – Training modules. [Click here](#) to register to attend, free of charge.

A complimentary copy of our e-book **"Build Value with Virtual CFO Service"** is available through Amazon, free of charge, from Wednesday 3rd February 2016 until Friday 5th February 2016. To obtain a complimentary copy of this e-book, [click here](#).

Building a virtual CFO service is a fantastic way to get started with a broad range of financial services, to assist your business clients to add value to their businesses and, in turn, assist your accountancy business to overcome the significant changes that are occurring in the marketplace at present.

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