



ESS AccountantsMinute

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

Accountants – every SME needs a business plan!

Business plans are like maps for tourists. If your client doesn't know where they're going, how are they going to know when they get there?

Having a business plan enables the business to periodically check where they're at, as compared to the original forecast contained within the business plan. If they're not on target, the business plan gives them the opportunity to make some corrections in what's happening in their businesses.

Most small businesses would not prepare a business plan on their own. This is a great opportunity for accountants to establish your worth to your clients beyond taxation. There's not much gratitude from clients relative to taxation work, however there is from business plan work. Don't hold back. Every small/medium enterprise needs a business plan. Your role should be to act as the facilitator.

Where do you start?

Scope the job with your client. Identify who is going to prepare some of the components of the business plan, which probably have to be performed by other people:

- Marketing
- Intellectual Property (IP) reviews – will be done by patent attorney or a trademark advisor
- International Marketing
- Working prototypes to get the product ready

You will need to prepare a proposal and a quotation. Then have a conversation with your client and get them to sign off. You're then able to get started.

The first major activity should be the "think tank" meeting. This enables you to conduct a review of the business.

Look at financial analysis:

- Identify the objectives.
- Where is the business now?
- What resources does the business have?
- What products and services does the business provide?
- What is the business' industry?
- What is the state of the industry?
- Undertake an analysis of the market experience of your client.
- Who are the customers and clients of the business?
- A wide range of other matters will be discussed at the think tank meeting.

A think tank meeting is an ideal opportunity to have all of the team present, to get their input as to what should be happening within their business.

You will then be able to follow up with other organisations such as:

- local government councils
- Chambers of Commerce
- Austrade if your clients are proposing exporting to overseas market

- Australian Bureau of Statistics for information on trends and other public information (most of these are free, they have a wide range of information to assist)

You will then be able to prepare a draft document and submit to your clients. Have a discussion with your client. Make any amendments and then, within the final document, you will be able to incorporate the reports prepared by the other consultants so that you have an overall business plan for your client.

Remember, business plans are like maps for tourists. People need to know where they're going and know that they have the opportunity of comparing their original plan back to where they are so that corrective action can be taken. A business plan should be a "living" document. It should be a document that has a detailed action plan and an encouragement that, at least on a monthly basis, directors or key management will review the document to ascertain any changes that are necessary.

A complimentary article, "**Planning Your Business – Small Businesses**", is attached with this transcript.

ESS BIZTOOLS is presenting a webinar on Thursday 12th May 2016 at 12pm AEST, featuring "**Business Planning**". You're invited to attend this webinar, free of charge, which will look further into the matters mentioned in this edition. [Click here](#) to register to attend.

Alternatively, we can arrange a one-on-one webinar for you and your colleagues. Please contact us with your preferred date and time for the webinar and we will do our utmost to accommodate your preference.

If you have any questions on any aspect of preparing business plans for your clients, or any aspect of the services that are available from ESS BIZTOOLS and ESS BIZGRANTS, to assist accountants to deliver an outstanding range of services to your clients, please contact us.

Peter Towers

MANAGING DIRECTOR – ESS BIZTOOLS PTY LTD

+61 7 4724 1118 | 1800 232 088

peter@essbiztools.com.au

www.essbiztools.com.au | www.essbizgrants.com.au