



Assistance is Available!

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

Assistance is available for accountants and advisors to help you add value to your clients' businesses. This is a continuation of the theme on "How can Accountants and Advisors add value to Clients Businesses?" Some of the work relates to business advisory services and offering a virtual chief financial officer service.

Let me make a very important comment. There have been some comments in accountancy media of recent times that proponents of business advisory services are forecasting the "absolute end of taxation as services for accountants". Nothing could be further from the truth, as far as I'm concerned. However, I do believe that there is going to be a downturn in the amount of revenue that's available for accountants and tax agents because of advances in technology, digital disruption. What we're advocating is that accountants and advisors should be looking very closely at the alternative revenue streams that are available for you to develop new products.

I predict that the accountancy business of the future will have income coming from taxation type work of, at least, 60% for many years to come, but it's that other 40% that's very important. It will give diversification to accountancy businesses. It will make your "A" class clients a lot happier because you'll be delivering services that they're looking for and I believe it will help you to offer "real accounting work" for the accountants (that you've employed) and that will make them happier in staying in the profession. Because as the economy turns around there will be a lot more pressure on accountancy businesses to retain your outstanding staff.

One way is to give your accountants exposure to some of the other activities that accountants undertake if they're involved in industry and commerce.

Some of the things that we think you should be looking at making available to your clients to help them grow their businesses includes:

- **Early Stage Innovation Company** - I was talking to an accountant last week who told me that he'd had an experience with someone who probably would have fitted into the Early Stage Innovation Companies if that legislation had been available to them at that time. This chap walked into his office, not very well dressed, never been to an accountant before and told him about an idea he had. They formed a company for him. They encouraged him to undertake the research and development work in an orderly methodological manner and he developed a product that has now been turned into a company that is listed on the Stock Exchange and worth around \$250M. That's the type of success that I believe can come to many accountancy firms from working with your clients, the small/medium enterprise market to help them grow their businesses.
- The **Personal Property Securities Register Due Diligence** activities are very important to help your clients survive an absolute disaster. If a liquidator, receiver or administrator is appointed to a business that your client is associated with, then they could end up with huge problems, that perhaps by registering on the PPSR they might have avoided.

- **Debtors Management** - debtors is still one of the biggest issues confronting your clients and by being proactive in offering a debtors management review service to your clients you can assist them to dramatically reduce their debtors days outstanding and therefore improve their cashflow.
- The **Virtual Chief Financial Officer Service** is able to be delivered in 2016/17 because of the significant improvements in technology and communications. You can act as a CFO for a client irrespective of where the client is located and irrespective of where your office is located.
- **Business plans** are very important... they're like maps for tourists. How many business plans has your firm produced this year? If you have 50 "A" class clients then I honestly believe that you should have prepared, either 50 business plans or updates to business plans, during the last twelve months.
- As firms try to get themselves as an Early Stage Innovation Company they're going to need to produce **Information Memorandums** that comply with the Corporations Act.
- **Succession planning** is a very important role for accountants to help your clients determine what is going to happen in the future. Succession planning is a vital part of team development, working out who is going to be able to replace someone in the business and it doesn't have to be when they're retiring.
- **Budgets and Cashflow Forecasts** - we all know how important they are, but how often are Budgets and Cashflow Forecasts being prepared for the clients of your firm? Are Budgets and Cashflow Forecasts being reconciled each month or quarter to see why the variations have occurred?
- **Government Grants** - have you applied for any government grants for your clients of late? There is **about** \$5B handed out by the governments of Australia (Federal, State & Territory) in grants, special loans and incentives payments each year. **All of your clients have contributed to that pool of money through taxes and other charges imposed by the governments. How much of that money have your clients received through grants? Should you be doing more in that space?**
- **Leadership** - leadership is a very important aspect of all parts of business; within your own **accountancy** business and within your clients' businesses. Have you thought about undertaking appropriate leadership training within your firm; then holding leadership discussion groups with your clients?
- **Seminars & webinars** are a great way to communicate with your clients. Are you utilising that resource? We've developed a special seminar for the Early Stage Innovation Company.
- **Mentoring and coaching modules** are available and we have developed a special module that will enable us to assist you to develop these skills in-house so you can offer business advisory services.
- We **commissioned** an **independent review of suppliers of business advisory services** or non-taxation services to accountants a few months ago. That survey identified that ESS BIZTOOLS was the only supplier to the accounting market in areas such as:
 - Identifying Grants
 - Debtors Management
 - Virtual Chief Financial Officer Services
 - Personal Property Securities Register Due Diligence
 - Early Stage Innovation Company system
 - Corporate Governance
 - Exporting
 - Family Businesses

The developments that we're going to undertake in 2016/17 include:

- research and development product package
 - investment readiness - we already have plenty of information on investment readiness; we're going to bring a lot more together in an overall product package
 - and once the Federal parliament has passed the Crowd Funding Legislation, we will introduce a Crowd Funding Product Package as well.
- There is no doubt in my mind that this is the way that accountants should be going; **developing a new additional revenue stream to compliment taxation work** within accountancy businesses to help meet the challenges that are confronting you.
 - The ESS **BIZTOOLS** product packages have been developed by a team with **considerable experience in accounting**, both at Chief Financial Officer, Public Company Secretary level that I had at one stage in my career, Public Practice Principal, Business Consultant, Case Manager for a major government grant programme and the team has experience in tax, leadership, legal, information technology, customer relationship management and social media.

Why not contact us for a free no obligation chat in relation to the assistance that ESS BIZTOOLS can give you to add value to your clients' businesses.

Our contact details are peter@essbiztools.com.au and we will confirm an appointment to either contact you by telephone or skype to discuss a strategy for your business going forward to develop this exciting new income stream for business advisory service and virtual chief financial officer services.

Have a wonderful day.

Peter Towers

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