



# 6 strategic business actions to kick start the new year

## **New year – new behaviours!**

Every year, we observe the same pattern from our clients. The closer we head towards EFOY, the stresses of running a small business often see our clients rushing, unprepared, towards 30 June.

Look how fast the last 6 months have gone by. This financial year is already more than halfway through.

Now the calendar year has started, why not take a moment to begin with a fresh outlook?

It may seem too early to start talking about some of these things, however with time NOW on our side back after a well deserved rest, the sooner we action some of these activities, the easier it will make EOFY 2023.

## Here are 6 business improvements to get you started.

### 1. Insurance requirements and review

The Australian government's business website<sup>1</sup> can help you understand your **compulsory insurance requirements**:

- Workers' compensation
- Third party personal injury
- Public liability

along with other covers you should consider that will reduce your business risk and protect things like:

- You and your employees
- Your customers





- Business assets (such as equipment, stock, premises)
- Owners and partners
- Your earnings
- Technology and cybercrime

If you've been insured for a while, shop around to see if there are better deals.

## **2. Insurance premium funding**

Something you may not be aware of is insurance premium funding. If your premiums are all due together and cash flow is tight, this funding can reduce the cash flow stress.

Insurance premium funding enables you to pay your annual insurance premiums with flexible repayments allowing your working capital to stay in your business. ***Feel free to reach out for more details on this.***

## **3. Tax planning**

Tax planning can be done at any time of the year. Traditionally business clients like doing this closer to the EOFY when tax

time looms and they are looking for effective tax reduction strategies. However why leave it until then? Having more time to plan will bring about better outcomes.

***The start of a new calendar year is a perfect time  
to develop a strategy for the rest of the financial year.***

Start by understanding your industry's regulatory obligations and entitlements. Look at government concessions, asset write offs and other deductions available for your industry.

#### **4. Business reporting**

Staying on top of business performance, trends and cash flow can eliminate surprises and will enable you to spot potential problems and identify supply and demand patterns.

Start by:

- *Analysing your profit and loss: monthly, quarterly and annually.*

To determine where the business is heading, compare these periods against previous ones to see if there is a pattern of increased costs or profits. Look for peaks and troughs in sales, turnover and productivity.





- *Track revenue regularly* to ensure billing and collections provide adequate cash flow. Identify what worked and what didn't so you can adjust on a regular basis.
- *Calculate the cost of doing business.* Devote more time to the most profitable activities to help grow your business.
- *Invest in software* that can keep your tax records and business organised and updated throughout the year.

## 5. Systems

If you're doing things a certain way because that's how they've always been done, it may be time to cast a critical eye over your business systems and procedures.

Look for:

- better/faster/more efficient ways of doing things
- processing bottlenecks or duplication activities that can be improved or eliminated with technology
- ways to automate manual processes for running reports or paying regular accounts

- technologies to simplify processes such as:
  - productivity software
  - inventory control systems
  - financial accounting system
  - customer relationship management systems (CRMS)
  - business intelligent (BI) tools

## 6. Growth planning

Once you understand where the business sits, you can look for ways to move forward. You don't have to do this all at once, just bite it off one at a time.

Update your business plan and review it regularly to stay focussed on your business objectives and goals.

*Whatever your business's growth strategy, be sure you have the resources to support it.*

Consider whether you'll need to invest in machinery, supplies or specialist staff.

These are only 6 strategies to help you prepare for EOFY.





Running your own business is hard work, but it's also one of life's most satisfying challenges.

Richard Branson once said...

***'A business is simply an idea to make other people's lives better.'***

So, this new calendar year start refreshed and set yourself up to make your life, your family's life and your customers' lives better.

Please let us know how we can help you.

*1. [business.gov.au/risk-management/insurance/business-insurance](https://business.gov.au/risk-management/insurance/business-insurance)*

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