

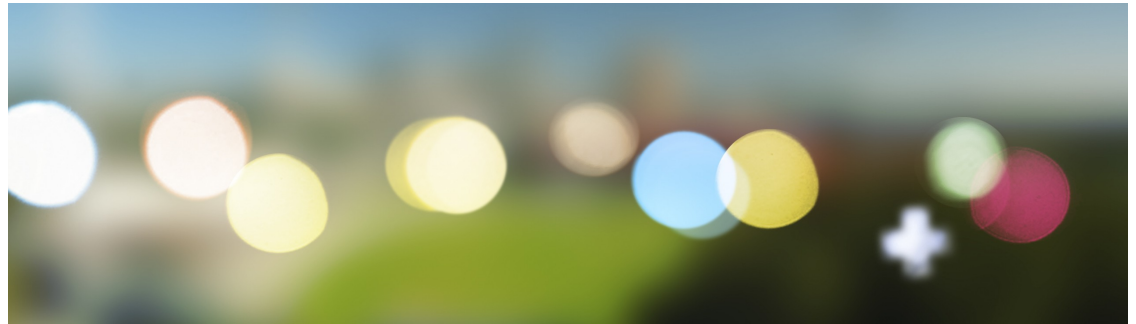
Considered Value

Issue 59 – February 2011



Brentnalls SA

Chartered Accountants
and Advisors



Using Key Performance Indicators (KPI's) to Monitor Your Business

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Rather than waiting until the end of the month or quarter to check your business performance on your financial statements, KPI's allow you to have your finger on the pulse weekly or even daily to check the factors that impact your business the most.

A KPI is a specific, measurable indicator of how well your business is meeting its goals, generally expressed as a number or percentage.

When developing KPI's for your business, it is best to start with the goals of the business, then look at the critical success factors affecting those goals. Many business owners may say the goal is profit but you need to consider specifically how that is to be achieved. If your goal is to increase market share, a KPI may be number of customers served per week. If your goal is to make the best quality product, a KPI may be number of returned goods per month. If your goal is to produce your product more efficiently, a KPI may be average cost per unit produced per week.

All KPI's should be easy to measure and easy to understand. They should be specific to a period of time that is appropriate to what is being measured. They can be financial (eg. sales) or non-financial (eg. number of customers) and should apply to both short and long-term goals.

Care should be taken when developing KPI's because if poorly implemented, they can be counter productive. For example, if a KPI is number of new customer contacts per month, staff are encouraged to increase new business but this may be to the detriment of existing customers who find themselves being ignored and may take their business elsewhere.

In order to monitor and improve overall business performance, a range of KPI's may be required for different levels and different functions of the business. For example the Sales Manager and Production Manager should have their own KPI's which relate to their roles but are linked to the overall goals of the organisation. Similarly KPI's can be developed for staff turnover and absenteeism to assist in Human Resources management.

When KPI's are defined, you can set targets which can be communicated throughout the organisation. Ensure the targets are realistic as if they cannot be reached, there is less incentive to strive for them.

Once you have a set of KPI's that are right for your business, you'll wonder what you ever did without them.

Please contact us to assist you with identifying and establishing KPI's for your business.





Family Register

How often is it said "If anything happened to you, I don't know where I would start in relation to our affairs".

We hear it all the time!

With this simple notion in mind, we have developed a service which we believe will be of real value to everyone. For example, in the event of the death or illness of the business partner, the surviving partner, partners or executors will be able to easily access all the information necessary to fully understand the business affairs and to continue to deal with them without undue delay and stress.

We have called this document the "Family Register" which would contain the following information:

1. Contacts details to include:
 - Accountant
 - Solicitor
 - Financial Planner, Stock Broker
 - Banker
 - Insurance Broker:
2. A comprehensive flow chart of the family business structure (s).
3. Statement of the assets and liabilities of the family group with all assets reflected at current market value and divided into appropriate entities and classes such as; *Business, Investment and Lifestyle*. It will reflect total Net Wealth on an up to date basis.

The *Group Statement of Assets and Liabilities* will be supported by a detailed statement for each entity.

Details will include:

- Property title copies and the location of the originals
- Share portfolios, details of ownership and where held (broker)
- Cash/Term deposits—account numbers (banks)
- Stock schedules and values
- Plant schedules and values
- Sundry investments schedules and values
- Lifestyle assets (artwork, vintage cars, etc) schedules and values
- Insurance policies, policy details
- Liabilities:
- Banks, terms and security held
- Non-banks, terms and security held
- Copy of Wills and Powers of Attorney and where held.

The aim is to build up a database for the family. This accurate information will then be summarised and is readily available, not only in situations of death or sickness, but for:

- Family Meetings
- Revising Wills
- Financial Applications
- Investment Planning
- Retirement Planning
- Succession Planning
- Estate Planning

The data will be stored both electronically and in a hard copy which can be kept at either the family's office and/or at Brentnalls SA. Details will be updated annually.

We will build the Family Register from information already held by Brentnalls SA and from additional information provided by you or from your solicitors, bankers and other sources.

It is anticipated this service will provide peace of mind for all clients and their family. It will also result in significant savings in time and money in the event of a death or when undertaking any form of planning or restructuring work.

If this is of interest to you and your family, please contact our office to arrange a time to prepare your Family Register.



Personal Properties Securities Reform

The *Personal Property Securities Act 2009* and an online PPS Register will become effective from October 2011. It brings together different Commonwealth, State and Territory laws and registers regarding personal property security interest under one national system.

A personal property security is when a secured party takes an interest in personal property as security for a loan or other obligation or enters into a transaction that involves the supply of secured finance e.g. charges, retention of title arrangements, factoring, long term and finance leases, commercial consignments and chattel mortgages.

Personal Property is any form of property (including a licence) other than land, buildings or fixtures which are a part of land. So the Act covers all tangible and intangible assets, including goods, vehicles, intellectual property and financial instruments.

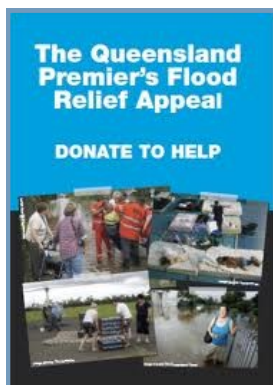
The PPS Register will allow lenders and businesses to register their security interests, interested parties can search the register to find out if a security interest is registered.

A number of existing Commonwealth, State and Territory registers will close (Vehicle Security Register, Stock Mortgages, Wool and Fruit Liens). Interests which are currently registered on those registers will generally be migrated to the national PPS Register. Businesses should check the Personal Property Securities Register after 1 October 2011 to ensure that all ASIC registered charges and other security interests recorded on another register have been successfully migrated.

The *Personal Property Securities Act 2009* has default priority rules and specific rules for certain circumstances. In many cases, the first to register will have priority, with some exceptions.

In preparation for 1 October 2011 businesses that supply goods should

- review trading terms to meet requirements of the Act;



This month Brentnalls SA is supporting Premier's Disaster Relief Appeal

- review credit policies to ensure the necessary information is obtained to register an interest;
- have existing and new customers sign a written agreement accepting your terms of trade;
- determine and document procedures for registering security interests; and
- ensure staff are trained and systems are in place

Further information is available via www.ppsr.gov.au

Deductions for Study Expenses

A recent High Court decision means that taxpayers who received youth allowance to undertake full-time study and incurred study expenses can claim a deduction for those expenses.

For those taxpayers who received youth allowance, did not claim a deduction and paid tax, the ATO will be issuing amended tax assessments for the 2007, 2008, 2009 and 2010 years to include a standard deduction of \$550.

Note that the standard deduction is only in place for these years. For future years substantiation of claimed amount will be required.

Our Website

When you next visit our website, under the News and Resources tab, there are various resources which can be used to assist in your business. Included are Tax facts and Key dates to assist with planning the year ahead.

The website also includes a secure client access portal. This enables you to download your financial statements and tax returns direct from the internet. In addition to this, the portal also allows us to transfer your accounting software files from our office to yours or vice versa. This provides us with a secure method and eliminates the need for large attachments on emails. The portal has the highest level of security and you will require a user name and password to log in to view your documents.

You can also pay your accounts online.

So next time you are online please have a look at our website at www.brentnalls-sa.com.au.



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We welcome the opportunity to assist you and discuss any matters in our newsletter

Should you wish to receive our Newsletter electronically, please E-mail us with 'Newsletter' in the Subject line.

Disclaimer

The information provided in this newsletter does not constitute advice. The information is of a general nature only and does not take into account your individual objectives, financial situation or needs. It should not be used, relied upon, or treated as a substitute for specific professional advice. We recommend that you contact Brentnalls SA before making any decision to discuss your particular requirements or circumstances. Brentnalls is not a partnership or a joint venture. Instead, the business of Brentnalls SA is independently owned and operated and it is an independent member of the Brentnalls Affiliation of Accounting Firms. Individual member firms do not accept responsibility or liability for the actions or inactions of any other individual member firm.

Client News



GJK are proud to be a part of Green Cities 2011. Green Cities is the largest and most influential green building conference in the Asia Pacific region covering the essentials for green building and sustainable communities.

GJK are committed to improving the sustainability performance of the organisation through promoting a culture of sustainability, managing their operations in a manner that minimises environmental and social impact and enabling the integration of sustainable principles and practices in their day to day activities.

They are one of the first cleaning organisations in recognising the global significance of green cleaning principles and by adopting these principles, they continue to provide ongoing improvements in sustainable practices and triple bottom line outcomes.

Ian Collins Retirement

The partners and staff of Brentnalls SA congratulate Ian Collins CA on his retirement from the firm effective from 31 December 2010.

Ian has been a member of the Institute of Chartered Accountants since 1978 and has been with Brentnalls SA since our inception in 2000, (was with Hincks & Smith from 1996).

Ian has worked with a wide variety of clients throughout his career including those in manufacturing, real estate, superannuation, not for profit and primary industry.

We wish Ian all the best in his retirement.

Brentnalls SA News

We welcome Jane Richards who joins our Administration team as our new receptionist and Natalie Biller who joins John Crouch's team.

Welcome back Linda Fidge who has returned from maternity.

Currently we have Jordan Meade and Stephanie Costar who are undertaking a four week work experience through the CA Achievers Program. Jordan has accepted a full time position in our firm, with Stephanie continuing with full time study.

Farewell to Vanessa Afonso and we wish her all the best for the future. We congratulate Shannon Tyrrell and Ross Sims on their recent engagement and to Shane Parsons and Tenielle Smith who were married in January 2011.

Meet Lorraine Wall

Hi my name is Lorraine Wall and I work in the administration support role in John Crouch's team.

I have been with Brentnalls SA since July 2008 and really enjoy the work and the people.

I have been married to my darling, long suffering husband, John for 36 years. I have one son and three beautiful grandchildren plus two lovely grand dogs.

In my spare time I enjoy spending time relaxing with my family and friends, walking, reading and going to our shack .

