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CORE | *thinking*

HMCR Newsletter | Autumn 2011

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So you want to go into business.

One of the biggest changes to the business world over recent years has been the trend to run your own business.

This decision is often made as a result of disillusionment with the employment market, or with the desire to 'be your own boss'.

Whilst these might seem to be valid reasons for going into business, it is a fact that many businesses fail for the simple reason that the person in question shouldn't have started it in the first place, and business failure tends to cost a lot more than simply losing your job.

The first step.

The first step in running your own business involves taking a good hard look at yourself, ask yourself the following questions.

Are you a hard worker?

Will you be prepared to work for up to maybe 70 hours a week for minimal pay? Profits are often ploughed back in the business so a regular wage is not guaranteed. Annual leave and sick leave will become luxury.

It is also important that your health is good.

Do you have experience in the industry?

A new business will rely heavily on your own skills. Too often we hear of people going into an industry without having a clear understanding of how it works or what exactly is involved. And it is equally important to possess general business skills.

Can you afford to finance the start-up?

You will need funds to cover all the costs of establishing the business, and probably your living expenses as well for at least a short time. Are you ready to risk your house or other assets as loan collateral? Despite what the banks would have you believe, borrowing money to start a business is not easy.

Will your family support your endeavours?

Can you count on your loved ones to support you when you are exhausted, cranky, away from home all the time or in dire straits?

Can you manage the business?

Besides being a good mechanic, engineer or whatever, you will need skills in bookkeeping, marketing, human resources, budgeting, public relations and so on.

Planning to succeed

Planning is the key to success, which is not to say that some people don't get lucky; it's just that planning will always increase your chances of survival. And for many small businesses, survival is the overriding objective.

Planning encompasses many aspects of business. Your chosen product of service must be viable, and have the capacity to generate income. Do your homework. Who will your customers be? How much will they be prepared to pay for your product or service? Consideration must be given to location, competition, government and council regulations, staffing, equipment etc.

A business plan is therefore a critical tool in firstly getting you started, and then growing your business, if you don't know where you are going it's very unlikely that you will ever get there.

READ BY:

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When did you catch your last fish?

By Andrew Mattner

Those of you who know me personally know that I love to fish. I find relaxing on a beach or in a boat with some mates or sitting on a jetty with my daughter one of life's great pleasures. The only problem I have with fishing is that I haven't committed to do it enough. So what do I mean by that?

Your relaxation time might not be lengthy fishing trips like me. It might be camping, overseas travel, bushwalking or just time at home with your family. The important thing is that you make time to do the things that you love and that your business is in a position to allow you to do those things.

At Hattam McCarthy Reeves we have worked very hard to establish a great team and implement systems that will allow Geoff, Paul or I (or anyone else for that matter) to take extended breaks without the business falling apart while we are gone. Geoff was the first to test this a few months ago when he left his phone and laptop at reception, packed the family into the car, hooked up the caravan and disappeared for 4 weeks. Whilst we faced some challenges in Geoff's absence we survived and the business was still running effectively upon his return. Could you do the same in your business?

Over my time as an advisor I have seen so many clients sacrifice family time and personal time, suffer deteriorating health or experience relationship breakdown. I have heard countless stories of businesses that have effectively killed the lives of business owners. This point was reinforced to me at a recent

business presentation when the keynote speaker asked "How many people do you know that died at 40 but were not buried for another 40 years?" I am sure that we all don't have to look very far to find someone in that position.

Having time away from your business to relax is critical for all business owners. This helps to avoid the issues detailed above in addition to preventing burnout and stress, all of which prevent you making the right decisions in your business. Your business should work for you, not you for it!

So how do you get yourself and your business in a position that you can do what Geoff Hattam has just done?

1. Make sure your business has good systems. This is one of the most critical factors for success. Without clear, well documented systems your team will have no guidelines in which to operate.
2. Get the right team. No matter how good your systems, the wrong team members or team structure will lead to failure. The right team members in the right roles will be motivated and will adopt and apply the vision and mission of the business and have the standards and work ethic required to make the business successful.
3. Train your team. Your team may have the right attitudes and behaviours but if they do not have the skills they cannot implement. Invest time and dollars in training and up skilling your team.

4. Implement a management team/board. No business is too small to have a structured management group that are aware of all of the activities of the business and what needs to be done to make sure it is successful.
5. Trust your team. This is perhaps the most difficult aspect. We all believe that nobody can do things as well as you think you can do them yourself. The problem with this is that unless you let your team act you will end up doing everything yourself. Your team will make mistakes but good team members will learn from those mistakes and ensure that they do no repeat those errors.
6. Teach someone else your role.
7. Communicate in advance with key stakeholders (customers, suppliers and financiers).
8. Once you have implemented the above, being in a position to take that all important break is simply a matter of making a commitment to do it. Commit to your partner, commit to your kids or commit to your mates. A commitment to a third party makes it real.

When did you catch your last fish?

CLIENT | profile



An accidental career!

For Kym Liebig, what started out as an attempt at minor league fame and meeting girls accidentally became a career as a professional writer and director.

"Having left High School, all I wanted to do was become a radio announcer," says Kym. "Play records all day, meet impressionable girls ... in my 17 year old mind it seemed perfect. So when my radio school mentor Vaughan Harvey suggested that I was a better writer than announcer, I saw writing merely as a foot in the door that would let me get behind the mic sooner or later. As it turned out, it was much later ..."

Kym started writing at Berri's Radio 5RM in 1985 and a scant 9 months later took a position on the creative writing team at 5DN

on Tynte Street in North Adelaide. Then 3BO Bendigo, then 2WSFM Sydney ... then back to Adelaide, still writing.

"Creative writing for radio was a handy way to make a living and still listen to music all day. The radio industry was fun, more like showbiz in those days. But I craved more variety, so I started working in Advertising Agencies, creating concepts and scripts for TV, outdoor, in fact all media. Eventually I found myself wanting even more variety and more freedom ... so I went into business for myself." Copyriot Creative was born, and the variety came in spades.

In any given month, Kym can find himself creating press concepts for communications companies, website copy for boutique cosmetics brands, airport advertising for wineries and TV campaigns for political parties. The real irony is that lately he has found himself behind the microphone more and more. "Often, a Video Editor will need a rough voice over so that he can cut a spot to time. Over the last few years quite a few clients have asked that I also record the final track with my own voice. I'm no Richard Burton, but I'm happy to help if that's what they really want. Maybe lisps are finally becoming popular."

2010 was a big year for Copyriot, with Kym creating the "Redmond is Ready" concept for the Liberal Party of SA during the State Election, and consequently being invited to Canberra to play a key role in creating advertising for the Federal Election. "When I flew into Canberra it was minus 2 degrees," remembers Kym. "The first day I arrived I was so busy that I didn't even get a chance to get

to Parliament House, but worked from 7am 'til 10pm from my hotel room. The next 4 days I worked from Parliament House. I was surprised at how few egos there were ... although we did manage to upset Malcolm Turnbull a bit."

Like many business owners, Kym finds work/life balance a struggle, a seemingly endless list of jobs meaning it's often tempting to keep toiling away well outside 9 to 5. Kym also laments his lack of enthusiasm for administration. "I have absolutely no interest in administration, but I'm finally realising that maybe the solution is to hand those tasks to people like HMCR who do", says Kym. "They've helped with some pretty solid advice, and showed us some good, practical stuff. The Xero online accounts system has really helped get the Copyriot books in order. It's easy to use, and the HMCR people can access my info online, saving us both time and money. It's a very intuitive program ... probably the only accounting system someone like me could possibly get my head around!"

The future? "Despite the fact they may suspect I'm a commie, I think the Libs will be back in the future, and in all seriousness they are really decent people to work with. At the moment I'm trying very hard to finally get a book together in between my other jobs... if I don't do it soon, my wife really is going to hurt me."

Any regrets at missing out on a life spent spinning records? "Nah ... I mean, they don't even use records any more! The career I've accidentally found myself in really suits me, and as writers the world over always say ... it sure beats working for a living!"



Team member profile

Michael Davis:
Accountant

My job at HMCR involves...Preparing financial accounts, tax returns & all sorts of other exciting accounting stuff.

My dream holiday destination is...
South America - The Inca's

For my last meal...
Chicken Schnitzel, Mash and Gravy

The TV show I can't live without is...
The Big Bang Theory

One thing that really annoys me is...
Inconsiderate drivers

When I was growing up I wanted to be an... Astronaut

If I could change one thing about myself:
My receding hairline

My first job was as a...
Checkout operator at Woolworths

Something you probably don't know about me is...I have bent toes

I can't live without my...Me time

The person I admire most is...
Those that make the time to help others

I am scared of...
Looking down when I'm high up

I get mad when...I haven't eaten


The thing I like best about working at HMCR...Friendly clients & colleagues!



Tax planning focus

The object of tax planning is to organise your financial affairs so as to legally reduce your taxes. There are really only three ways to reduce your taxes, though each approach might have a number of variations. You can lower your income, increase your deductions, or capitalise on rebates and offsets or other tax credits. At HMCR we see this as an important part of your strategic planning in the lead up to June 30 and represent a key opportunity to maximise your wealth in both the short and long term.

Over the coming weeks you will receive a special edition of CORE[thinking providing you with valuable information to help you reduce your taxes.



Just a thought

"I pay what I'm required to pay, not a penny more, not a penny less. If anybody in this country doesn't minimise their tax, they want their heads read because, as a government, I can tell you you're not spending it that well that we should be donating extra."

**KERRY FRANCIS BULLMORE
PACKER**

Movie review



SANCTUM

These days if the words 'James Cameron' and '3-D' are put on a poster it increases the level of anticipation for a film. When it's advertised with a deadly serious voice over as Sanctum has been, those words are sure to entice audiences in their droves. A pity that's the case as Sanctum is a poor effort with Cameron only among many of its producers. A name and gimmick doesn't always equal high quality as this silly fluff proves.

Frank (Richard Roxburgh) is an expert deep sea diver sent on a deadly expedition. Joined by his son Josh (Rhys Wakefield) and shady financier Carl (Ioan Gruffudd), they journey to New Guinea to explore its wondrous cave system. When a tropical storm suddenly hits and traps them in an underground labyrinth, they must band together in order to survive. Faced with deadly floods and treacherous companions, they have their work cut out if they want to make it out alive.

Sanctum's best quality is the 3-D cinematography which is amazing. Much better than recent efforts, it brings the viewer right into the frame of the

deadly tunnels the characters face. That's about the only good thing one can say about this absolutely appalling movie. How James Cameron can lend his name to this is a mystery as the dismal script and dreadful acting makes this one of the worst films ever to utilise expensive 3-D technology.

There's no sense of effort having gone into the script, as if writing something original and exciting was too hard. Perhaps sensing this, the performers camp it up for all its worth with the clichéd dialogue and cardboard cut-out feel of their roles painful to witness. The disaster-movie like way their characters are killed off is predictable, with copious amounts of shouting and swearing no substitute for genuine characterisation.

Sanctum descends the depths of banality with seaming ease. A nautical disaster the likes of which haven't been seen since Cameron's Titanic film, this 3-D epic is an abysmal waste of time proving the old saying 'no matter how hard you try you just can't polish rubbish'.

Hattam McCarthy Reeves
tasty recipes for business and wealth improvement



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