

Tax Calendar



7 July 2018

Due date for Income Tax Returns (only if you do not have an Accountant prepare your return)

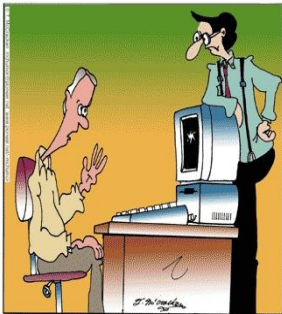
28 July 2018

GST Return and payment due.

28 August 2018

Provisional Tax instalments due for people and organisations with a March balance date.

MCHUMOR by T. McCracken



"It was great. The program showed profits and sales were up 95%. Then I discovered my computer had a virus."



Brent Dickins
Hamish Pryde
Barbara McConaghty
Jude Dickins
Deanna Anderson
Kelly-Jane Pryde
Trudy Plaisted
Stephanie Horne
Alessia James

The information contained in this newsletter is of a general nature and should be used as a guide only. Before acting on this information, please consult us regarding your personal situation.

Brent's Words

Success is NOT just about money

The Suncorp New Zealand business success index showed nearly 78% of all New Zealand business value work life balance as much as business growth.

A similar survey of SME in NZ found 80% valuing work life balance as equally important as business growth.

Pita Pit founder Duane Dalton says that this fact does not denote a lack of ambition in a vital sector of the economy. The findings do NOT mean that SME are interested only in a cushy life, doing just enough to get by, he says "I think a lot of people end up going into business for themselves because of work life balance but that doesn't mean they do fewer hours or anything like that. It means they want to structure their day so they can go and see the kids cross country event at school and get their work done when the kids go to bed. That kind of freedom of choice is really what we are talking about."

Pita Pit started as one store in Takapuna but now has 108 stores in NZ and 13 in Australia with 1200 employees.

97% of the New Zealand business' have less than 20% employees so collectively play a vital role in the economy.

Suncorp NZ CEO Paul Smeaton says the results highlight some important insights into the interpretations of 'success'. The survey also found 58% of NZ businesses would rather focus on productivity and efficiency over growth.

Smeaton says "SME's don't want to be told they need to grow in the traditional sense, when what they really want is to be more efficient and productive in the hours they work."

If part of the definition of success is achieving a work life balance, business owners must have peace of mind about their business when they are not there. Other key findings from the Suncorp Busins Success index include:

- The top 3 factors in business growth and success are having the right skilled people (87%), quality and reliable staff (83%) and a confident leadership team (77%).
- Key factors inhibiting growth are access to capital and having the right staff.
- Less than half of the businesses surveyed say they are confident making risk decisions.

Comment

Many SME businesses work best at their 'optimum size'. This is big enough to have a team structure and career path, clearly defined roles and duties that can operate without the owner being fully hands on but small enough to make decisions, be nimble and early adopters. The current shortage of quality available team members makes it difficult for SME businesses, as without the right team in place its very hard to achieve these goals.

We are seeing significant improvements in the use of technology to assist with the measurement of workplace performance, results & achievements. Improvements can be made in Inventory Management (freeing up cash and claring old stock) to monitoring team performance. These tools assist in getting more measureable results, rewards and efficiency plus identify any weaknesses in the system.

As an example our office has worked with a 10 day turnaround on accounting assignments and this focus has lead to great improvements in the systems, processes and bottlenecks that can occur. What simple performance indicator drives your business??

The Bad news is time flies...the good news is you're the Pilot!!!



BLOG



Hear it from Hamish.....

Is your business still relevant



Is your business still making as much money as it used to? Just because you've always done it that way doesn't mean it is still the best way going forward.

What do these businesses all have in common?

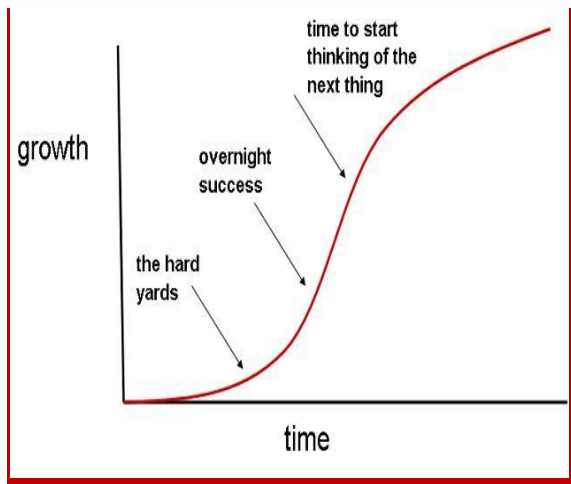
- 1) Remington Typewriters
- 2) Concord aeroplane
- 3) Kodak
- 4) Video Ezi
- 5) Milkman

That's right, they no longer exist. Technology has made these businesses irrelevant.

Is there a better way of doing things? Consumer tastes and preferences change over time. Do we buy a wooden ladder or a lightweight aluminium ladder? Do we buy lettuce, capsicum, carrot, tomatoes, chop them up ourselves or do we buy a ready made salad? Do we have GPS units in our trucks, tractors to be efficient in travel routes, cultivation or spreading? Do jobs come straight to your phone or a post it note left on your desk you are never at?

If your business is struggling, what is your opposition doing - the same or better? Are you a leader in your industry or are you a follower?

If your business has reached a state of maturity if you do not innovate and provide a different product or service then your business will likely enter a state of decline. If you do not arrest this decline with a breakthrough of either a new product, service or process this may lead to your business failure.



Do you critically think about what your business is doing? Do you talk to someone who can help? Business innovation is how you are different from your competitors not just a point of difference. Business innovation is ideas that you have and use successfully that none of your competitors have thought of.

Innovation broadly comes in three forms. First is industry innovation, which is a first for the industry. This is difficult and a light bulb moment is needed here. The second is revenue model innovation that is services and pricing strategy options. The third is enterprise model innovation which focuses on changing the internal and external processes of the business.

If your business has reached a stage of maturity and is starting to decline in either sales or profitability then you will need to turn your mind to innovation.

To kick the business profitability back into an upward trending growth cycle you need to make sure your business is relevant and innovates where required.

