



Kreston Dormers

The Kreston Dormers Client Cycle of Success

Where did it come from?

Our purpose at Kreston Dormers is to assist our clients to be successful both in business and life.

When looking at a typical Kreston Dormers client we found they fell into two main categories: small to medium sized enterprises (SME) and high net worth individuals.

We found that a typical SME business turns over between \$1 and \$20 million, employs between 5 and 50 staff and operates across all industries and sectors. However, there seem to be a number of common issues across these clients which can impact on their business in many ways as shown below:

Common Issues

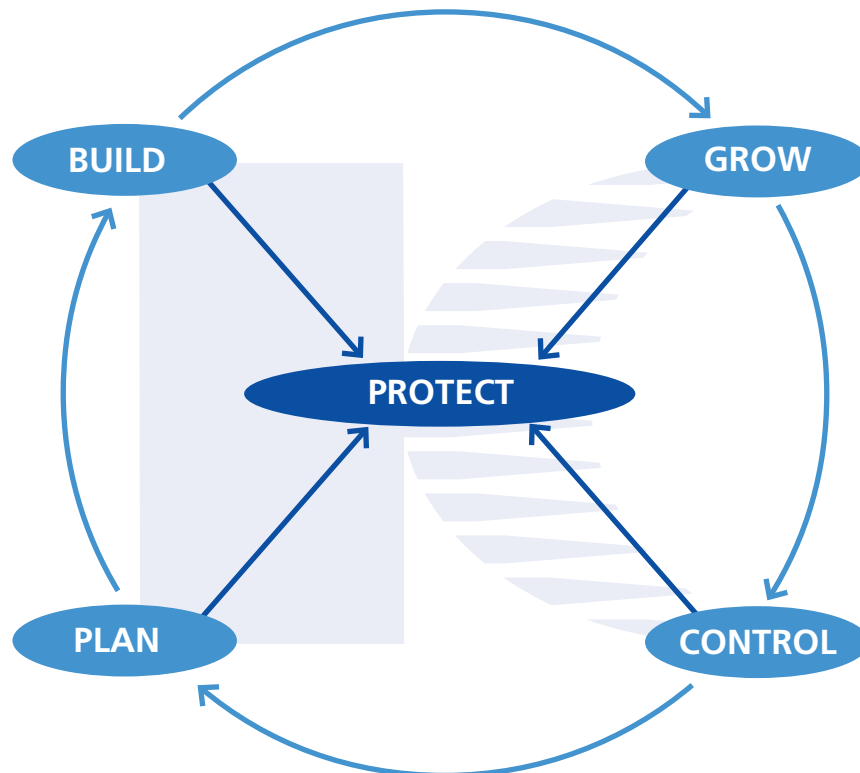
Potential Impact For You

→ A lack of planning for their business and personal life.	Your business will not meet its potential in terms of profitability and ultimately its sale price which will help fund your retirement.
→ Low profitability and poor cash flow.	Inhibits your ability to fund wealth creation strategies outside of the business.
→ No succession plan.	Lack of continuity of the business in the event you wish to sell all or part of the business.
→ Poor financial management.	Lack of profitability, risk of the business failing.
→ Inefficient corporate structures for minimising taxation and risk.	Paying too much tax, particularly when the business is ultimately sold. Personal assets at risk from business creditors should the business get into trouble.
→ No wealth creation strategy or plan.	Not enough money in retirement to live the lifestyle you want.
→ Lack of Estate Planning.	In the event of your untimely death your loved ones pay more tax than they needed to.
→ No monitoring of performance or progress.	You are unable to see if your business is heading for problems before it happens.
→ Poor marketing and sales strategies.	Business growth can be held back. Opportunities in the marketplace aren't taken advantage of.
→ Poor HR management.	Staff turnover and cost is high. Productivity and moral can suffer.
→ Limited IT infrastructure and planning.	Productivity inefficiencies with your staff. Possibility of business disruption due to computer problems.
→ Inappropriate funding strategies.	Working capital shortages. Lack of funding for expansion.
→ Limited knowledge and training in many facets of business management.	You may be missing out on skills and techniques to better manage and develop your business – "you don't know what you don't know!"

With 28 years experience and a significant and substantial track record, we realised that our comprehensive services needed to be more integrated in order to assist our clients further in meeting their goals. This begged the question: "How can Kreston Dormers improve our range of quality services to enhance the results demanded by our clients?"

The answer was the integration of our comprehensive range of services into a single multi-disciplined model that covers all aspects of our clients business and personal needs.

We call this the **Kreston Dormers Cycle of Success**.



So How does it Work?

The cycle identifies five key areas that all businesses and their owners pass through along the "journey" to business success. They are distinct in nature but are by no means independent of each other. Whilst each area is a step in the cycle, different elements of each may be acted upon at any one time. The important thing is recognising that each of the steps is an important "cog in the wheel" and all of the components that make up each step are necessary to the overall success of you and your business.

Our job is to help you work on these five areas and provide a planned and integrated approach to ensure all of the relevant components are managed and are focussed on achieving your objectives.

Steps in the Cycle of Success

PROTECT

This step is about securing and protecting the gains from the past and securing your future. This includes ensuring you are operating in the right structure to minimise income tax not only now but into the future and when you ultimately sell your business. Any such planning is also done with asset protection in mind.

PLAN

This step is about creating plans for the future to ensure that both you and Kreston Dormers focus our time and resources appropriately to achieve your desired goals.

Business and strategic planning will clarify your business vision, purpose and goals and provide strategies and actions to move you successfully towards those goals.

Financial planning to ensure effective investment strategies work towards the ultimate goal of maximising funds available for your retirement.

Succession planning to address the issue of how and to whom you will sell your business when that time ultimately comes.

Estate planning to ensure that your estate is passed onto your beneficiaries in the most financially efficient and tax effective way possible, whilst addressing the potential issues of any next of kin suffering financially and minimising the risk of family issues about who gets what.

BUILD

This step involves assisting you to create wealth by implementing your plans. Having a plan is one thing but it's generally in the lack of implementation where things tend to go wrong. We work with you all the way to build accountability in the process to ensure all plans are implemented.

CONTROL

Having set goals and objectives through planning and helping in their implementation, in this step we help you to monitor and measure your progress towards achieving them.

GROW

Our focus here is to look at the progress made and learn from the activities that have preceded. We do this through continuous education and evaluation.

How Each Of The Components Works For You

Your compliance accountant is responsible for your day to day taxation and compliance issues. Just as a building needs solid foundations on which to be built, so too does your business. Our "Tax & Accounting review" is a comprehensive process which will look at the following areas:

- Tax structures and asset protection – making sure that your business is structured correctly, particularly taking into account future taxation implications when you expand or sell your business. We also review things from an asset protection view to minimise the risk of losing personal and business assets to creditors.
- Tax and ASIC compliance (if you operate through a company structure) – ensuring that your obligations are up to date and you are aware of estimated future taxation obligations and the timing of those from a cashflow management standpoint.
- Accounting systems and reporting – looking at your current accounting system and how to get the most out of it for timely management reporting and the monitoring of performance. We have an internal bookkeeping service specialising in MYOB if that is required.
- Tax planning - keeping you fully informed with regard to ways of minimising and/or deferring income tax, both personal and business, in order to maximise cashflow and money for wealth creation.

Your business development coach specialises in ways to make your business better, more profitable and more valuable. They will ask lots of questions about your business – what's your vision, what are your business goals, what does your business and strategic plan look like (do you have one?!) and what are the major challenges in your business at the moment and what will they be in the future, to name a few.

There are a whole range of areas that our business development division covers. From basic management reporting, setting and monitoring budgets and helping monitor business performance through KPI's (Key Performance Indicator Reports) to drilling down into real business issues (such as pricing and waste for example) to business strategy, marketing and business coaching. They work either one-on-one with you, the business owner, or with your team on certain issues to make a real difference to your business and the way you do business.

From an initial workshop they'll identify areas that you need help on and formulate some solutions to get your business forging ahead!

Your financial services team will discuss your wealth creation goals as well as discussing the risk management you currently have in place and whether it is adequate in terms of current and future situations.

We are great believers in building wealth outside of your business which is in itself a risk management strategy to guard against something unforeseen happening. Using the cashflow of the business they will discuss some strategies and structures to do this, all the while mindful of protecting the wealth being created.

They will explain the benefits of a detailed financial plan which we have found to be the best way of starting the wealth creation process. A typical plan includes a review of the following:

- Your wealth creation goals – short, medium and long term
- Your risk profile
- Estate planning matters
- Current income level and net asset position including your business
- Based on all of the above, a recommendation as to in what types (e.g. shares, property, cash, other) and in what proportion of assets types current and future investments should be made
- Recommendations of specific products within the broad asset types.

Your Legal team specialises in most aspects of commercial law including:

- Business Law
- Trade secrets
- Negligence claims
- Operational Issues
- Property Issues
- Contracts
- Employment
- Business Transfers

Dormers Legal acts for many types of clients including business owners and company directors, developers, purchasers, vendors, lessors, lessees, trustees and business executives. There are numerous advantages to be gained when using an internal legal practice that can work alongside the tax and accounting division, not the least of which is the fact it's easier for both to work in the same direction to achieving our client's goals.

We also have a strong working relationship with several corporate lawyers who we collaborate with on some clients projects.

Your Computer Services or IT team ensures our clients are provided with superior network and communications infrastructure systems which are capable of addressing all their current and future requirements for their business.

They can provide a complete package of services and generally start with an audit of your current IT situation, looking at the following issues:

- Security
- Anti Virus
- Blocking filtering
- Training
- Backup procedures
- Firewall
- Access control
- Licensing

From here they will talk to you about your current and future business requirements and come up with recommendations to address any potential problem areas that currently exist, as well as a plan of what is required and when in order to meet the future requirements of your business.

The benefits to you

The key benefits of working with the Kreston Dormers Client Cycle of Success include:

- Having a plan to grow and protect your business and your wealth. Just as important you will have a team of specialists to drive the implementation of the plan and build accountability into the process.
- Bringing together all the various disciplines you and your business need in an integrated manner, working in the same direction and focussing on one objective – your success.
- Providing you with value, not an hourly rate charge but package solutions for each area so you know in advance what your investment will be before we start so there are no surprises at the end.