

A close-up photograph of a hand holding a blue fountain pen, poised to write on a document. The pen is the central focus, with its nib pointing towards the bottom left. The hand is visible on the right side, gripping the pen. The document in the background is slightly out of focus, showing a 'Date' field and some other text. A blue diagonal line runs across the image from the top left towards the bottom right.

**RSM Bird Cameron**

Chartered Accountants

**Outsourced CFO Services**  
Increasing your business value

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## Benefits of outsourcing

Outsourced CFO Services saves you time, increases business value, and has many other clear and proven benefits, including:

- Peace of mind that the entity's finances are being managed professionally and proactively
- Objective financial and management reporting, aiding the smooth running of your business and supporting business growth
- Enhanced financial control regardless of where your headquarters are located
- A commitment to meeting your deadlines
- More time for you to concentrate on your business goals
- Access to a local team of specialists who have national and international back-up available as required
- Value for money and a proactive personalised approach
- Innovative use of technology to help reduce business costs and streamline your processes
- Access to the globally renowned RSM International network of leading accounting firms

# Do what you do best and outsource the rest



# Outsourced CFO Services

## ANALYSIS

- Health checks
- Liquidity management
- Key business drivers
- Benchmarking to competitors
- Working capital reviews
- Evaluation of business practices

### Advantages

- Build profit
- Increase business value
- High level interpretation
- Peace of mind
- Sustainable cashflow
- Improvement to business processes

## REPORTING

- Monthly and annual reporting
- Taxation and statutory obligations
- Cashflow and profitability
- Consolidated and department reporting
- Budget versus actual

### Advantages

- Reliable and timely information
- Commitment to deadlines
- Objective reporting
- Early identification of warning signs
- Cashflow optimisation

## PROCESSING

- Company set-up
- Company secretarial services
- Transaction processing
- Receivables
- Payables
- Payroll functions

### Advantages

- Use of specialised service provider
- Cross-review of work
- Streamline operations
- Release resources
- Enhance financial control
- Insulation from disruptions

# Outsource to increase the value of your business

Companies and organisations across all sectors are facing increasing threats. In order to stay competitive and profitable, new ways have to be found to cut costs and improve efficiencies.

Today, many business processes that have to be done, but do not directly add value to the business, can be outsourced. **Proven benefits can flow from utilising an external Chief Financial Officer (CFO) through to the outsourcing of back office administration tasks such as payroll, management reporting and company secretarial duties to a specialist provider.**

Moving these types of non-core activities to a specialist means that valuable management time is released to concentrate on core service delivery, actively improving your ability to focus on the future of your business.

Organisations that enjoy the benefits that can be gained from outsourcing are likely to have adhered to the top three golden rules:

- Look for a business partner, not just a provider
- Set and agree clear goals, objectives and expectations
- Develop and build a business relationship based on mutual trust rather than just a contract

RSM Bird Cameron is dedicated to helping organisations embrace outsourcing and maximise the benefits to be gained from it. These benefits are not restricted to large corporate clients, but can be accessed by companies of all sizes.

Outsourced CFO Services provides your business with essential management information, improving your ability to make informed and relevant decisions

Outsourced CFO Services can help your business manage its finances professionally and proactively, giving you the time you need to concentrate on your business goals.



Analysis enables you to understand your current position, identify and close performance gaps to build long-term profit

## Analysis

- High-level interpretation and analysis of reports
- Evaluation of business practices
- Liquidity management and working capital reviews
- Advice on cost-cutting and business process reviews
- Asset management
- Break-even analysis, profitability and product line reviews
- Benchmarking against industry sector performance
- Identification of grants and assistance
- Development of key performance indicators

## Analysis

### Building profitability

External analysis by a specialist provider on an ongoing basis gives an objective view of the business and its current business practices. Knowing that the business' finances are being managed professionally and proactively, allows management to focus on building growth.

Building profitability over time involves ensuring that any growth is controlled, sustainable and adequately funded.

Reliable and timely management accounts should alert business owners to a profitability issue. In the absence of reliable management accounts, lack of profitability can be detected by tight cash flow. This could be caused by declining sales or overheads increasing rapidly.

Make your monthly management reporting reliable and take notice of any warning signs that things are not right. It can take quite a while to turn things around so you need to take action before real damage is done.

You need to know that your business is profitable overall, but the real secret to increasing profits is to know where you are making good returns and where you are not. This allows you to focus on the more profitable parts of your business and to stop wasting time and effort on areas that are not so good for your profitability.

In the long run, a business must have adequate profits or it will fail, and sustainable cash flows only come from profit.

There are other significant consequences, besides weak cashflow, of poor profitability to consider. For a start, most businesses are valued on some multiple of sustainable profits, so poor profits mean the value of the business is not appreciating, and in fact, may be declining. Lack of profits will also restrict your ability to invest in key opportunities for future growth, such as:

- Product development
- New plant and machinery
- New IT
- New people
- Web sites

These items are either paid for in cash or financed through debt. But, with restricted cash from trading, that option is not available and alternatively, securing finance will be difficult without good numbers.

### Key business drivers

A key part of the business planning process is identification of the business drivers, or those factors that drive your revenue and your major costs. It is critical that your management reporting system measures such drivers. Being in a situation where the business drivers are not known or measured should be a warning sign.

Another warning sign is major fluctuations between monthly results. This may indicate unreliable information.

### Small to medium business

One of the benefits of a privately owned business is flexibility in setting and achieving business objectives.

Many people go into business to achieve independence and the freedom to do their own thing. We understand that for many, it is not about profit maximisation, but achieving a balance between lifestyle choices and financial rewards. However, a number of business owners do not receive an acceptable return for the hours they work or the capital they invest in the business. In fact, if a commercial wage and a risk adjusted return on capital invested were computed, many privately owned businesses would not be profitable. You can only work on sweat equity for so long.

### Health checks, working capital and liquidity

Health checks analyse your current position to determine any gaps and prioritise solutions so that you can focus on building profitability. Working capital and liquidity reviews can also identify immediate "calls to action" that otherwise if left unattended could threaten the survival of the business or restrain the ability of your business to achieve growth.

# Reporting

## Objective management information

The lack of reliable and timely management information creates many problems. We attribute, at least in part, the tendency to make decisions on an ad-hoc basis to a general lack of good management information. If the numbers are not at your disposal, be they financial or non-financial, then you have little choice but to make decisions based on instinct.

Contributing to this issue can be the unreliability of monthly management information, leading to managers disregarding early warning signs of problems in profitability and liquidity.

Management is moving from an art to a science. The ongoing computerisation of all business systems provides more data for informed decision making. If you have the facts, most business decisions become logical. The basis of decisions move from instinct to logic if, and it is a big 'if' for small and medium businesses, the right information is available.

We provide accurate, objective and timely monthly management reports. Depending on your needs these can be consolidated, departmental or product line formats.

## Taxation and statutory obligations

RSM Bird Cameron can help you manage your accounting function by completing all the statutory obligations of your business. We have the right mix of skills and experience to help you achieve your short and long term business goals.

In today's corporate tax environment, failure to comply and manage tax obligations could result in unexpected penalties and additional tax. That's why we never understate the importance of these obligations and the deadlines that come with them.

International companies on the other hand

need more than just local compliance assistance - they require multi-jurisdictional assistance. At RSM Bird Cameron, together with our RSM International network, we can manage these multi-national compliance requirements in a co-ordinated manner.

We offer an extensive selection of accounting, payroll, analysis and review, and establishment and compliance functions to support your business, including:

- Business Activity Statements (BAS)
- Instalment Activity Statements (IAS)
- Income tax returns
- Employment registrations, payroll processing and payroll tax returns
- Workers' compensation
- Fringe Benefit Tax (FBT) Returns
- Financial statements in accordance with Australian Accounting Standards
- Lodgement and payment of federal and state taxes including income, goods and services, payroll, stamp duty, land tax and workcover insurance

## Cash flow management

**Cash flow is the lifeblood of your business and a primary indicator of business health. The effects of cash flow are real and immediate and for this reason cash needs to be carefully managed.**

Many businesses do not manage their cash as well as they could. Those that have borderline profitability have little choice and 'squeeze the lemon' pretty well. Others get enough cash out to meet their needs but could improve cash flow and invest back into the business or increase their dividend flows. There may be cash in the bank, but if working capital is not well managed, money will be under-utilised.

Good business management involves optimising your cash flow and managing your cash reserves to best effect.

Lack of cash flow creates several undesirable

consequences. If a business does not have enough cash it cannot fund activities and this restricts future growth. Being chased over unpaid bills is not pleasant for you and not beneficial to your company's reputation. In extreme situations it can lead to insolvency of the business which is a humbling experience; the owner loses control of their business, and it can be terminal. Worse still, when individuals have guaranteed debt, personal bankruptcy can be enforced.

Most people only realise they have cash flow problems when the problem occurs. Unfortunately, by then, many of the options available to fix the problem are no longer available.

The biggest enemy we see when businesses have liquidity problems is time - they simply don't have the time to trade their way out of the problem.

For this reason, a system to pick up on the early warning signs is absolutely critical. There is a real need to develop relevant KPIs around liquidity to inform business owners what is happening, as it happens. There are key ratios to maintain for levels of inventory, days receivable, accounts payable, and ratios between various assets, liabilities and investments. Every business should have a simple, reliable and effective early warning system for cash flow.

Cash flow is the life blood of a business and without it a business simply grinds to a halt. Cash however is not profit and separate KPIs are needed to measure and forecast cash flows. There are many ways a business can improve the way it manages its liquidity and cash flow and, like other business processes, this area needs constant attention. It is one area of the business you cannot afford to ignore.

We provide regular cashflow reporting to:

- Optimise cashflow
- Identify warning signs
- Maximise liquidity

Outsourced CFO Services can assist with cash flow management. It improves your knowledge and your control of the lifeblood of your business, in the long term helping you to build profitability.

# Processing

## Accounting functions

By outsourcing your daily accounting functions, you can streamline operations and focus on the products, transactions and services that drive your business.

If you own a smaller company, you can benefit from the knowledge of a robust, professionally staffed accounting department. Mid-sized companies benefit from reduced costs derived from highly automated processes, objective reporting and enhanced financial control.

Working with our Outsourced CFO Services team brings you stability; you'll be insulated from disruptions in workflow caused by personnel turnover and operational demands.

We provide a cross-review of work, external bank reconciliation and professional oversight that helps deliver vital financial information to your management team on schedule - all as a system that can be scaled to your specific needs and as part of our commitment to excellence in client service.

RSM Bird Cameron can provide you with the following accounting functions:

- Bank account reconciliation
- Adjusting entries and accruals
- Month-end closings and trial balance
- Management accounts
- Departmental and regional reports
- Job and project tracking
- Year end financial statements in statutory format
- Corporation tax, compliance and planning services

## Accounts receivable

- Customer invoicing
- Sales and commission reports
- Receivables ageing reports
- Receipts posting
- Deposit reconciliation
- Optional collections activities

## Accounts payable

- Vendor invoice posting to terms
- Employee expense report posting
- Credit card statement reconciliation
- Payables ageing reports
- Payment preparation for vendors and employee expenses
- Optional electronic bill paying

## Goods and Services Tax

- Goods and Services Tax (GST) including BAS preparation

## Payroll functions

For many companies, managing employees' pay and keeping up with the burden of record-keeping and changes in payments and deductions, can be too time consuming and complicated to handle in-house.

For companies that are familiar with these issues, RSM Bird Cameron can provide a comprehensive payroll management service. We will manage all of your payroll requirements including:

- Weekly or monthly payroll runs and end of year payroll returns
- Calculation of tax, deductions and superannuation contributions
- Correct application of PAYG deductions for new employees, those with changing circumstances and leavers
- Managing additional payments and deductions for holiday, overtime and Higher Education Loan Program (HELP) deductions
- Electronic payments and other record keeping requirements

## Company set-up

- Asset management
- Assistance to companies wishing to establish a presence and operate in Australia

## Company set-up continued

- Registration of company and ensuring compliance with the local tax authorities
- Payroll assistance
- Setup of internal accounting processes
- Half and full year financial accounting
- Budgets and cash flows
- Bookkeeping services

## Company secretarial services

A company must maintain a registered office. We provide company secretarial support including use of our office as the registered address of the company. We also maintain the statutory registers of the company including:

- Annual company reviews
- Corporate Register maintenance
- Documentation for the appointment and resignation of officers
- Notification of accounts filing deadlines
- Lodgement of relevant documents with the Australian Securities and Investments Commission (ASIC)

# Management reporting

- Manage the accounting role for local and parent company reporting
- Regular management accounting and reporting
- Reporting in specific formats for consolidation to parent entity accounts
- Cash flow management
- Development of policies and procedures

Outsourcing your back office administration, such as payroll, can save your business time and money. Time that may be better spent focusing on the future.

## RSM Bird Cameron

RSM Bird Cameron, is one of the largest business advisory and accounting firms in Australia, offering a full range of specialist corporate advisory services including assurance and advisory, taxation consulting, corporate finance, due diligence, strategic planning and business investigation and recovery.

We are uniquely placed in the Australian accounting profession as a national firm with over 70 directors and 800 staff, operating out of 28 offices throughout Australia.

RSM Bird Cameron is a core member firm of RSM International, the sixth largest accounting and consulting organisation in the world. This affiliation reflects our growing international capabilities and our seamless international service to our clients.

Our unparalleled commitment to clients in providing pragmatic solutions and exceptional service has been recognised through the BRW Client Choice Awards. In the last six years we have won six awards and have been finalists twice.

The Awards we have won include:

- Best mid-size accounting firm in Australia (twice)
- Attribute award for Outstanding Client Care
- Best Victorian professional services firm
- Attribute award for Exceptional Service
- Best WA professional services firm

## RSM International

RSM International is the sixth largest network of independent accounting and consulting firms worldwide providing tax, accounting, consulting and specialist advisory services to ambitious growing organisations around the world.

The network has over 730 office locations in 76 countries, including nearly all of the key markets of the world. In all, it has over 32,000 people on hand to serve your needs.

The RSM International difference lies in the unusually close and enduring relationships we forge with our clients. Clients who choose RSM International are those who look for a combination of real value, true team work, imaginative practical solutions and excellent service. Every firm that carries the RSM name is driven by a common desire - to help clients create lasting success, reach their goals and outperform their competitors.

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