SPRING 2025

# BUSINESS & PROFIT MATTERS

*Strategies for managing your business*

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## Spotting The Signs of Modern Slavery In A Business

*Modern slavery may sound like a problem of the past, but it's still very much a reality today- sometimes hidden in plain sight.*

It refers to situations where individuals are exploited and unable to leave due to threats, coercion, deception, or abuse of power.

Broadly, it can include human trafficking, forced labour, debt bondage, or situations where vulnerable workers are trapped in unsafe, unfair, and exploitative conditions.

In Australia, businesses above a certain turnover are legally required to report on the steps they're taking to address modern slavery in their operations and supply chains. But even smaller businesses can be affected, whether directly or indirectly, through suppliers, contractors, or labour hire arrangements.

### WHAT DOES MODERN SLAVERY LOOK LIKE IN PRACTICE?

It isn't always obvious. The signs are often subtle and may appear as simple irregularities in day-to-day operations. Some red flags to be aware of include:

- **Unusually low wages or withholding of pay** – Workers being underpaid, paid late, or not receiving their entitlements.
- **Lack of freedom** – Employees who cannot freely leave their workplace, are denied access to passports/ identification, or live in employer-controlled accommodation with little autonomy.
- **Excessive hours** – Workers are being required to work unreasonable hours with no proper breaks or overtime pay.
- **Fearful or controlled behaviour** – Employees who appear distressed, overly monitored, or afraid of speaking to outsiders.

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- **High worker turnover or reliance on vulnerable groups** – Businesses with frequent staff changes, or reliance on migrant workers with limited English or visa insecurity, may be at higher risk.

### WHY THIS MATTERS FOR BUSINESSES

Beyond the obvious human cost, modern slavery poses serious reputational, legal, and financial risks. Being linked to exploitative practices- even indirectly- can damage customer trust and expose businesses to regulatory penalties.

### EXAMPLES OF MODERN SLAVERY IN AUSTRALIA

- **Agriculture** – Seasonal workers underpaid, working long hours in unsafe conditions.
- **Construction** – Migrant labourers forced into excessive hours, with wages withheld or movement restricted.
- **Hospitality** – Staff working long shifts for below-minimum pay, often under "cash-in-hand" arrangements.
- **Cleaning services** – Workers trapped in debt bondage after paying high recruitment fees.
- **Clothing & supply chains** – Exploitation hidden in subcontracting, with workers underpaid or coerced.

### WHAT CAN BUSINESSES DO?

Start by knowing your supply chain. Ask questions of your contractors, review working conditions, and make sure proper due diligence is carried out with labour hire agencies. Clear policies, staff training, and anonymous reporting channels can help identify and address problems before they escalate.

Modern slavery thrives in silence and complexity. By being alert to the warning signs and taking proactive steps, businesses can help protect vulnerable people while also safeguarding their own long-term success.

# Managing Seasonal Impacts in Tourist-Driven Industries

*If your business relies on tourism, you'll know how dramatically the seasons can shape demand. One month you're dealing with long queues and packed schedules, and the next you're wondering how to keep cash flow steady. While the peaks and troughs are unavoidable, smart planning can help you stay profitable year-round.*

### PLAN FOR THE QUIET MONTHS

Use your busy season to build reserves. Tracking your cash flow carefully allows you to set aside funds to cover fixed costs like rent and utilities when visitor numbers drop. Consider creating rolling budgets that account for seasonal fluctuations, rather than relying solely on straight-line forecasting.

### DIVERSIFY YOUR INCOME

Think about how you can make your business relevant outside peak times. A resort might offer conference facilities during the off-season, or a tour operator could develop packages tailored to locals. Even small changes, such as themed nights in a restaurant or offering online sales of local products, can help fill the gap.

### ADJUST YOUR WORKFORCE SMARTLY

Seasonal staffing models can ease pressure during busy periods without creating unnecessary costs in quieter months. Cross-training staff also ensures flexibility- allowing team members to switch between roles depending on demand.

### MARKET DIFFERENTLY IN THE OFF-SEASON

Lean into what makes your area attractive when it's less busy. Promote the peace and quiet of a winter beach walk, or create special packages that appeal to retirees or corporate groups. Positioning your offering around unique off-season benefits can help attract a steady flow of visitors.

By treating seasonality as a cycle to plan for rather than a problem to endure, you can make your business more resilient. With the right mix of financial planning, diversification, and targeted marketing, seasonal highs and lows can become an opportunity to innovate and grow.

# Renting vs Owning Your Business Premises: What's Right for You?

*For many business owners, one of the biggest decisions is whether to rent or buy the property they operate from. Each option carries unique advantages and trade-offs, and the "right" choice often depends on your business goals, financial position, and appetite for flexibility.*

## THE CASE FOR **RENTING**

**Pros**

- **Flexibility** – Leasing allows you to move if your business outgrows the space or if customer demand shifts to a different area.
- **Lower upfront costs** – Instead of tying up capital in a deposit, you can use funds to invest in staff, stock, or equipment.
- **Fewer responsibilities** – Major repairs and maintenance are often handled by the landlord, reducing unexpected costs.

**Cons**

- **Rising costs** – Rent increases can add pressure, and you have less control over long-term expenses.
- **Lack of asset growth** – Rent payments don't build equity- you're helping your landlord's investment, not your own.
- **Lease restrictions** – You may face limitations on fit-outs or modifications to the premises.

## THE CASE FOR **OWNING**

**Pros**

- **Asset building** – Repayments build equity in a tangible asset, which could increase in value over time.
- **Stability** – No risk of a landlord selling the property or changing terms at lease renewal.
- **Additional income** – If you purchase a larger property, you may lease out unused space.
- **Tax-free Investing** – Structured correctly, your investment could provide a tax-free windfall when eventually sold

**Cons**

- **Higher upfront costs** – A significant deposit and purchasing expenses can tie up cash flow.
- **Maintenance responsibility** – Repairs, upgrades, and compliance costs sit squarely on your shoulders.
- **Reduced flexibility** – Moving to a new location is harder if your business needs change.

## FINDING THE **BALANCE**

If your business is new or rapidly evolving, renting may provide the agility you need. If you're more established and looking for long-term stability, owning could be a smart wealth-building strategy.

Ultimately, the decision comes down to balancing flexibility with security, and short-term cash flow with long-term investment. A conversation with your accountant could help with making a decision that works for your needs and your business.

# Getting Your Business Noticed: Standing Out In The Crowd

*Trying to get your business to stand out can feel like an uphill battle, particularly when you're in an already competitive market.*

Whether you're running a café, a consultancy, or an online store, your customers have more choice than ever.

The good news? With the right approach, your business can cut through the noise and build a loyal following.

## 01 Sharpen Your Unique Value

Ask yourself: *What makes my business different?* It could be your personalised service, your expertise, or your local community connections. Being clear on your value proposition helps you communicate why customers should choose you over the competition.

## 02 Build A Strong Brand Identity

Consistency matters. From your logo and website to how you interact with clients, ensure your brand feels cohesive. A professional, trustworthy image signals stability and reliability- qualities customers look for, especially in uncertain times.

## 03 Embrace Digital Presence

Most customers will check you out online before they ever call or visit. A clear, easy-to-navigate website and an active social media presence can boost credibility. Sharing useful content- whether that's tips, insights, or updates- positions your business as knowledgeable and approachable.

## 04 Focus On Customer Experience

In a crowded market, word of mouth is gold. Delivering excellent service and going the extra mile encourages clients to recommend you. Consider simple gestures- like follow-up calls, thank-you notes, or loyalty discounts- that show genuine care.

## 05 Leverage Professional Advice

Strong financial and strategic planning underpins marketing success. Understanding your numbers helps you decide where to invest- whether that's in advertising, new technology, or staff training.

At its core, getting noticed isn't about shouting louder than your competitors—it's about being clearer in your message, more consistent in your approach, and more connected to the people you serve. With the right focus and planning, even the smallest business can make a big impact.

Need support with your business? Whether it's guidance on strategy, financial management, or tailored advice to help you reach your goals, we're here to help.

Start a conversation with us today and discover how we can support your business journey.

# Innovative Ways to Reinvest Business Profits for Growth

*Turning a profit is an important milestone for any business, but the real question is what to do with those profits once they arrive.*

Simply letting money sit in the bank may feel safe, but it rarely fuels long-term success.

Strategic reinvestment can help a business grow, build resilience, and prepare for the future.

## 01 STRENGTHEN OPERATIONS

Profits can be used to upgrade technology, improve systems, or streamline processes. Whether it's a new accounting platform, updated equipment, or automation tools, smart investments in efficiency often pay off in both time and cost savings.

## 02 INVEST IN PEOPLE

Employees are often the backbone of a business. Training programs, professional development, or even expanding the team can improve capability and morale. Investing in staff reduces turnover and creates a stronger foundation for growth.

## 03 EXPAND MARKETING EFFORTS

Growth relies on visibility. Allocating part of profits to marketing- whether digital campaigns, rebranding, or community sponsorships- can increase awareness and attract new customers. Targeted strategies are usually more effective than spreading efforts too thin.

## 04 BUILD FINANCIAL BUFFERS

Reinvesting isn't always about spending; it can also mean creating stability. Setting aside profits in an emergency fund or paying down debt gives a business flexibility when unexpected challenges arise.

## 05 EXPLORE GROWTH OPPORTUNITIES

For businesses ready to scale, profits might be channelled into launching new products, expanding into new markets, or upgrading premises. These opportunities come with risk, so careful analysis is essential.

Ultimately, reinvestment decisions should align with the broader business strategy. What works for one business may not suit another.

This is where an accountant's insight can be invaluable.

By reviewing cash flow, tax implications, and strategic goals, we can help identify the smartest reinvestment options for your business, for long-term growth.

If you're considering how best to use your profits, speak with your accountant- they can ensure your money works as hard as you do.

# Avoiding Payroll Problems: Why Compliance Matters

*Payroll might seem like a routine part of running a business, but it's an area where mistakes can quickly become costly.*

From underpaying employees to missing superannuation contributions, even small errors can result in significant fines, penalties, and reputational damage.

With increasing scrutiny from the Fair Work Ombudsman and the ATO, businesses of all sizes need to take payroll compliance seriously.

## COMMON PAYROLL PITFALLS

- Incorrect employee classification – Confusing contractors with employees, or misclassifying staff under the wrong award, can lead to back pay claims.
- Superannuation errors – Missing quarterly super payments or miscalculating them is one of the most common compliance issues, often attracting penalties and interest charges.
- Record-keeping lapses – Inadequate or incomplete records of hours worked, leave taken, or pay rates can make it difficult to defend your business if issues arise.
- Underpayment of wages – Whether accidental or systemic, underpayments not only attract fines but can also damage staff trust and business reputation.

## WHY COMPLIANCE MATTERS

The regulatory environment is tightening. In Australia, wage underpayment scandals have made headlines, and regulators are keen to set examples. Even honest mistakes may not protect a business from penalties. For small businesses, the financial hit can be crippling, and the reputational fallout can be just as damaging.

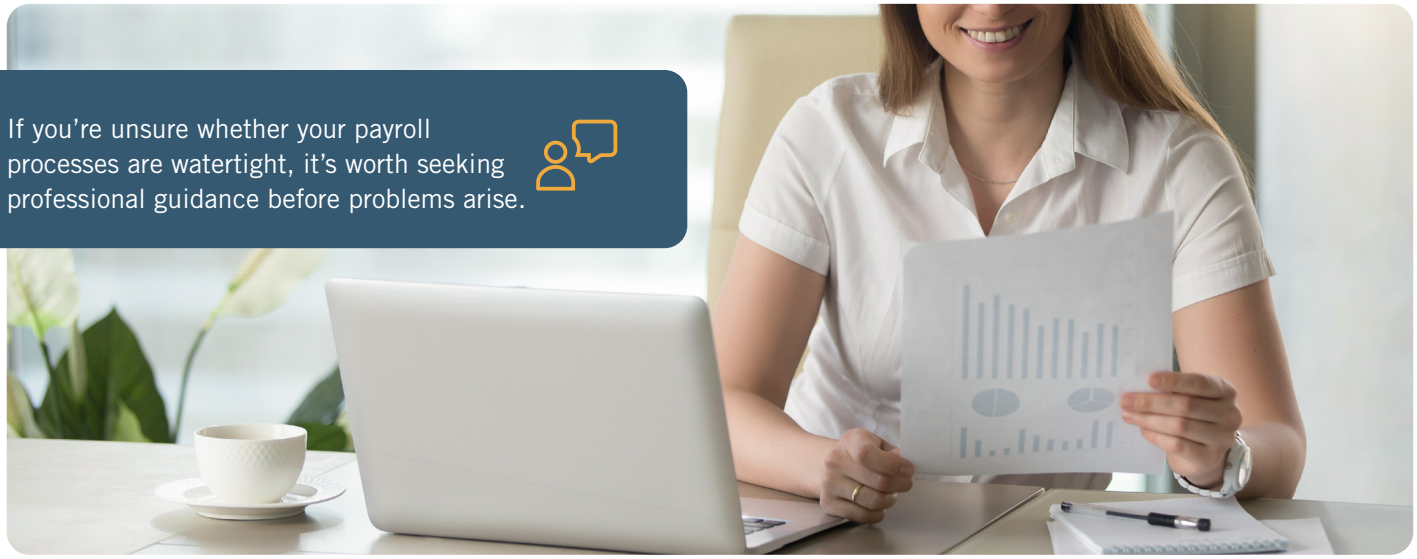
## STEPS TO STAY ON TRACK

- Regularly review employee classifications and award rates.
- Automate payroll where possible to reduce manual errors.
- Ensure superannuation contributions are lodged accurately and on time.
- Keep thorough and accurate payroll records for at least seven years.
- Seek professional advice when interpreting awards or industrial relations obligations.

Payroll compliance isn't just about avoiding fines- it's about building trust with your employees and ensuring your business runs smoothly.

Your accountant can play a key role in safeguarding payroll compliance, from reviewing systems to advising on obligations.

If you're unsure whether your payroll processes are watertight, it's worth seeking professional guidance before problems arise.



# Adopting New Workplace Norms Without Losing Your Authenticity

*The modern workplace is evolving at a pace few could have predicted.*

From hybrid work models and digital-first communication to greater emphasis on inclusion and employee well-being, today's norms look very different from even a decade ago.

For leaders, the challenge lies in embracing these shifts while ensuring their workplace culture remains authentic and true to its values.

## UNDERSTAND WHAT MATTERS MOST

Before adopting new norms, clarify what makes your workplace unique. Is it your strong client focus, a supportive team environment, or a history of innovation? Keeping these core values in sight will act as a compass when integrating new practices. For example, introducing flexible hours doesn't need to diminish accountability- it can reinforce trust, a cornerstone of many authentic cultures.

## ADAPT, DON'T COPY

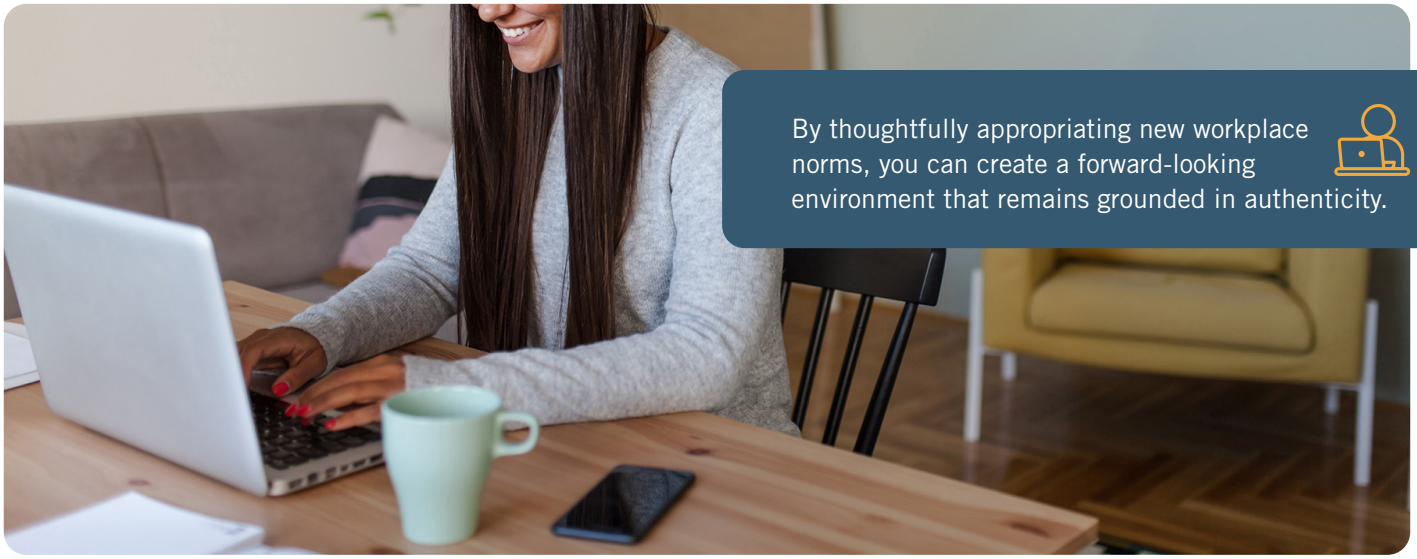
Modern norms shouldn't be applied as blanket solutions. Take what aligns with your business and adapt it. If remote work suits your team's rhythm but constant video calls don't, create a balance that reflects how your people work best. Authenticity comes from tailoring practices, not mimicking trends.

## COMMUNICATE WITH TRANSPARENCY

Employees appreciate clarity on why changes are happening. Explaining how a new policy supports both staff and business goals helps maintain trust. For instance, if you adopt mental health days, link the initiative to your long-term commitment to staff wellbeing rather than positioning it as a 'tick-the-box' trend.

## EVOLVE WITHOUT ERASING IDENTITY

Modernising your workplace doesn't mean discarding traditions that hold value. Weekly team check-ins, in-person client meetings, or celebrating milestones together may still be central to your culture. The key is blending the new with the old in a way that feels natural and aligned.



By thoughtfully appropriating new workplace norms, you can create a forward-looking environment that remains grounded in authenticity.

# Cashflow Questions to Ask as You Approach the End of the Calendar Year

*As the calendar year draws to a close, many businesses shift focus to festive sales, staff holidays, and planning for the year ahead. But one area that deserves special attention is cash flow. Strong cashflow management can mean the difference between starting the new year in control or feeling the squeeze. Here are some key questions to ask as you review your position.*

## Q01 DO I HAVE ENOUGH CASH TO COVER SEASONAL EXPENSES?

A The end of the year often brings extra costs: bonuses, holiday pay, stock purchases, or festive marketing campaigns. Reviewing whether your cash reserves are sufficient to meet these obligations helps you avoid dipping unnecessarily into credit.

## Q02 ARE MY DEBTORS UNDER CONTROL?

A Outstanding invoices can create severe pressure. Take stock of who owes you money, how long payments have been outstanding, and whether you need to send reminders or introduce stricter payment terms. Sometimes a gentle nudge before the holiday break makes all the difference.

## Q03 HAVE I PLANNED FOR SLOWER TRADING PERIODS?

A Depending on your industry, January may be quieter. Ask yourself whether you've budgeted for a dip in sales and whether you've set aside a buffer to keep operations steady until business picks up.

## Q04 AM I MAKING THE MOST OF SUPPLIER RELATIONSHIPS?

A Now is a good time to review your payment terms with suppliers. Could you negotiate longer terms or early payment discounts? Even minor adjustments here can strengthen your overall cash position.

## Q05 DO I HAVE A CLEAR PICTURE OF MY FORWARD COMMITMENTS?

A Look ahead to recurring costs like rent, subscriptions, loan repayments, or tax instalments. Mapping these against expected income gives you a clearer picture of where shortfalls might arise.

## Q06 IS IT TIME TO REVISIT MY BUDGET?

A The close of the year provides a natural point to reflect on your budget versus actual performance. If your spending patterns or revenue streams have shifted, consider adjusting your forecasts for the year ahead.

Your accountant is your best partner in this process, helping you forecast, plan, and identify opportunities you might not see on your own. Before the holiday rush, take time to sit down with us and make sure your cash flow is working for you, not against you.

By taking the time to ask these questions now, you set your business up to enter the new year with confidence. Cashflow management isn't just about keeping the lights on- it's about creating stability so you can seize opportunities when they arise.

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