

# businessessentials

Advice and ideas to grow your business - presented by Michael Schildberger

November 09 | Audio CD



## the extras

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As we head into economic recovery, businesses might well be looking for funding to help them grow and benefit from what should be good times ahead. But, from the feedback we're getting, the banks are still playing tough. Surprising isn't it, because the banks depend on lending us money for their own livelihood. And if businesses can't borrow, the nation's economy suffers. We don't see ourselves as a lobby group, but we do want to help our members find ways of overcoming difficulties. An expert in helping businesses grow is Adrian McFedries, Managing Director of DC Strategy, and raising money is obviously an area on which he concentrates. We hear his views on this month's CD.

Talking about banks, do we examine our own banking habits? Maybe we're paying more than we should. Luke Neale of Save on Bills gives us plenty to think about and could save us lots.

As well as cutting costs, we always need to find ways of boosting revenue. Do we know enough about using social media? Not only do we need to understand the importance of it all, we need to learn how best to use social media to our benefit. Jay McCormack is an expert and we ask him to please explain!

And talking about the social side of life – a lady I've known for many years, Amanda Gore, gives wonderful speeches on how to enjoy life and create a far brighter and more profitable work place in the process. She will motivate your thinking on this CD.

As always, our regular economist Professor Neville Norman looks ahead so we can prepare ourselves.

You'll find this Extras booklet is smaller than in the past – but you will find "The Essentials" online at [www.be.com.au](http://www.be.com.au).

Enjoy this month's CD and hopefully gain from what you hear.

A handwritten signature in black ink that reads "Michael". The signature is fluid and cursive, with a long horizontal stroke at the end.

**Michael Schildberger**

Executive Chairman

## Accountants Who Help You See Further

**Cummings Flavel McCormack are accountants who provide accounting, auditing and business advice to business owners. Cummings Flavel McCormack also provides tax consulting services.**

### Tax Consulting

Tax law is relevant to every major business and investment decision. Understanding the latest developments in tax is difficult.

The Cummings Flavel McCormack tax consulting practice works with clients to evaluate the taxation risks and benefits applicable to their business and investment plans.

We are proud of our ability to untangle the complexities of tax law to produce commercially practical tax advice that the client can understand and act on with confidence.

We have significant breadth of experience, having worked with successive governments in tax law development and holding key positions on advisory and education committees with professional tax bodies.

David Kent, Michael Jones and Neil Flavel lead a group of dedicated taxation professionals.



*see further*

## CFMC KEY TAX DATES FOR: NOVEMBER AND DECEMBER 2009

- 11 Nov Quarter 1 (July - September 2009) activity statements:**  
final date for electronic lodgment and payment.
- 21 Nov Oct 2009 monthly activity statements:**  
final date for lodgment and payment.
- 28 Nov Quarter 1 (Jul - 30 Sept 2009) superannuation guarantee charge statement:** final date for lodgment and payment.
- 01 Dec Income tax:** payment due date for companies and superannuation funds that were taxable medium/large business taxpayers in the previous year. Also payment due for companies and superannuation funds required to lodge by 31 October 2009.
- 21 Dec November 2009 monthly activity statements:**  
final date for lodgment and payment.

\* Different dates apply if a tax agent is used.

### Taxation of the paying out of a member's benefit on death:

Tax treatment of death benefit pensions (only to a tax dependant):

Age of recipient	Deceased died aged <60 years	Deceased died aged >60
<b>Aged &gt;60</b>	Tax free	Tax free
<b>Aged &lt;60</b>	<i>Tax free component:</i> tax free	Tax free
	<i>Taxable component:</i> marginal tax rates less 15% offset	

Tax treatment of death benefit pensions (only to a tax dependant):

Recipient of lump sum	Component	
	Tax free component	Taxable component
<b>Dependant</b>	Tax free	Tax free
<b>Non-dependant</b>	Tax free	<i>Element taxed:</i> 16.5%
		<i>Element untaxed:</i> 31.5%

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For more information about the topics discussed on this November 2009 program, please contact the relevant organisations listed below.

### **ECONOMIC UPDATE**

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### **FINDING FINANCE FOR THE RECOVERY**

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### **GETTING THE MOST FROM YOUR BANK**

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### **ENJOY LIFE – AND INSPIRE OTHERS**

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### **DIFFERENT WAYS TO CLOSE THE SALE**

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### **HOW TO SUCCEED WITH SOCIAL MEDIA**

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### **BE READY FOR CHANGE**

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### **YOUR SUPER AND YOUR WILL**

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### **SHAREMARKET UPDATE**

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T: 1300 676 332 or 03 9854 9444  
Please contact Lincoln direct for details of its Stock Doctor fundamental analysis software or Managed Fund services  
[www.lincolnindicators.com.au](http://www.lincolnindicators.com.au)

### **HEALTHY WORKER = HEALTHY BUSINESS**

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## What's set to shine beyond 2009

For over 25 years Lincoln Indicators has been empowering investors with the knowledge and tools to invest confidently in the share market.

Throughout November you can attend Lincoln's unique and inspirational **'What's set to shine beyond 2009'** nationwide event and learn how Stock Doctor can save you time by quickly and accurately analysing the fundamental quality and Financial Health of all ASX listed companies. There is no need to spend countless hours wading through financial reports as all the information is expertly analysed and interpreted for you, allowing you to make quick, confident and informed investment decisions.

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# THE ESSENTIALS

November 2009

## Track 2

### ECONOMIC UPDATE

Professor Neville Norman, Melbourne University

- With nearly all indicators showing positive signs, interest rate increases are back in vogue
- The only remaining questions: how many and how much?
- I said in October 2008 the slump was exaggerated, rate cuts and stimulus packages would curb the downturn and avoid recession. That's now established
- It's important the Reserve Bank avoids "nibbling" increases, which were too slow to quell the boom in 2006-8
- Business must now focus on the positives that have led to rate increases, not any negative effects of them

## Track 3

### FINDING FINANCE FOR RECOVERY

Adrian McFedries, DC Strategy

- Banks are interested in dealing with businesses with a strong cashflow, a bright future and owners who understand the business
- Remember that banks only make money by lending
- You need than a profit and loss statement and balance sheet
- Build bank contacts. Meet the Relationship Manger and establish more than one contact point
- There's a strong focus now on security for any loan
- Don't ask for less than you really need

## Track 4

### **GETTING THE MOST FROM YOUR BANK**

**Luke Neale, Save on Bills**

- Cash flow is super-important: electronic banking is more efficient and cheaper than writing cheques
- If you need to raise money, do some research to find the best deal
- Consolidate your accounts to reduce fees
- Negotiate with your bank; don't just accept that they'll look after you
- Banks still need your business: if you threaten to go elsewhere, they'll be more flexible

## Track 5

### **ENJOY LIFE – AND INSPIRE OTHERS**

**Amanda Gore**

- Life is about perceptions. We perceive and create our own reality
- We can change our lives in a heartbeat by changing perception
- We're not living reality. We're living our own individual movies
- When we first fall in love we're transformed because someone else is seeing everything that's good about us
- If we make others at work feel good about themselves, we transform the workplace
- The best leaders are humble. The more authentic you are the more people respect you

## Track 6

### **DIFFERENT WAYS TO CLOSE THE SALE**

**Tony Gattari, Achievers Group**

- If you can't close deals you go broke
- The “for and against” technique works on analytical people. Let the reasons “for” close the sale
- Letting go of the sale lowers defences. The prospect tells the truth about not buying giving you room to move
- Divide and conquer. You don't have to work on all parties. Concentrate on the more enthusiastic person

## Track 7

### **HOW TO SUCCEED WITH SOCIAL MEDIA**

**Jay McCormack**

- Social media is separate and different from normal advertising activities. It's not about “broadcasting” your wares.
- Social media are not platforms to sell but networks that can help people with their buying decisions.
- The first step is to listen – find out what people are saying about you, what their problems are, then you can become the “go-to” guys.
- Blogging is like an online journal – a way to publish information on the Internet.
- To create your own blog takes no time. Go to [www.wordpress.com](http://www.wordpress.com) (a free site) to get started.
- Find out about Group or Fan pages on Facebook – a good place to start having conversations with interested parties about your goods or services.
- Vlogs are video blogs and can be effective in allowing others to see you, but don't under-budget and let yourself look cheap.
- Have an online personality.

- Take things slowly and don't expect overnight success. It takes time to build relationships and rapport.
- Make sure your existing website is up to scratch. If you convince someone from a social network to visit your site, it's important that they're not disappointed when they get there.
- Social media networking is two-way – others will talk about you, good or bad, so do the right thing
- There are great search tools on Facebook., Twitter, even Google, to find out who's talking about you.
- Once you have a feel for where people are writing about you, that's your starting point to get involved

## **Track 8**

### **BE READY FOR CHANGE**

**Jon Hemming, Unity Management**

- Don't wait for circumstances, like the economic downturn, to force change on you. Be prepared
- Tackle the difficult questions about your business: how has it performed, what are its weaknesses
- Plan for the future. Where do you want to be? How do you get there?
- Enlist outside advice – you may be part of the problem, not the solution
- A consultant or mentor will help you identify the problems and devise a business plan to overcome them
- Involve everyone in the plan, strive for early successes, and celebrate them

## Track 9

### **YOUR SUPER AND YOUR WILL**

**Michael Jones, Cummings Flavel McCormack**

- On death, there's a compulsory cashing of your super balance to a super dependent or the deceased's estate
- Your super fund benefits are not automatically covered by your will and will not automatically go to your estate
- If you want to direct the fund Trustees in a certain way, it's important to make a binding nomination
- A tax dependant is a spouse, former spouse, child under 18, or any person who was dependent on the deceased. Everyone else is a non-dependent
- The super benefits are made up of tax-free and taxable amounts. The tax-free element is basically the non-concessional contributions. Everything else is taxable
- Payments are made proportionally. You can't cherry-pick the tax-free element without creating separate benefits
- A reminder that the opportunity for small business to get the government's 50% deduction on investment in depreciable assets ends on December 31<sup>st</sup>

## Track 10

### **SHAREMARKET UPDATE**

**Tim Lincoln, Lincoln Stock Doctor**

- The market went up 5% in September against the trend of usual Septembers
- There's too much "noise" – comments from economists & analysts
- Only 25% of commentators correctly predicted the October interest rate rise
- Use their forecasts as a guide only

- We have two new Star Stocks: Select Harvest & Super Cheap Auto
- Favourite stocks: CSL, JB Hi-Fi, Computershare, Seek, Mermaid Marine, Pipe Networks, Webjet, wotif.com, Super Cheap Auto

## Track 11

### **HEALTHY WORKER = HEALTHY BUSINESS**

**Professor Peter Dingle, Murdoch University**

- Many people are less productive and get sick more frequently because they are too busy to look after their health
- By looking after your health you not only improve your daily concentration, focus and productivity but also your long term productivity and performance
- You can only achieve high productivity working marathon hours if you look after your health
- Simple strategies to get you started: Drink lots of fresh water (at least 1 litre a day), add an extra piece of fruit between meals or mixed nuts
- Every hour go out for a quick energetic short walk