

## Risk Assessments

It is essential that **ALL** businesses undertake periodic assessment of the potential risks to their business both from a physical location and also a financial position. Below are just a few risks for you to review as part of your annual budgeting or plan/review process. Consider the risks that these issues have on your business in particular cash flow and profitability.

### Customer Risks

- Are you reliant upon just a few major customers?
- What if a major client doesn't pay?

### Supplier Risks

- Are you reliant upon just a few major suppliers?

### Staff Risks

- Are some members essential to your business success?
- What OH&S issues do you face?
- Do staff have access to confidential information?

### Insurance Risks

- Do you have appropriate cover and level of insurance for your business?

### IT Risks

- What protection do you have against information losses, computer outages etc.?

### Liquidity Risks

- Do you have sufficient funds or access to funds for your future plans?



**For More Information**

**Or**

**A Complimentary Consultation**

**On How You Can Develop Your Road Map  
To Success**

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*Sourced from CPA Australia Fact Sheets*



## Determining The Future Direction Of Your Business



**Good business practice** means that every business no matter how big or small needs to undertake a number of critical financial and managerial tasks throughout the year to ensure that it is on the right road to success.

As we approach the end of the financial year, it is a good time to take stock of the previous year by reviewing your performance and preparing for the year ahead.

We have developed this list of activities that you should review and undertake throughout the year. We have also included some of the potential risks that your business may face.

Ensure you learn from the past. If after undertaking these reviews, it is obvious that your business is not on the right road, or is headed in the wrong direction, you need to implement strategies to fix the problems and get back on the right road.

Remember that it is easier to address small problems before they become entrenched within your business and your business practices.

Don't just perform the tasks below as a checklist without fully understanding the implications and developing plans to correct any issues you find.

It is recommended that if you do not understand any of these tasks or the risks involved in your business that you get professional advice and assistance.

## Monthly

It is imperative that you prepare regular financial reports and cash flow forecasts and not wait until the end of financial year or when your GST is due. These reports will highlight any deficiencies or wrong turns your business has taken over time.

### Review

- Monthly Financial Statements
- Financial Performance To Budget
- Operational Performance To KPI's
- Sales/Production Targets/Performance
- Cash Flow to Budget
- IT Backups
- Marketing Plan
- Debtors Ageing
- Expenses
- Stock Ageing

### Reconcile

- Bank Accounts
- Cash Flow Forecast to Actual
- Debtors Ledger
- Creditors Ledger
- Stock
- Assets
- PAYG
- Superannuation

*Please note that this brochure has been developed as general advice and has not been developed with your industry or business specifically in mind.*

## Quarterly

### Review

- Commission/Incentive Structures
- Marketing Plan

### Reconcile

- GST
- Loans (Shareholder & Financier)
- Staff Entitlements
- Compliance with Fair Work Act

## Annually

### Develop/Update/Conduct

- 3 Year Strategic Plan
- Annual Budget
- Annual Cash Flow
- Key Performance Indicators
- What If Analysis
- Cost Reduction Strategies
- Marketing Plan
- Staff Performances

### Review

- Leases
- Premises
- Equipment
- Securities
- Loans (Rates & Maturity)
- Policy & Procedures Manual
- Spending Authorities
- All Software Licences
- Protection Of Intellectual Property
- Insurance Policies