SUMMER 2025

BUSINESS & PROFIT MATTERS

Strategies for managing your business

IN THIS ISSUE:

Checking in on Your Employees: Supporting Mental Health, Wellbeing, and Inclusivity

As a business owner, one of the most valuable things you can do is regularly check in on your employees.

Their mental health, well-being, and sense of inclusivity are crucial in creating a positive work environment and enhancing overall productivity.

MENTAL HEALTH AND WELLBEING

Employee wellbeing is more than just physical health; mental health is equally important. Regularly checking in allows employees to share any concerns they might have, whether work-related or personal.

Support, such as access to mental health resources or flexible work arrangements, can make a significant difference. It shows your employees that you care, boosting morale and retention.

FOSTERING INCLUSIVITY

Inclusivity goes beyond creating a diverse workforce; it ensures every employee feels valued and heard.

During check-ins, ask open-ended questions that allow employees to express themselves freely.

It's essential to create a space where everyone feels comfortable sharing their thoughts, regardless of their background or role. Encouraging inclusivity helps employees feel respected and ensures no one feels left out.

BUILDING A SUPPORTIVE CULTURE

By actively checking in on your employees, you help build a supportive company culture. It shows that the business cares about more than just output—it cares about the people who make it thrive. If unsure where to start, consider implementing regular one-on-one meetings, anonymous surveys, or wellness initiatives.

Taking the time to check in demonstrates your commitment to the health and success of your team, which can have lasting positive effects on your business. Kick off 2025 on the right foot, and reap the benefits.

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Retaining Employees In The New Year: The Key To Success Lies With You

As the new calendar year begins, businesses often focus on fresh goals and opportunities for growth.

However, one critical area that can directly impact success is employee retention. Keeping talented employees not only ensures continuity but also reduces the costs and disruptions associated with turnover.

Here are some practical ways to improve employee retention in 2025.

1 Recognise and Reward Achievements

Employees who feel valued are more likely to remain committed to their workplace. Implementing regular recognition programs—whether through bonuses, promotions, or simple acknowledgments in meetings—can boost morale. Tailoring rewards to individual preferences, such as professional development opportunities or extra leave, adds a personal touch.

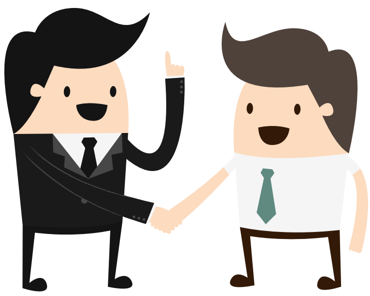
2 Invest in Professional Growth

Providing employees with opportunities to learn and grow signals that you are invested in their long-term success. Offering training programs, funding courses, or facilitating mentorship can help employees feel more engaged and better equipped to excel in their roles.

3 Foster a Healthy Work-Life Balance

Burnout is a significant driver of turnover. Encouraging flexible work arrangements, respecting boundaries outside work hours, and offering wellness initiatives can help employees maintain balance and reduce stress. Consider providing additional leave days or wellness perks like gym memberships.

4 Encourage Open Communication



Creating a culture where employees feel heard is essential. Regular check-ins, anonymous feedback systems, and an open-door policy encourage honest conversations about workplace satisfaction. Use this feedback to make meaningful changes that align with employee needs.

5 Build a Positive Company Culture

A supportive, inclusive, and fun workplace environment encourages employees to stay. Organising team-building activities, celebrating milestones, and fostering a sense of belonging can significantly enhance retention.

Heading Into 2025

Employee retention is not a one-time effort but an ongoing strategy. By creating a supportive environment and demonstrating genuine care for your team, your business can retain top talent and build a loyal, motivated workforce that thrives in the year ahead.

Start this new year by investing in your most valuable asset—your people. The returns are well worth it!

Establishing Good Habits For Your Business With Your Accountant's Help

As the new year begins, it's the perfect time for business owners to reflect and reset.

An accountant's advice? Building strong business habits in 2025 will pave the way for growth, stability, and success.

Here's a practical guide to habits that every business should prioritise.

1 Stay on Top of Finances

Regular financial reviews are a cornerstone of good business management. Checking in monthly on income, expenses, and cash flow can help clients spot trends early and make informed decisions. Accountants often recommend cloud-based software to make this process simpler and more efficient.

For instance, a retail client who noticed profits dipping during monthly reviews uncovered rising supplier costs. A pricing adjustment kept them on track for their goals.

2 Make Technology Work for You

There's no escaping it—technology continues to transform the way businesses operate. In 2025, tools powered by AI and automation can streamline processes and save time. However, an accountant would always stress balance; technology should support, not overshadow, meaningful client relationships.

One example: A service business that automated appointment scheduling saw reduced admin time, giving staff more capacity to connect with customers personally.

3 Define and Track Goals

Setting clear goals is a habit that successful businesses swear by. By breaking annual goals into smaller, manageable steps, business owners can stay focused and motivated. Your accountant can also help by aligning these goals with your financial plan.

Consider this: A client aiming to grow revenue by 20% worked with their accountant to identify quarterly milestones, like launching a new product line. Tracking progress kept the goal within reach.

4 Focus on Employee Well-Being

Employees are the heart of any business. Accountants often remind clients that investing in their team—through flexible work options or wellness initiatives—pays dividends in productivity and loyalty.

For example, a café client introduced wellness breaks and saw a noticeable improvement in staff morale and customer service.

5 Keep Learning

Whether it's through attending seminars, reading industry insights, or asking their accountant about emerging trends, continuous learning keeps businesses competitive.

Case in point: A restaurant owner who embraced an online marketing course grew their delivery sales by 15%.

Let 2025 Be the Year of Smarter Choices

Accountants like us know that small, consistent actions can lead to big results. By building strong habits like financial planning, smart use of technology, and prioritising people, business owners can set themselves up for a successful 2025.

Remember, as your accountant, we are always here to help guide and support you every step of the way. Why not start a conversation with us and find out how we can assist you in 2025?

Why Switching to a New Accountant (Like Us) Could Be Your Best Decision In 2025

Sometimes, staying with the same accountant doesn't serve your financial goals as well as it could.

Making a change might seem daunting, but the right accountant can bring fresh insights, proactive strategies, and the personalised support you deserve.

Here's when switching could work in your favour:

1 COMMUNICATION THAT KEEPS YOU INFORMED

It may be time for a change if you've struggled to get timely responses or clear advice from your current accountant. A responsive and approachable accountant ensures you always feel supported and informed, especially regarding crucial financial decisions.

2 ACCURACY AND RELIABILITY YOU CAN COUNT ON

Missed deadlines or errors in your financial records can lead to penalties and stress. Choosing an accountant with a proven track record for precision and reliability helps you stay compliant and worry-free.

3 EXPERTISE THAT GROWS WITH YOU

Your financial needs evolve whether you're scaling a business, investing, or navigating complex tax issues. A forward-thinking accountant brings specialised knowledge and the tools to help you achieve your goals, no matter how unique or ambitious they may be.

4 PROACTIVE STRATEGIES FOR MAXIMUM VALUE

Does your current accountant provide advice only when asked? A great accountant doesn't wait for questions—they look ahead, offering tax-saving tips, growth strategies, and insights tailored to your situation.

5 A PARTNERSHIP THAT FITS YOUR VISION

Sometimes, it's about finding the right fit. An accountant who aligns with your values and priorities will work harder to ensure your financial success.

Switching accountants isn't just about fixing what's not working—it's about unlocking what's possible. With the right professional by your side, you can build a stronger financial future.

Ready to make the switch to a better brand of accountant? Let's talk about how we can help.

A Potential Ban On Credit Card Surcharges?

As businesses look toward the future, significant changes could be on the horizon for payment practices.

The federal government has announced potential plans to ban surcharges on debit card payments, which would be starting January 1, 2026 if the ban passes through government.

This shift could save Australian consumers millions, but it also raises questions for businesses about how they may need to adapt.

Here's what business owners may need to know and how we (as your accountant) can help navigate the potential changes.

WHAT COULD CHANGE?

Under the proposed ban, businesses will no longer be able to add surcharges for debit card payments. This decision aims to reduce consumer costs, particularly for low-cost transactions processed through the Eftpos network. However, surcharges on credit card transactions are not included in the changes.

To ensure the transition is fair for both consumers and businesses, the government is waiting for the Reserve Bank of Australia (RBA) to complete its review of the country's card payment system.

The goal is to avoid unintended consequences, such as small businesses shouldering higher bank costs or customers facing new fees under different names, like "service charges."

WHAT DOES THIS MEAN FOR BUSINESSES?

Businesses, particularly smaller ones, often rely on surcharges to offset the costs of accepting card payments. Without the ability to pass on these fees for debit transactions, some may worry about increased financial pressure.

However, this change is also an opportunity to revisit payment systems and pricing structures.

By working with an accountant, businesses can identify ways to manage costs effectively without relying on surcharges. For example, they could:

- **Negotiate merchant fees** with their payment provider for better rates.
- **Encourage cash payments** where appropriate to reduce electronic transaction costs.
- **Streamline payment processes** to improve efficiency and reduce overhead.

STAYING AHEAD OF COMPLIANCE

One concern highlighted by finance experts is that some businesses may try to bypass the surcharge ban by introducing other fees, like higher charges during holidays or weekends.

The ACCC is expected to monitor these practices closely, so compliance will be critical.

Accountants can help businesses stay on the right side of the law while maintaining profitability. By analysing financial data and offering tailored advice, they can assist in adjusting pricing models, improving cash flow, and preparing for the potential impacts of the ban.

LOOKING AHEAD

While change can be challenging, it also presents growth and innovation opportunities. By planning and seeking professional guidance, businesses can adapt to the surcharge ban in a way that supports their customers and their bottom line.

Our role as your accountant is to provide clarity and confidence, ensuring clients are ready to transition to a fairer and more transparent payment landscape in 2026 (at the start of 2025).

Start a conversation with us to see how we can help you in all aspects of your business.

Why Does Size Matter (In A Business)?

Running a business comes with plenty of challenges and opportunities, and knowing where your business fits in the broader landscape can make a big difference.

In Australia, businesses are categorised by size to help shape the support, tax rules, and growth opportunities available to them.

If you've ever wondered about the difference between micro and small businesses, you're not alone.

While they share some similarities, their distinctions are worth noting.

Micro Businesses: Small but Mighty

Micro businesses represent around 25% of all businesses in Australia – a significant slice of our economy. These are typically the smallest operations and:

- Employ **between one and four people**, including the owner.
- Often operate as sole traders, family-run ventures, or partnerships.
- Fall under the broader definition of small businesses but typically have simpler structures and lower turnovers.

Examples include freelancers, home-based businesses, and local service providers. Their streamlined operations make them agile, but they often benefit from targeted support and guidance to scale effectively. In many cases, micro-businesses may be registered as self-employed sole traders.

Small Businesses: The Next Step Up

Small businesses are slightly larger and play a critical role in Australia's economy. They:

- Employ **fewer than 15 people.**
- Have an **annual revenue turnover (excluding GST) of less than $2 million.**
- Include a mix of sole traders, partnerships, trusts, and companies.

Examples range from boutique retailers to small manufacturing operations. These businesses often face more complex management and regulatory requirements but also have greater growth potential.

Why Knowing the Difference Matters

Understanding your classification ensures you take advantage of appropriate tax concessions, government grants, and support programs. Both micro and small businesses can qualify for Small Business Entity concessions, but their needs and strategies differ.

No matter your business size, knowing where you stand helps you make informed decisions.

For tailored advice to help your business thrive, reaching out to an experienced accountant can make all the difference.

Exploring Pricing Models for Businesses: Which One Fits Yours?

Pricing is a critical aspect of running a successful business, and choosing the right model can significantly impact profitability and customer satisfaction.

Each pricing model offers unique benefits depending on the nature of the business, its goals, and its market.

1. COST-PLUS PRICING

Cost-plus pricing involves adding a markup to the cost of producing a product or service. It's straightforward, ensuring costs are covered while generating a consistent profit margin.

- **Best for:** Manufacturers, retailers, or any business with clear production costs.
- **Benefit:** Simplicity and transparency for both the business and its customers.

2. VALUE-BASED PRICING

This model sets prices based on the perceived value of the product or service to the customer. Businesses often use it for premium or unique offerings.

- **Best for:** Innovative products, professional services, or niche markets.
- **Benefit:** Maximises profitability by aligning price with customer willingness to pay.

3. SUBSCRIPTION PRICING

Charging customers a recurring fee—monthly or annually—for ongoing access to products or services.

- **Best for:** Software providers, membership businesses, or content creators.
- **Benefit:** Predictable revenue and enhanced customer loyalty.

4. PENETRATION PRICING

Setting a low initial price to attract customers and gain market share, with the potential to increase prices later.

- **Best for:** New market entrants or businesses launching new products.
- **Benefit:** Quickly builds brand awareness and customer base.

5. DYNAMIC PRICING

Adjusting prices in real-time based on demand, competition, or market conditions.

- **Best for:** Travel, hospitality, and e-commerce businesses.
- **Benefit:** Maximises profits by aligning pricing with market trends.

6. BUNDLE PRICING

Offering products or services together at a discounted rate compared to buying individually.

- Best for: Retailers or service-based businesses with complementary offerings.
- Benefit: Encourages higher sales volumes and adds value for customers.

How to Choose?

The ideal pricing model depends on the business's goals, industry, and customer base. Businesses can align their pricing strategy with their overall objectives by reviewing financial data, market positioning, and customer feedback.

An experienced accountant can help analyse the numbers and recommend a pricing model that balances profitability with market competitiveness. Finding the right approach can make all the difference in driving sustainable growth.

Why not speak to us today to find out how we can assist you? Start a conversation today.

Turning A Maybe Into A Yes - Converting Prospective Leads Into Customers

Attracting leads is only the first step in growing your business. The real challenge lies in converting those leads into paying customers.

By focusing on clear communication, relationship-building, and strategic follow-ups, you can improve your conversion rates and maximise your sales potential.

1 Understand Your Leads

Not all leads are the same. Take time to understand their specific needs, pain points, and motivations. Use data from your website, surveys, or interactions to tailor your approach.

Personalising your communication can make leads feel valued and understood, increasing their likelihood of converting.

2 Streamline the Sales Process

A complicated sales process can frustrate potential customers. Simplify the journey by providing clear information about your products or services, straightforward pricing, and easy purchasing options. For example, if your leads frequently ask for demos, make scheduling a demo seamless.

3 Build Trust and Credibility

Leads are more likely to buy from businesses they trust. Establish credibility by showcasing customer testimonials, case studies, or reviews. Offering guarantees or clear refund policies can also reassure hesitant buyers.

4 Follow Up Effectively

Many leads require multiple touchpoints before making a decision. Follow up promptly after initial contact with value-driven communication, such as answering their questions, sharing relevant resources, or offering limited-time discounts. Avoid being pushy—focus on helping rather than selling.

5 Focus on the Relationship

People buy from businesses they like. Engage authentically, listen to feedback, and offer solutions tailored to your lead's needs. A strong relationship often leads to long-term customer loyalty.

Closing the Deal

Converting leads into sales requires persistence, empathy, and a customer-focused mindset.

By understanding your leads, simplifying their journey, and maintaining trust, your business can turn prospects into loyal customers and foster lasting growth. Let's move forward into 2025 with a growth mindset and a plan of action.