

SOURCES OR ASSISTANCE PUBLIC ACCOUNTANTS

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NEW ZEALAND SOCIETY OF ACCOUNTANTS

The New Zealand Society of Accountants Act was passed on 15 October 1908. Under the provisions of this Act the Society was formed with its' main object, "the control and regulation of the profession in New Zealand". The rules of the Society provide for minimum educational standards and practical experience requirements for persons to become members. Subject to admission as a member of the Society those persons wishing to practise as Chartered Accountants in public practice, must complete a further term of practical experience and attend a new practitioners course.

Members must meet certain minimum professional standards and if clients are dissatisfied with the service that they receive from a member, a complaint may be lodged with the Society's Investigation Committee. Where clients have complaints regarding fees, the Society has a Fees Mediation Service which can be utilised. The New Zealand Society of Accountants also has a Fidelity Fund, the purpose of which is to protect members of the public against theft, embezzlement or misappropriation committed by a Chartered Accountant in public practice, his servant or agent.

THE NEEDS OF THE OWNER-MANAGER

In most cases the owner-manager finds that his expertise is in the area of production or marketing and the one shortcoming that holds back growth and profitability is a lack of financial know-how.

So many new ideas in the area of cash management, financial planning, tax planning and funding enter the business picture each day, which make it impossible for the owner-manager to keep up-to-date.

All of these new ideas represent opportunities which must be pursued if, you the owner-manager, expects to compete successfully and realise their goals for growth and profit.

In the case of large businesses much of the financial expertise is provided by their Finance Directors or Accountants, who devote themselves solely to that end of the business. However, the smaller to medium size business has not yet attracted or developed such a person to his staff and it is in this area that the Chartered Accountant can help.

SERVICES PROVIDED BY CHARTERED ACCOUNTANTS

The following is a listing of areas in which Chartered Accountants can help the owner-manager in his logging business. The listing is by no means exhaustive.

Financial Planning

Before making a major decision or transaction the Chartered Accountant can help you determine in advance what the financial affects might be and the best way to finance the project under consideration. If for example additional capital is needed, the Chartered Accountant can advise on the alternative ways of raising this capital and consider whether any borrowing

should be on a long term or short term basis. In addition advice is available on the sources of finance and the relevant costs.

Evaluating Budgets and Business Plans

The Chartered Accountant when preparing and evaluating budgets, forecasts, financial and business plans, can bring to bear an independent professional objectivity based on his experience with many clients and a knowledge of the respective industry applicable.

Cash Management and Investment Advice

Depending on your degree of involvement with your Chartered Accountant assistance can be given on a regular basis to manage your cash in order that every dollar may be productive. Alternatively specific assistance can be sought on Investments.

Developing and Evaluating Systems

For the new owner-managed business and also those businesses which have been in existence for a number of years assistance from your Chartered Accountant can be sought to developing systems and procedures which will effectively cope with the reporting and operational needs of the business.

Tax Planning

We are all aware that the tax laws have a significant affect on your business and you personally. During recent years the rate of change in tax legislation has been extremely significant. One of the principal functions of a Chartered Accountant is to keep you abreast of the significant changes and to help you plan your tax strategy to take full advantage of the benefits allowed by the legislation.

Preparation of Taxation Returns

Your Chartered Accountant is able to provide assistance in the preparation of both your business and personal Taxation

Returns. From his tax knowledge he is able to ensure that you get every advantage allowed, and thus minimise your tax liability.

Financial Statement Services

Although Chartered Accountants offer a broad scope of services, the foundation of the profession is in accounting, tax and auditing. As part of the financial services offered Chartered Accountants are able to assist in the preparation of unaudited financial statements and help those clients develop an in-house capability to prepare their own financial statements where this is required. Should you require audited financial statements your Chartered Accountant is again able to help in this area.

CHOOSING A CHARTERED ACCOUNTANT

Chartered Accounting practices in New Zealand range from the sole practitioner up to the large international practices. They all seek to attract and retain clients and as such must ensure that their fees are in line with other accounting firms if they are to be competitive.

In choosing a Chartered Accountant you must ensure that he has a knowledge of Logging and Forest Management and is able to get involved in every aspect of the financial operation of your business. If you are a farmer you expect your Chartered Accountant to know that a hydraulic ram would not serve the ewes where as a Logging Contractor expects his advisor to know that a Kenwood will not pull a trailer but a Kenworth will.

It is important that you are able to relate to your Chartered Accountant and he must be able to supply you with ideas, advice and an objective point of view to help you make financial decisions that are practical and sound and will help you grow profitably.