



# ALLIANT ADVISORS

FIND DIRECTION



## The Navigator

### Important Markers To Guide Your Way

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The Alliant Team

### Ask Not What You Can Do For Your Accountant ...

For many business owners tax time represents the beginning and end of their contact with an accountant each year. Others have discovered that their accountant can offer much more. A good accountant is aware of the wider economic, legal and financial environment affecting their client's business, as well as being acquainted with its key drivers of revenues and costs. These businesses make extensive use of their accountant as a business advisor whose knowledge they can call on for counsel and recommendations that can help them grow their business. Seeking specialist business advice from an accountant can save the owner time and can help to make their business more profitable.

A modern accounting practice is able to offer a range of assistance over and above recording transactions and passively generating financial statements and compliance documents. These days an accountant can be a primary resource for a wide range of advice:

**Tax planning:** preparing financials for tax purposes should be just the first stage of managing the tax obligations of a business. A number of other business decisions through the year will have tax implications, and advice on how to structure these issues can limit the tax liability involved. The key to minimizing overall tax liability is to seek advice on the tax angle of major day-to-day operational decisions as they arise.

**Payroll management:** organizing payroll and payroll tax (both what the employer and employee pays) can be a full-time job on its own. Many business owners get buried in this kind of back-office activity when they should be doing value producing work. Having an accountant oversee payroll improves the accuracy of data, ensures returns are based on the latest version of the tax regulations and helps protect from unpleasant tax surprises down the road.

**Advice to improve business operations:** the financial statements an accountant creates have more use than as just tax documents. Using a number of key performance ratios to analyze the figures in them can reveal a great deal of information about how different parts of the business are performing, or underperforming. They can point out pending problems in areas such as cash flow and inventory. Financial statements only tell where the business has been. Ratio analysis can convert financial data into actionable business intelligence to help the business *go* somewhere. An accountant can take that one step further and offer specific solutions to specific operational problems — fraud proofing the business, risk management, lease versus buy decisions, managing inventory, depreciating equipment, pricing, and even marketing.

**Personal finance advice:** a business owner's personal finances are integrally linked to their business finances. To manage them best they need to be managed together. An accountant can advise on how to structure business and tax commitments to ultimately get the best retirement benefit and estate arrangement. They can investigate different methods of disposing of the business to get the best price and help you create a succession plan that will ensure trouble-free transfer of management when the time comes.

**Technology innovation:** inexpensive computing technology and business application software can be used to dramatically improve a small business' capabilities. But how many business owners are familiar with the range of applications, the jargon, the security issues and the technology to make the best decisions about what to buy and how to use it? Many accountants can suggest quality information technology solutions to the business owner.

In an advisory appointment, a business owner gets the chance to look up from the daily grind and gain an independent assessment of their situation and some expert business advice. If you have any questions on how we can help with your business' needs, call us to schedule a complimentary consultation at (847) 490-1040

A RanOne solution