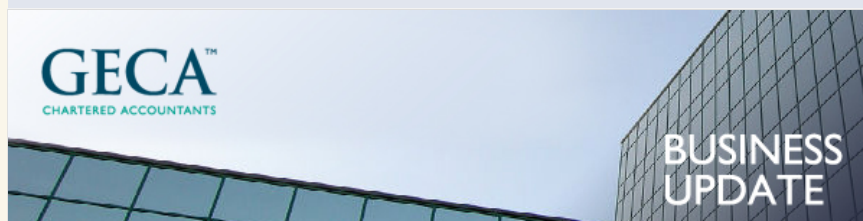


Insights and advice from GECA Chartered Accountants, your trusted business adviser. Call us on 523 7777.



Introduction to Xero: Client Workshop - 4.30pm, Tues, 19 November

Become a hero with Xero. More and more of our clients have started using Xero, saving themselves time and money and we're right behind them. Come along and see for yourself why Xero is changing the lives of so many small business owners throughout NZ at our Introduction to Xero workshop, being held in our offices at 4.30pm on Tuesday, 19 November. Friends and associates of GECA are welcome too. Book your spot now by clicking [here](#). The workshop will take one hour and be followed by drinks and refreshments.

Virtual Finance Team

Finally, a cost effective way to eliminate the risk of fraud and error associated with having a single in-house person responsible for your accounting and compliance requirements. The GECA Virtual Finance Team solution provides a dedicated 24/7 accounting team to meet all your business accounting requirements such as monthly Payroll, Debtors and Creditors processing, Bank Account management, Cashflow Monitoring and Management Reporting. Using our fixed fee pricing with free email and phone support, the GECA Virtual Finance Team provides a cost effective way to ensure your accounting and compliance obligations are met on time, every time. [Contact](#) us now to find out more and receive a free, no obligation Risk Assessment of your accounting and finance systems and procedures that could identify weaknesses that may be costing you money and potentially jeopardise your business.

Due Diligence Checklist

The last six months have seen a noticeable improvement in business confidence and this is reflected in the growing number of business purchase transactions taking place across our client base. When you are considering buying a business, it is important to conduct a due diligence to assess the value of the business and the risks associated with buying it.

Through the due diligence process, you thoroughly investigate all aspects of a business for sale. You look at the business's operations, financial performance, legal and tax compliance, customer contracts, intellectual property, assets and other details, often within a time period specified in a letter of intent. Due diligence is usually conducted after you and the seller have agreed in principle to a deal, but before signing a binding contract. The information you collect during due diligence is highly sensitive and confidential. The seller might want you to sign a non-disclosure agreement before you access this information.

Factoring in your investment for due diligence is essential – you need to consider the cost to you in both time and money if you get the purchase wrong. The scope of the work undertaken will depend on various factors including size of the transaction, complexity, overall investment, the purchasers experience in the industry and whether you need external expertise.

The scope of the assignment and what work is being undertaken by which advisor is important to understand. Make sure thorough checklists are used to ensure all critical areas are addressed.

Some important aspects to consider:

- **Confidentiality** – an important consideration for both parties to ensure this is preserved throughout the process.
- **Level of information available** – how much information is available and how much is enough to ask for so that the vendor is not put off by the deal.
- **Quality of information available** – how accurate is the information? It should be validated to various sources.
- **Time frame** to complete your due diligence.
- **What are your motivations for acquiring the business?** Are you looking for access to new markets, new technology and products, new customers?
- **Requirement for financial modelling** – how will the new business be structured? How much debt will it have? What are the cash requirements of your new business?
- **Who are the key people in the business?** Who is critical to the business in terms of relationships and profitability?
- **What are the key risks of the business** – legal, financial, commercial – including having a thorough understanding of the marketplace the business operates in.
- **Understand how the business makes its profit.** From which customers? Using which staff? At what time during the year?
- **What hours does the current owner work?** Are they excessive and if so, are you willing to do the same?
- **What are the key trends of the business?** Where is the business in its life cycle?
- **Are you looking to merge the acquired business into an existing business?** If so what are the steps involved? What value will be created if you do?

A thorough due diligence process, undertaken by experienced advisors, gives you the information you need to make an informed new business purchase decision. While undertaking a due diligence process will not guarantee a successful business transaction every time, it does remove the emotion from the equation which can only improve your odds. [Contact](#) us now for support with your next business purchase.



Making friends with your friends

We have a lot of exciting plans for this coming year and we are committed to helping our wonderful clients achieve their business and personal goals, while providing our services within a friendly, approachable and caring environment. We value your relationship and we value your recommendations, so tell your friends to either [email us](#) or call us to discuss how we can help them in their business and we will reward you with our generous referral system - [click here](#) to ask us more on how this works!



About GECA

We recently released the GECA booklet which explains how GECA is re-inventing the way we work with our clients to create more meaningful "trusted business adviser" relationships.

We use fixed fees and include free email and phone support to encourage conversations with our clients and we have created tailored products using the best technology to provide cost effective solutions for our client's most common issues.

Click [here](#) to see a PDF copy.



GECA grows

Starting 1 Oct, GECA is pleased to welcome Susan Mullane to the team as our Client Services Administrator. In addition to supporting the team, Susan will be developing our client workshop events for business owners and business people wanting to upskill. Please [email](#) Susan with suggestions for workshop topics.

Office Opening Party

A great time was had by all when we officially opened our fabulous new offices at:

**Level 2, Roche House
98 Carlton Gore Road**

Following a fascinating speech on NZ's role at the United Nations by our special guest, the Hon. Jim McLay, guests enjoyed drinks and the opportunity to meet other GECA clients.

You are receiving this as a valued client of GECA Chartered Accountants. Please use the button below if you no longer wish to receive the GECA Business News Update.

Copyright © 2013, GECA Chartered Accountants,
All rights reserved.

Call us on 523 7777.
Our mailing address is:
PO Box 99 081, Newmarket 1023

[unsubscribe from this list](#) | [update subscription preferences](#)