



**BDO REAL ESTATE SERVICES**

# **REAL ESTATE SOLUTIONS**

Delivering value driven specialist industry services

# REAL ESTATE CAPABILITY

## SERVICES & EXPERTISE

**BDO helps real estate clients to identify business growth opportunities and maximise potential, providing strategic advice across a wide scope of services.**

BDO's Real Estate specialists provide a wide range of financial and consulting services to the Real Estate sector throughout Australia. We provide direct access to experienced local real estate advisers who bring a depth of knowledge within the sector.

Our partner-led approach delivers the highest quality of service by using short, functional chains of communication to aid decision-making. Clients benefit from our fresh thinking, constructive challenges and practical understanding of the issues they face.

Developing strong, personal relationships with our clients is at the forefront of our service. The BDO approach is designed to focus on key issues and areas and provide clients with constructive ideas for improving their operations - with the ultimate aim of adding value to businesses.

Drawing on many years of experience advising real estate agency principals, BDO's Real Estate Team consists of tax and business advisory specialists who know what it takes to manage and grow a sustainable business.

The difference in the BDO approach can be found within our people and their dedication to tailoring our service to ensure that we meet your requirements.

Our range of services include:

- ▶ Tax advice and compliance services
- ▶ Business intelligence dashboards
- ▶ Trust account administration & audits
- ▶ Bookkeeping
- ▶ Monthly advisory services
- ▶ Cloud accounting solutions
- ▶ Business Review
- ▶ Leadership and development training
- ▶ Strategic Planning

Drawing on many years of experience advising real estate agency principals, BDO's Real Estate Team consists of tax and business advisory specialists who know what it takes to manage and grow a sustainable business.





# BDO REAL ESTATE TEAM

PROVIDING FINANCIAL AND CONSULTING SERVICES



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With more than 20 years' experience advising small, medium and large businesses and private clients, my expertise spans the accounting, taxation, business advisory, finance broking and superannuation sectors.

In my current role as Business Services Partner and National Head of Business Services, I am responsible for driving business growth for my clients and providing expert advice on compliance, management reporting requirements, cash flow, superannuation, finance and group structuring needs.

My passion is in assisting real estate businesses grow and reach their full potential. By using cloud software, innovative solutions and an eye on data, I can bring forward thinking to the industry.

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# AgentView

REAL TIME INSIGHT INTO YOUR BUSINESS... ANYTIME, ANYWHERE

## HELPING YOU IMPROVE PROFITS

At BDO, we work with you using cloud systems to design and implement solutions to provide accurate and real time financial data and intuitive insights to assist with decision making and implement changes to enhance performance.

## API INTEGRATION

Custom built integration with REX and Agentbox (additional platforms on the 2020 development roadmap)

## DAILY INSIGHTS

Graphical and tabular reports highlighting key performance indicators by each agent, providing insight on activity and the underlying impacts on business profitability and cashflow

## ACCOUNTABILITY AND TRANSPARENCY

Non financial indicators to capture key information influencing sales execution, along with providing a coaching and accountability tool for the team.

## DATA VISUALISATION

Tools to assist and gain insights into patterns or trends in your business, along with tracking information by team or location

## FOCUS

Keep your office focused on achieving their goals!

To improve your revenue you must actively respond to the insights generated. BDO's real estate specialists will regularly meet with your management team to discuss the changes being implemented and the resulting performance enhancement and revenue growth.

## AgentView DASHBOARD

The old adage 'what gets measured, gets managed' remains true. Stronger performing agencies stay focussed on their goals by setting internal targets for key measures and monitoring performance.

Collating data from the agency CRM, the AgentView delivers a real time view of how an agency and its agents are performing to keep offices growth ambitions on track by delivering insights into the lead activities driving performance down to an agent level.

Accessible anywhere and on any device, the dashboard will harness the power of data so an office and in particular individual agents can understand their true position relative to their goals and identify emerging issues that need to be addressed.

AgentView will keep the office focused on their end game – a high-performing, profitable business.







# BDO REAL ESTATE HEALTH CHECK

## AGENCY PERFORMANCE - IS IT TIME TO REVIEW?

BDO can assist by undertaking a comprehensive financial review of the respective agency. Once we have undertaken our review, we will provide you with a detailed report of the key financial issues relating to the agency and how it compares with our understanding of other agencies within the Real Estate Industry.

This report will be provided to you as a commercial in-confidence service, strictly for your internal use only. It will not only consider the profitability of the agency, but also provide suggestions for improving the financial outcomes for the future and operational observations we uncover. BDO will then produce a report based on the work completed in our review.

What does the Health Check involve?

- ▶ Review and analysis of the profit and loss position over the last 3 years, consider trends and key income and expenditure aspects and indicators, divisional analysis of sales and property management where applicable
- ▶ Assess your asset and liability position, understand gearing and your ability (and/or need) to either reduce debt or increase investment in your agency including key ratios
- ▶ High level review of depreciation schedules to ensure maximum allowable depreciation is claimed on all plant and equipment
- ▶ Review and understanding of statutory obligations including PAYG Withholding, Superannuation and impact on Director obligations
- ▶ Review of tax obligations including income tax, GST and FBT to determine appropriateness and areas of improvement
- ▶ Observations of internal operations in interview with business owner to understand key systems and determine possible efficiency gains
- ▶ Consideration of agency reporting to determine appropriateness for business owners and areas for improvement
- ▶ Review of any existing business structures and highlight any respective issues
- ▶ Understand current cashflow processes

During the process BDO will outline the required information that we will need prior to the initial meeting to ensure that appropriate work is done prior to meeting with the business owner. We will provide a secure portal for this information to be provided.

By undertaking the Health Check, BDO will assist the agency to:

- ▶ Improve their financial performance by recommending improvements and best practice
- ▶ Identify key risks facing the business and the extent that these need to be addressed
- ▶ Improve operational performance through recommendations for processes and systems
- ▶ Gain recommendations regarding operational efficiency, along with commentary on comparable results
- ▶ Verify that the correct amount of GST is being claimed and/or paid
- ▶ Have peace of mind that your current practices are within the taxation law
- ▶ Detect compliance irregularities and use recommendations for improvement



## BOOKKEEPING

### PROVIDING SERVICES TAILORED TO EACH BUSINESS SITUATION

**Quality bookkeeping is vital to any business.**

We make it our mission to ensure that as an accounting outsourcing partner, the financial transactions and records of your business are kept up-to-date and accurate allowing key decision makers to rely on management reports.

By leveraging BDO's bookkeeping services, we can help reduce costs of routine clerical or accounting processes, and improve the efficiency of the year end compliance process allowing you the time and resources to focus on growing and developing your business.

Our bookkeeping service will assist with processing receipts, reconciling bank accounts, and dealing with more time consuming items like prepayments, fixed assets and payroll.

Benefits will include:

- ▶ Having trusted and up-to-date financial data to assist in managing business performance quicker
- ▶ Providing peace of mind by following robust accounting policies to ensure correct processing and more consistency in data
- ▶ Continuous monitoring of financial information to detect compliance irregularities and proactively bring them to the attention of the business owner
- ▶ Reducing employment risk and costs by outsourcing the bookkeeping needs, reducing the need for recruitment, hiring, training and managing of internal bookkeepers
- ▶ Our team-based approach to bookkeeping which will ensure business owners get coverage all year round, even through traditional leave periods.

## MONTHLY ADVISORY SERVICE

### REPORTING MONTHLY TO KEEP YOU ON TRACK

**A successful partnership enhances the impact and effectiveness of action through combined and more efficient use of resources, promotes innovation and is distinguished by a strong commitment from each other.**

BDO will provide a business mentor to work with you and your business to focus on performance and strategic financial management. We will work in the business to deliver the initiatives required to support the financial and strategic success of your business.

Monthly meetings will take place with management to provide advice on the monthly finances, cashflows and strategic outlook.

BDO will contribute to the business by:

- ▶ Providing impartial and strategic insights about the business
- ▶ Building a strong collaborative relationship, to help drive growth and value to the business
- ▶ Asking the difficult but revealing questions from an independent and objective external advisory position
- ▶ Being an early warning system in respect of financial and corporate governance practices

Monthly reporting will include:

- ▶ Profit and Loss Performance incorporating budget variances
- ▶ Cashflow Performance including budget variances
- ▶ Divisional Profit and Loss Performance
- ▶ Future forecast scenarios to assist in decision making





## TRUST ACCOUNT ADMINISTRATION & AUDIT

### EMPOWER YOUR TEAM THROUGH INNOVATIVE SOLUTIONS

We provide a virtual trust accounting service through the use of cloud and remote access Trust Accounting platforms

Our service include:

- ▶ Daily receipting on all rents
- ▶ Daily Reconciliation of Rental Trust Account
- ▶ Monthly Landlord Statements
- ▶ Daily invoicing of Creditors
- ▶ Weekly or monthly Creditor Statements
- ▶ End of Month Rollover
- ▶ End of Financial Year Rollover
- ▶ End of Financial Year Landlord Statements

The benefits will include:

- ▶ Providing peace of mind by following robust policies, procedures and in accordance with the Land Agents Act to ensure correct processing and consistency
- ▶ Continuous monitoring of financial information to detect compliance irregularities
- ▶ Reducing employment risk and costs by outsourcing the trust accounting needs, reducing the need for recruitment, hiring, training and managing of internal staff
- ▶ Our approach to outsourced processing ensures you get coverage all year round and have confidence the function will continue without disruption where a team member takes leave or unexpectedly resigns
- ▶ The delivery of streamlined and accurate processing with less errors making the auditing process quicker and cost effective
- ▶ Less administrative tasks imposed on internal property management staff

## OUTSOURCED CFO

### SUPPORTING THE COMPLEXITIES

Leveraging the appropriate skillsets is a must for any business owner

Through working directly with your team, our goal is to provide the appropriate level of financial expertise to support and run your business in a cost effective manner.

Based on the size and resource requirements of your business, BDO can provide an outsourced CFO service, allowing fixed overheads to be controlled.

Benefits of this service will include:

- ▶ Review and assistance with the preparation of month-end management accounts
- ▶ Cashflow reporting and analysis
- ▶ Business planning and strategic decision making
- ▶ Financial year budgeting, along with development and tracking of key performance indicators
- ▶ What-if and scenario planning

As your business continues to grow, BDO can grow alongside you, having extensive resources to support the complexities of your business.



## NEW FRANCHISE SETUP

### LAYING SOLID FOUNDATIONS

**Starting a new franchise can be daunting and setting up for success is crucial for a new business owner**

As you move through the startup journey, knowledge is key, BDO will work with you to ensure you are setup for success by providing our breakeven analysis service so you know your required sales targets to cover your costs.

We will also ensure you understand your financial roadmap by preparing a realistic profit and cashflow budget forecast your business, helping you to allocate funds to important business activities.

## CHART OF ACCOUNTS

### ENSURING DIVISIONAL PERFORMANCE

**By delivering appropriate financial information, creates opportunities for meaningful and effective decision making**

We believe it is extremely important that the bookkeeping of a business occurs in a consistent and relevant way. In relation to real estate, the internal chart of accounts must be set up in a way and to reflect the true performance of each division, while presenting a simple and effective report for business owners make decisions.

Through review of your existing accounting system, we will update your chart of accounts to align with an real estate specific structure, which will include:

- ▶ Departmentalise sales and property management divisions
- ▶ Allocation of wages as direct and indirect costs
- ▶ Consolidation of duplicated accounts
- ▶ Reallocation of accounts into appropriate categories and sections
- ▶ Advice and guidance on allocating transactions in the future

By revising your internal chart of accounts and implementing a best practice structure, creates the ability for future benchmarking across the wider industry.

## BREAKEVEN ANALYSIS

### MEASURING YOUR BUSINESS VIABILITY

**Every business owner must know their breakeven**

BDO will work with you to ascertain your monthly breakeven position in your business, factoring in the level of fixed and variable costs within your sales and/or property management divisions.

By knowing your breakeven position, it creates opportunities to:

- ▶ Develop strategies to improve margins
- ▶ Consider impact of new fixed costs on revenue requirements
- ▶ Identify and reduce fixed costs in the business
- ▶ Grow the business through acquisition or synergies
- ▶ Create expectations and accountability for staff members

BDO's breakeven tool can be utilised in the future, based on the ever-changing circumstances of your business.

## ANNUAL COMPLIANCE

### MAKING TAXATION COMPLIANCE EFFICIENT AND EASY

**BDO will make the annual completion of the franchise business financial statements and tax return lodgement process easy and stress-free.**

Our professionals will help navigate the complexities of the relevant local tax legislation for all different types of entities.

BDO will highlight areas where we believe improvement in internal processes and procedures can make the annual accounting and taxation compliance process more efficient. We will also highlight taxation issues that are either a high tax compliance risk matter or nominated risk areas identified by the ATO to ensure you are appropriately informed.





## TAX PLANNING

### STRUCTURING YOUR TAX EFFICIENCY FOR OPTIMAL RESULTS

**With every business decision, the tax consequences are an important element.**

Whilst tax should not drive the decision, knowing the consequences and ramifications is critical. Accordingly, the right tax advice improves the net outcome and avoids surprises.

BDO provide specialist advice around real estate structures and ensure that planning for taxation consequences is always considered in the holistic approach to setting up or restructuring your existing entity structures.

## SUCCESSION PLANNING

### A STRONG FUTURE NEEDS CAREFUL PLANNING

**Whether your plans include growth, succession or exit, our real estate professionals are there every step of the way.**

We help business owners preserve wealth within the family and plan adequately for succession, covering both the financial and non-financial issues. These include:

- ▶ Business succession and estate planning
- ▶ Superannuation and investment advice
- ▶ Business and personal restructuring
- ▶ Wealth planning and succession plans
- ▶ Preparing businesses for sale
- ▶ Due diligence and valuations

## STRATEGIC PLANNING

### STEERING YOUR BUSINESS IN THE RIGHT DIRECTION

**Strategic planning is a valuable tool for your business, regardless of where you are in the business lifecycle.**

From start up to exit, a strategic plan can bring context and solutions to challenges. Instead of being overwhelmed or surprised by what arises in the broader market, you can take actions that reduce the impact.

Most businesses start with a clear plan and as time goes on we get caught up in day-to-day operations, rarely raising our heads to look beyond the immediate problems.

BDO helps business owners to analyse markets and business data to develop measurable and sustainable strategic plans and deliver a fresh perspective to how you can grow and evolve your business.

## ADVISORY BOARD

### STRATEGIC DECISION MAKING ASSISTANCE

**Implementing an Advisory Board is an important step for businesses to benefit from the knowledge of others, without the formality of a board of directors.**

BDO works with you and your other advisors to provide the non-binding strategic advice to management, giving greater flexibility in the structure and management of the business whilst discussing the emerging competitive, strategic, commercial, governance and management matters.

Our real estate experts meet at least quarterly as part of your Advisory Board and add expert thinking to your decision making.

# BDO KNOWS REAL ESTATE

BDO helps real estate clients to identify business growth opportunities and maximise potential, providing strategic advice across the full scope of audit, tax and advisory services.

Integrated service delivery is the key element — providing both value and growth to our clients. We identify opportunities and implement solutions in a connected and considered way, so that we deliver value where it makes the biggest difference to the growth of your business.

At BDO, we work with you using cloud systems to design and implement solutions to provide accurate and real time financial data and intuitive insights to assist with decision making and implementing changes to enhance performance.

This includes:

- ▶ Graphical and tabular reports highlighting trends and relationships between sales, settlements and commissions and impacts on cashflow and other key metrics
- ▶ Non financial indicators to capture key information influencing listings, conversions and sales such as sales calls, days on market, etc
- ▶ Budgeting and forecasting based on historical data pattern
- ▶ Cost analysis and benchmarking to ensure efficient use of resources
- ▶ Data visualisation tools to assist and gain insights into patterns or trends in your business.

To improve your revenue you must actively respond to the insights generated. BDO's real estate specialists will regularly meet with your management team to discuss the changes being implemented and the resulting performance enhancement and revenue growth.

## REAL ESTATE EXPERTISE

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Working with BDO's Real Estate experts gives you direct access to experienced local real estate advisers who bring a depth of knowledge within the sector.

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The difference in the BDO approach can be found within our people and their dedication to tailoring our service to ensure that we meet your requirements. At BDO, our partner-led service teams are committed to meeting your specific business needs.

## OUR SERVICES

Our real estate services provide sensible options and alternatives for continuing the growth of your business. The following is a summary of our real estate services.

- ▶ Tax advice and compliance services
- ▶ Business intelligence dashboards
- ▶ Trust account administration and audits
- ▶ Book-keeping
- ▶ Monthly advisory services
- ▶ Cloud accounting solutions
- ▶ Business review
- ▶ Leadership and development training
- ▶ Strategic Planning

At BDO, we focus on delivering a value-driven service that is based on long term relationships. We constantly strive to demonstrate this in everything we do with the ultimate outcome of this approach being solid growth and benefit to all stakeholders.





A woman with curly hair, wearing a bright red dress, stands on a balcony with a glass railing. She is pointing her right hand towards a city skyline in the background. She is holding a black tablet in her left hand. The background shows a cityscape with buildings and a clear sky.

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