

Practice Performance Survey

Definition of Terms



Accounting, administrative personnel: Includes all staff engaged in office management, administration, finance, accounting, or functions providing support to the main consulting activities. Excludes information technology, marketing and human resources personnel who are recorded separately.

Accounting, administrative costs: Includes wages and salaries of all staff as identified above. Also includes non-salary expenses of these activities, such as hardware, software, travel and telephones. Excludes personnel and costs identified above which are recorded separately.

Assets: The reported total book value of tangible and intangible assets at the end of the year. Comprises current assets (such as cash and all assets expected to be converted to cash in the normal course of business within a year) and non-current assets (all others).

Contract staff: Persons paid for by the business for which pay-as-you-go (PAYG) tax is not deducted.

Current assets: Includes cash, short-term deposits, stocks of materials, work in progress, trade debtors, pre-payments and short-term loans to employees.

Current liabilities: Includes creditors, bank overdraft and other short-term loans, and provisions for taxes and other payments due within a year.

Employment at end of financial year: Includes all employees, working owners and directors on the payroll for the last pay period of the business's financial year. Employees absent on paid leave are included. Excludes non-salaried directors, sub-contractors and persons paid solely by commission without a retainer.

Employment on-costs: Includes employer contributions to superannuation, workers' compensation costs, fringe benefits tax and payroll tax for Full Time Equivalent employees. Excludes staff welfare, training, temporary staff and contract personnel fees.

Fees: All billings for the provision of engineering and related services plus or minus the change in work in progress, and less subcontractor costs. Excludes income from the sale of goods and from construction. Fees reported should be exclusive of Goods and Services Tax (GST).

Human Resources costs: Includes salaries or proportions of salaries of persons engaged within the business in Human Resource development including training, reviews, professional development etc. Also includes related non-salary costs (such as room and equipment hire, hire of outside trainers, preparation and printing of notes), and costs of attending external training courses.

Human Resource personnel: Includes all staff engaged within the business in Human Resource development including training, reviews, professional development.

Information Technology costs: Includes salaries or proportions of salaries of persons engaged within the business in establishing and operating IT, information and CAD/BIM management systems. Also includes non-salary expenses of these activities (such as purchase of computer software, installation of software by external service providers, depreciation of computer software, hardware and other related assets, and expensed computer software license fees).

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Information Technology personnel: Includes all staff engaged within the business in installing or operating the IT and information management system and managing the CAD/BIM environment.

Marketing and communications costs: Includes salaries or proportions of salaries of persons engaged within the business in marketing, market research, business development, advertising, communications and sponsorship. Also includes non-salary expenses of these activities (such as printing, postage, web-site maintenance, advertising, marketing-related travel and entertainment expenses) whether these activities are carried out internally or purchased externally. Excludes cost of preparing proposals, which is accounted for separately in this survey.

Marketing personnel: Includes all staff engaged as identified above. Excludes technical staff preparing submissions and proposals to potential clients, as these are recorded separately.

Non-current assets: Includes property, plant and equipment, furniture and fittings, capitalised interest, patents, licenses and goodwill.

Non-current liabilities: Includes long-term loans from shareholders and others and all other liabilities not due within a year.

Technical personnel: All people engaged in delivery of consulting services including principals directly engaged in delivery of services

Technical costs: Salaries and wages of people as identified above.

Other income: All income other than fees for the provision of consulting and related services. Includes rental and interest income and income from the sale of goods or from construction.

Pre-tax profit: Operating profit of the business, taken before extraordinary items are brought to account, and before income tax, dividends and drawings. Derived by deducting total operating costs from total income.

Shareholders' equity: Includes paid-up capital and retained profits. Excludes loans from shareholders, recorded separately.

Total employees: Includes working Directors and partners, full-time and part-time staff and permanent and casual staff on the payroll for the last pay period in June 2014 (or the last pay period in your financial year if not ending June). Includes employees absent on paid leave. Excludes external consultants and sub-contractors. Use Full Time Equivalent (FTE) employees.

Total wages and salaries: The gross wages and salaries of all employees of the business. Includes severance, termination and redundancy payments, salaries and fees of directors and executives, retainers and commissions of persons who received a retainer, bonuses, annual and other types of leave. Provisions for employee entitlements are also included. Drawings of partners or principals, and dividends paid to partners or principals, are excluded. Principals' salaries are included and a minimum of \$70,000 should be included for each principal.