jd scott
+ co

Recruitment Firm Checklist

FY2026

Make this Year the Best Ever for YOUR Business

www.jdscott.co

Your Checklist

jd scott +co

The start of a new financial year is your opportunity to reset, refocus and reinforce the financial and operational health of your recruitment firm.

Whether you run a specialist agency or a full-service firm, this checklist will help you tighten the numbers, plan with clarity, and lay the foundation for confident growth.

Ready to set your firm up for success this year?

1. Review and Project Cash Flow

Cash flow is the life force of any recruitment business, especially those with contractor payroll or extended client payment terms.

Action Steps:

- Review last year's cash flow statements month-by-month. Identify any patterns, e.g. slow-paying clients, seasonal dips, or unexpected expenses.
- Use a 12-month rolling cash flow forecast. Build in expected revenue, contractor costs, team wages, marketing spend, tax obligations, and owner's drawings.
- Highlight high-risk months or quarters and plan buffer strategies (e.g., delay in non-essential expenses or adjusting payment terms).
- Review debtor days and ensure the time between invoicing and payment is shortening, not growing.

Our tip: Use real-time cash flow forecasting software integrated with your accounting system (e.g., Float, Fathom, or Xero's built-in tools).

2. Review Your Pricing and Profitability

Your fee structure should evolve alongside business costs, market conditions, and client value perception.

Action Steps:

- Compare your current pricing model (permanent placement, contract margin, retained search) against market benchmarks.
- Factor in increased costs of delivery (e.g., salaries, sourcing tech, compliance overheads) and ensure your pricing supports sustainable gross margins.
- Review client agreements. Do they allow scope for increased fees or exclusivity bonuses?
- Test value-based pricing with select clients—especially for specialist or hard-to-fill roles.
- Ensure your consultants understand the pricing rationale and can confidently justify fees.

Our tip: Aim to hold your gross margin steady, or increase it from last year.

3. Tidy Up Debtors and Improve Credit Control

Unpaid invoices can silently harm business growth. As the year begins, it's time to tidy and review debtors.

Action Steps:

- Run an aged receivables report. Flag all overdue invoices and assign clear follow-up responsibility.
- Set targets for reducing debtor days, ideally less than 30 days for perm placements.
- Implement or tighten credit policies for new clients (e.g., upfront deposit, payment on start, or milestone billing for retained work).
- Automate invoice reminders and statements through your accounting software.
- Escalate consistently late payers to a collections partner / factoring company or consider ceasing work until balances are cleared.

Our tip: Make time to review invoice status in a consistent weekly / fortnightly cadence.

4. Lock In Your Hiring and Headcount Plan

Every seat you add to your firm should be tied to a return on investment, either through revenue generation or operational support.

Action Steps:

- Map out your hiring needs by quarter: sales consultants, delivery team, operations, marketing, or admin support.
- Estimate fully loaded cost per hire (salary, super, commissions, benefits, onboarding time).
- Set productivity targets for new consultants (e.g., time-to-first placement, monthly billings) and use them in your hiring decision-making.
- Use probationary periods effectively and have clear performance frameworks in place.

Our tip: Your forecast doesn't need to be complicated, just an spreadsheet with growth goals in mind.

5. Review Payroll Setup and Compliance

A streamlined payroll system reduces errors, saves admin time, and ensures compliance with Fair Work and ATO regulations.

Action Steps:

- Ensure your payroll platform is up to date, with correct superannuation rates (increase to 12% from 1 July), entitlements, and leave categories.
- Confirm that Single Touch Payroll (STP) is correctly set up and reporting on time.
- For agencies with contractors: ensure you're compliant with PAYG, super, and insurance requirements if paying via payroll.
- Review staff classifications, salaries, and commissions. especially if their roles or responsibilities have changed.
- Consider outsourcing payroll if internal processing is inconsistent or time-consuming.

Our tip: Schedule quarterly internal payroll audits to stay ahead of any issues.

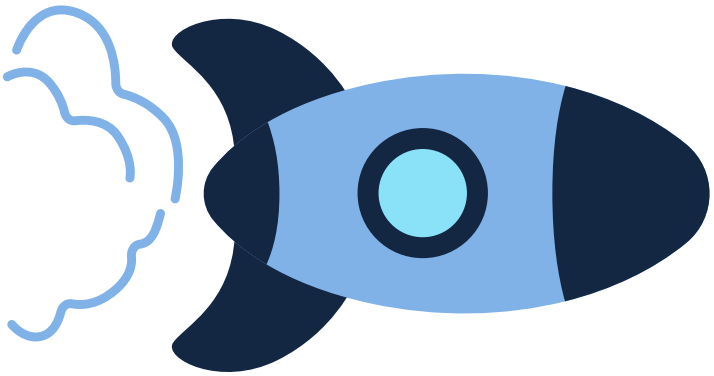
6. Sales and Marketing Strategy

A strong financial year depends on predictable, high-quality client acquisition and consultant performance.

Action Steps:

- Set clear sales targets per consultant, broken down by month, quarter, and year.
- Review your CRM data quality: are leads, notes, and outcomes consistently tracked?
- Revisit your Ideal Client Profile (ICP) or marketing personas. Focus efforts on profitable, reliable clients who align with your niche.
- Develop a quarterly marketing plan, including campaigns, content and email outreach.
- Ensure there is alignment between marketing efforts and consultant follow-up. Leads are wasted without a clear nurture process.

Our tip: Track return on investment per marketing channel monthly and adjust your spend accordingly.



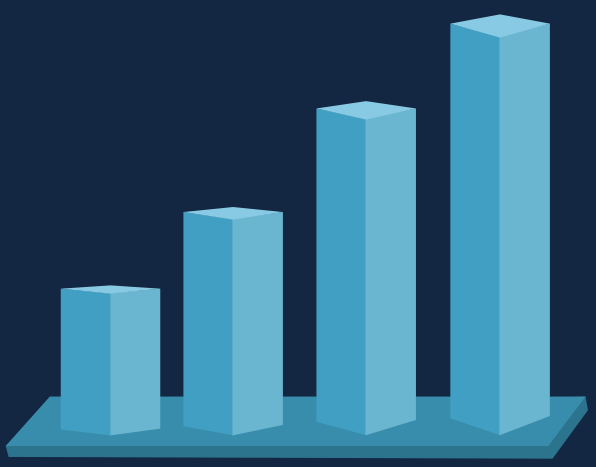
7. Set Clear KPIs and Reporting Cadence

What gets measured gets managed. KPIs help you maintain visibility and accountability.

Action Steps:

- Identify key metrics: number of placements, time-to-fill, fill rate, average fee, consultant productivity, client retention rate.
- Set targets for each consultant and team, reviewed monthly.
- Build or update a live dashboard that pulls from your CRM and accounting software.
- Conduct monthly P&L reviews with your accountant or internal finance lead.
- Schedule quarterly business reviews to reassess goals, strategies, and team performance.

Our tip: Include qualitative metrics too such as consultant engagement or placement feedback.



8. Assess Structure, Tax Planning, and Risk

It’s now the best time to ensure your business structure is still optimal for your goals.

Action Steps:

- Review your business structure (e.g., company vs trust) for tax effectiveness and growth flexibility.
- Update your tax plan for expected profit, personal income goals, and any changes to legislation.
- Check insurances: professional indemnity, public liability, cyber liability, and management liability.
- Ensure your director loan accounts, trust distributions, or dividends are properly documented and planned.

Our tip: Don’t wait until May or June for tax planning, speak to your accountant to assess opportunities.

Recruitment is fast-paced, people-driven, and high-stakes. The financial foundations you set today will determine how confidently you navigate client delays, market shifts, and rapid growth.

If you want greater clarity around cash flow, growth strategy, tax efficiency, or the true cost of hiring, we're here to help you plan with confidence.

Let's set you up for your strongest year yet.

jd scott
+ co

CHARTERED
ACCOUNTANTS

www.jdscott.co

Liability limited by a scheme approved under Professional Standards Legislation