



Mid-Financial Year Review Playbook

A Comprehensive Framework for AU
Accounting & Bookkeeping Firms

Executive Summary

As many AU accounting and bookkeeping firms approach the mid-point of the financial year, a structured review becomes essential, especially as year-end pressures begin to surface.

The Mid-Financial Year Diagnostic Framework provides a practical way to assess where your firm stands today and identify what must be corrected before heading into the second half of the financial year.

This playbook guides you through that framework by examining three core pillars: business performance, operational processes, and team/KPI metrics. Together, these areas reveal whether your firm is building momentum or drifting off course, enabling you to make informed adjustments that protect profitability, efficiency, and client outcomes.

At this stage of the year, it's critical to ask:

- Are you on track to meet your business and operational goals?
- Are cash flow, billing, WIP, team productivity, and client service operating as expected? Or are there gaps that could impact your year-end results?

Why a Mid-Year Reset Matters

Validate Initial Assumptions

What looked good at the start of the year – budget, staffing, projected workload – may no longer reflect your firm's current reality. A mid-financial year review helps realign the firm's strategy with actual performance.

Mitigate Performance Slippage

Metrics like WIP aging, debtor days, cash flow, and staff utilisation often worsen gradually, and by year-end may lead to liquidity issues or reduced profitability. Early detection gives firms the chance to intervene.

Enable data-driven decisions

As firms grow or become more complex, intuition alone isn't enough. Structured KPIs and trend analyses give leadership a factual basis for important decisions, such as: hiring, pricing, resource allocation, and debt collection.

Foster Continuous Improvement

Regular checkpoints build a discipline of accountability and transparency for financial and operational performance.

Key Areas for Mid-FY Reset & What to Review

This section focuses on the three key areas of a Mid-FY Reset:

Business (Firm Targets & Budgets),
Operations (Practice Management and Efficiency), and
Team Members (Key Performance Indicators)

Reviewing these areas gives firms a structured way to assess performance, identify gaps, and take actionable steps. By examining financial targets, operational processes, and team metrics together, firms can stay on track to achieve their goals for the remainder of the financial year.

The following table outlines each area, why they matter, practical steps to guide your review, and recommended KPIs and benchmarks.

OVERVIEW: MID-FINANCIAL YEAR RESET FRAMEWORK

AREA	FOCUS	WHY IT MATTERS	PRACTICAL STEPS
Business	Firm Targets & Budgets: Check how the business is tracking against goals	Ensures the firm is on track financially and operationally; highlights revenue gaps, WIP issues, and cash flow risks	<p>Compare Actuals vs Budget (Billing, Productivity, Recoverability, WIP Control, Net profit, Cashflow, Debtor Days)</p> <p>Review client service metrics</p> <p>Analyse trends vs prior year</p>
Operations	Operational Efficiency: Review data integrity, jobflow planning, tax lodgement program, and resource planning	Keeps operations smooth, ensures data is accurate, and prepares the firm for upcoming work periods	<p>Run a data integrity audit</p> <p>Monitor job progress and bottlenecks</p> <p>Review lodgement schedule and compare with last year</p> <p>Assess workforce capacity, reallocate tasks, identify resource gaps</p>
Team Members	Assess team member KPIs and evaluate progress toward goals	Helps improve staff performance, identify skill gaps, and align individual objectives with firm goals	<p>Track utilisation, realisation, write-offs, and overdue tasks</p> <p>Conduct one-on-one reviews with team members</p> <p>Realign KPIs with firm goals for next half-year</p> <p>Identify training or development opportunities</p>

Below, we break down each of the three key areas of a Mid-FY Reset Framework in detail.

For each area, we further outline what to review, why it matters, and go in depth on the practical steps firms can take to assess performance, identify gaps, and take action.

1. Business (Firm Targets & Budgets)

Your firm's finances are its main engine. Even strong revenue can falter without careful monitoring. Mid-financial year is a good time to inspect your financial engine, ensure targets are on track, and recalibrate for the second half of the year.

MID-FY RESET: BUSINESS AREA

FOCUS

Billing vs Budget
(Overall billing,
Multi-Year Engagements,
Recurring Clients)

WHY IT MATTERS

Provides a clear picture of revenue generation and whether the firm is on track to meet its financial goals.

Mid-financial year is the ideal time to compare actuals against budget, so adjustments can be made before year-end to meet or exceed forecasts.

FOCUS

WHY IT MATTERS

WIP & Aged WIP Management
(Unbilled Jobs, Aged Unbilled Time)

Unbilled work can lead to revenue leakage.

By performing a structured mid-year WIP review, firms can ensure overdue or unbilled jobs are addressed proactively, thereby maximising revenue capture and avoiding year-end billing pressure.

Accounts Receivable
(AR Aging, Debtor Days, Collection Cycle)

Long debtor days and overdue invoices impair cash flow and working capital.

Mid-year is the best time to tighten collection processes, reduce outstanding invoices, and safeguard liquidity for the remainder of the financial year.

Cash Flow & Working Capital
(Cash Conversion Cycle)

Healthy cash flow and efficient use of working capital are critical for sustainable operations.

Mid-year review allows firms to anticipate shortfalls, adjust spending, and optimise cash position before year-end demands peak.

Profitability & Margins
(Net Profit, Realization Rates, Write-Offs)

Revenue without margin is just busy work.

Assessing profitability mid-year helps ensure the firm is operating efficiently, controlling costs, and making course corrections in time to protect overall year-end performance.



PRACTICAL STEPS

- **Generate a Business Health report:** Analyse actuals vs. budget for revenue, WIP, AR, cash flow, and profitability.
- **Segment Deep Dive:** Drill down by client, service line, and team to identify high-risk or underperforming segments.

- **WIP Management:** Review jobs by age cohorts, flag overdue/unbilled work, check write-off trends.
- **AR Optimisation:** Compute average debtor days to benchmark efficiency; flag invoices overdue by 30 / 60 / 90+ days, review client payment behaviours.
- **Cash Flow & Working Capital:** Project next 3–6 months' cash needs to anticipate shortfalls or surpluses.
- **Leverage a Dashboard Solution:** Easily view all these metrics in one place, with real-time updates and interactive drill-down capabilities.

BUSINESS METRICS AND INDUSTRY BENCHMARKS

Comparing your mid-financial year numbers against benchmarks from the FY25 AU Accounting Benchmarking Report highlights gaps and opportunities, so you can adjust targets and strategy for the second half of the year.

METRIC

Annual / Monthly Revenue
(Total Firm Revenue)

Revenue per Client Group/
Average Fee per Client

FY25 AU ACCOUNTING BENCHMARKS

FY25 firms ranged widely: from AUD ~1.98 M (25th percentile) to ~AUD 7.12 M (75th percentile), with a median around ~AUD 4.73 M.

Use these as rough benchmarks to gauge your firm's scale relative to peers

FY25 top-quartile firms reported ~AUD 7,827/client-group/year.

Average mid-range firms were lower (~AUD 5,814), indicating wide variance depending on specialisation and service mix.

METRIC

FY25 AU ACCOUNTING BENCHMARKS

Billing Rate/
Average Hourly
Rate

In FY25, firms with higher billing rates (e.g. ~AUD 230/hr) tended to command higher client fees and better margins.

Variation across firm size and service scope was substantial, signalling opportunity for strategic pricing.

Net Profit Margin

Among FY25 firms, profit margins ranged significantly by quartile: lower-margin firms ~8.8%, while top-quartile firms achieved as high as ~38.2%, driven by tighter cost control rather than higher revenue alone.

This shows significant upside for disciplined firms.

Overhead / Other
Operating Costs
as % of Revenue

For high-margin firms, overheads dropped to ~13.4% of revenue (vs. ~20% in lower-margin firms), showing the value of disciplined overhead management to protect profitability.

Recoverability
(WIP Billed ÷ WIP
Recorded)

According to FY25 data, smaller firms often achieve high recoverability (e.g. ~106%), while larger firms tend to drop to ~78%. This shows the importance of billing discipline, especially as firms scale.

2. Operations (Practice Management)

Even profitable firms can strain under inefficient operations. Mid-year is a good time to inspect your “engine room”; review workflows, job allocation, and compliance programs, to ensure everything is running smoothly for a strong finish to the year.

MID-FY RESET: OPERATIONS AREA

FOCUS	WHY IT MATTERS
Data Integrity	<p>Accurate, complete, and consistent data underpins every decision in your firm.</p> <p>Mid-financial year is the perfect checkpoint to ensure all records are reliable before year-end pressures build, allowing for precise KPI tracking, reporting, and informed decision-making for the rest of the year</p>
Job Flow & Workflow Planning	<p>Bottlenecks and overdue tasks can accumulate if not addressed early.</p> <p>Mid-year is the ideal time to review job allocation, progress, and workflow efficiency, preventing operational slowdowns and ensuring client deadlines are met as the year-end approaches.</p>
Tax Lodgement & Compliance Program	<p>Staying on top of compliance and lodgement obligations avoids last-minute stress and penalties.</p> <p>The mid-year reset provides the perfect window to assess deadlines, resource allocation, and budgets, giving teams enough time to adjust workloads and plan for year-end lodgements.</p>

FOCUS

WHY IT MATTERS

Resource / Workforce Planning

Staff capacity, workload distribution, and skill alignment are critical for sustaining performance.

Mid-financial year allows firms to recalibrate staffing, reallocate work, and plan hiring or upskilling before the busiest period, ensuring teams are productive and balanced through year-end.

Dashboard & Reporting Oversight

Regularly reviewing dashboards ensures insights are accurate and actionable.

Mid-year is a strategic point to validate reporting tools, highlight trends, and make data-driven operational decisions for the remainder of the year.



PRACTICAL STEPS

- **Run a Data-Quality Audit:** Check for missing entries, reconcile WIP balances, and ensure both expenses and time tracking are complete and accurate.
- **Create a Job-Flow Dashboard:** Gain real-time visibility by tracking key job by statuses (*e.g., not started, in progress, completed, overdue*), estimated vs actual time, assigned person/team.
- **Tax & Compliance Timetable:** Produce a lodgement timetable for the next 6-12 months and compare with previous year's actual workload and this year's growth to forecast resource needs.
- **Staffing Review & Calibration:** Compare current workload against capacity to highlight overbooked or underutilized staff; consider hiring or re-allocations.
- **Utilise Integrated Dashboards:** Consolidate all key metrics into one view for easy monitoring and decision-making.

OPERATIONS METRICS AND INDUSTRY BENCHMARKS

These metrics track operational efficiency and cash flow health. Mid-year benchmarking helps identify bottlenecks, improve collections, and ensure processes are running smoothly before year-end pressures.

KPI / METRIC	FY25 AU ACCOUNTING BENCHMARKS
Average Debtor Days / AR Aging (Cash Collection Cycle)	FY25 firms showed variance: some collected in as little as ~17 days, others took up to ~35 days; median/average settled around ~26 days. Also, 75% of payments collected within 30 days – implying top-performance benchmark for collection discipline.
WIP Days & Lockup Days (Time from Work Performed to Cash Received)	FY25 top-tier firms maintained relatively low WIP/lockup days; as firm size increased, WIP days rose to ~93 and lockup days trended higher – signalling increased risk as complexity grows.

3. Team Members Performance (Key Performance Indicators)

Your firm's people are its engine. Mid-year is the perfect time to assess performance, track KPIs, and realign team goals with firm objectives to boost productivity, accountability, and year-end results.

MID-FY RESET: TEAM MEMBERS AREA

FOCUS

WHY IT MATTERS

Utilisation Rate

Tracks the proportion of total hours spent on billable work.

Mid-year is ideal to assess workloads, adjust allocations, and set targets to maintain efficiency and meet financial goals through year-end.

Job Flow & Workflow Planning

Reviews job assignment, progress, bottlenecks, and overdue tasks.

Mid-year focus prevents cascading delays, supports client satisfaction, and ensures team productivity stays on track as workloads increase toward year-end.

Tax Lodgement & Compliance Program

Monitors outstanding lodgements and deadlines.

Mid-year is the best time to check progress, reallocate resources if needed, and avoid last-minute compliance stress.

Resource / Workforce Planning

Evaluates staff capacity, workload distribution, and upcoming peak periods.

Mid-year review allows firms to balance workloads, identify training needs, and plan hiring or redistribution to optimise team performance.

KPI Review & Professional Development

Reviewing team KPIs ensures alignment with firm goals and identifies skill gaps.

Mid-year is the ideal point to recalibrate objectives, support career growth, and boost motivation before year-end pressures.



PRACTICAL STEPS

- **Generate a Team Performance Dashboard:** Create a summary report (by person, team, department) covering utilisation, realisation, write-offs, average hourly rate, task completion, overdue job %.
- **Hold One-On-One Reviews:** Meet staff to discuss trends, challenges, and workflow bottlenecks. Realign individual goals with firm-wide targets for the second half of the year.
- **Identify Training & Process Needs:** Define specific improvement, such as scope-management training, better project estimation, time tracking discipline, team collaboration workflows.
- **Proactive Recognition & Management:** Recognise high-performers and address underperforming areas. This is vital not only to boost immediate output but also to motivate, retain, and develop talent.

TEAM MEMBER METRIC AND INDUSTRY BENCHMARKS

This metric is focused on staff performance. Mid-year review reveals workload distribution, productivity gaps, and opportunities to optimise team efficiency for the remainder of the financial year sustainable growth.

KPI / METRIC

Revenue per Billable
FTE / Partner
(Leverage)

FY25 AU ACCOUNTING BENCHMARKS

In FY25, firms saw average fees per billable FTE ~AUD 333k; firms with high partner leverage (e.g. AUD1.75M in fees under partner management) tended to scale more profitably, relying on teams rather than heavy partner involvement.

Building a Mid-Year Reset Process: A Recommended Roadmap

Here is a practical 8-step roadmap that firms can adopt to perform a comprehensive mid-year reset.

Data
Gathering
(Week 1)

GATHER ALL NECESSARY DATA

Collect both formal financial reports (P&L, Balance Sheet, Cash Flow) and granular operational data (WIP, AR, time logs, client lists).

If data is spread across systems, consolidate. Now may also be a good time to assess data integrity and completeness.

Baseline &
Benchmarking
(Week 2)

COMPARE ACTUAL RESULTS VS ORIGINAL BUDGET

Benchmark against your firm's past results, and where possible, industry standards for crucial metrics like billing, productivity, debt collection cycles, etc.

Deep Dive
Analysis
(Week 3)

IDENTIFY UNDERPERFORMING AREAS & ADDRESS ROOT CAUSE

Look for metrics signalling immediate threats to cash flow and investigate underlying factors driving the underperformance:

Such as: Large WIP backlog driven by inefficient workflow, and slow billing collection by data entry delays or resourcing issues.

Strategic
Planning &
Re-forecasting
(Week 4)

FINANCIAL FORECASTING & GOAL ALIGNMENT

Update forecast for the remainder of the financial year based on current trends and identified risks.

Re-set firm-wide and team-level targets if needed, and prioritize initiatives to define both quick wins and necessary longer-term structural changes.

Implementation
& Accountability
(Weeks 5–8)

ASSIGN ACCOUNTABILITY

Ensure every initiative has a clear owner to prevent drift and guarantee follow-through. Define who will manage key improvement areas.

If using Dashboards, configure reports for continuous, real-time tracking.

For firms without dashboards, set up regular reporting cadence using standardised templates or check out dashboard solutions by Dashboard Insights.

Communication
& Team
Alignment

SHARE FINDINGS AND REVISED TARGETS

Cascade with all stakeholders to ensure collective awareness of firm's direction

Hold team meetings or one-on-ones for transparent communication on expectations, capacity, and upcoming workload.

Training &
Process
Improvement

IDENTIFY SKILL GAPS

Pinpoint the human and procedural weaknesses contributing to leakage.

Provide training or update SOPs to improve data consistency, billing discipline, and resource allocation.

Continuous
Monitoring

REVIEW AGREED KPIS REGULARLY

Monitor weekly and monthly financials, and quarterly operational and team KPIs.

Use dashboards or reports to track performance relative to reset targets.

The Role of Dashboards & Real-Time Data in Mid-FY Reset

While the mid-FY reset can be done manually via spreadsheets and traditional accounting reports, modern dashboard and business intelligence tools significantly enhance effectiveness and scalability.

Benefits of Using Dashboards:



REAL-TIME VISIBILITY

Instantly see WIP, unbilled time, aging AR, cash flow, staff utilisation, profitability by client or service line. This helps detect issues early before they escalate.



GRANULARITY & DRILL-DOWN

Ability to filter by client, team, service line, time period; identify root causes (e.g., which clients cause invoicing delays, which teams have low realisation).



TREND ANALYSIS & FORECASTING

Dashboards help visualise trends over time (e.g., increasing debtor days, rising WIP, declining utilisation), enabling informed forecasts and proactive strategy adjustments.



ACCOUNTABILITY & TRANSPARENCY

Shared dashboards provide single source of truth for partners, managers, and staff. Facilitates performance reviews, team conversations, and alignment of individual KPIs with firm goals.



EFFICIENCY & AUTOMATION

Reduces manual data entry, errors, and labour. Time and expense tracking, billing, job status updates automatically feed into dashboards. This is particularly effective in preventing revenue leakage and ensuring data integrity.

For firms scaling up or those managing multiple locations, large teams, or many clients, dashboards are not a “nice-to-have,” but a necessity to maintain control, operational efficiency and profitability.

Common Mid-Year Mistakes to Avoid



IGNORING DATA COMPLETENESS AND INTEGRITY

Dashboards or reports are only as good as the data feeding them. If time entries, expenses, invoices, or job statuses are incomplete or delayed, KPIs and forecasts will be misleading.



FOCUSING SOLELY ON REVENUE (NOT PROFIT)

Without monitoring margins, productivity, write-offs, and cash flow, firms may accumulate top-line growth but bleed on profitability.



WAITING UNTIL YEAR-END TO ACT

Many problems (aging WIP, slow collections, capacity overload, inefficiencies) accumulate gradually. Monthly or quarterly reviews might catch them early; waiting until year-end might be too late.



UNDERESTIMATING RESOURCE CONSTRAINTS

Without proper workforce planning, firms risk overloading staff, missing deadlines, causing burnout, lowering quality – which hurts client satisfaction and retention.

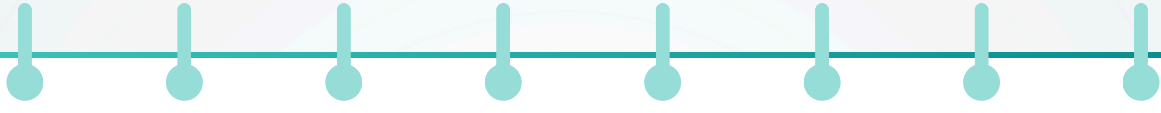


TREATING KPI TRACKING AS A COMPLIANCE EXERCISE NOT AS A SOURCE OF INSIGHT

KPI tracking should inform decisions, not just be a reporting checkbox.

How to Make Your Mid-Year Reset Effective — Practical Recommendations for All Firms

Whether you're a small bookkeeping practice or a large multi-partner firm, here's a distilled set of practical recommendations to make your mid-year reset effective and action-oriented.

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- SCHEDULE A FIRM-WIDE “MID-YEAR RESET WEEK”**
Put it on calendar, involve key partners, managers, and team leads. Treat it as a strategic event, not an afterthought.
 - DESIGNATE OWNERSHIP AND ACCOUNTABILITY**
Assign a “Reset Leader” (could be an operations manager or managing partner) to coordinate data gathering, reporting, analysis, and follow-up.
 - USE CONSISTENT TEMPLATES & TOOLS**
Whether spreadsheets or dashboards, ensure consistent data definitions, reporting formats, and KPI calculations. This ensures comparability month-to-month and year-to-year.
 - COMMUNICATE AND ALIGN**
Share the reset outputs (performance results, revised targets, resource plans) with the entire firm. Align individual incentives or KPIs to firm-wide goals.
 - IMPLEMENT SMALL, HIGH-IMPACT CHANGES FIRST (“QUICK WINS”)**
For example: expedite invoicing, improve time tracking discipline, clean up aged WIP, begin collections on overdue invoices. These can often improve cash flow and profitability quickly.
 - PLAN STRUCTURAL IMPROVEMENTS FOR LONGER-TERM STABILITY**
Put it on calendar, involve key partners, managers, and team leads. Treat it as a strategic event, not an afterthought.
 - FOSTER A CULTURE OF TRANSPARENCY AND CONTINUOUS IMPROVEMENT**
Encourage open discussions about performance, challenges, and opportunities. Use data to drive conversations — not assumptions.
 - SET A REGULAR REVIEW CADENCE**
Weekly, monthly, quarterly and annual reviews of key metrics makes your firm stay proactive rather than reactive. On the next page is Dashboard Insights' recommended firm operation rhythm.

Why This Matters More in 2025–2026

While the mid-year reset can be done manually via spreadsheets and traditional accounting reports, modern dashboard and business intelligence tools significantly enhance effectiveness and scalability.



INCREASING COMPETITION & PRICING PRESSURE

As more firms leverage automation and cloud-based tools, margins may compress. Rigorous mid-year reviews help you stay ahead.



ECONOMIC VOLATILITY & CASH-FLOW SENSITIVITY

Global economic uncertainty and tightening credit markets make working-capital management and cash flow health more critical than ever. Efficient WIP and AR management can safeguard the firm.



CLIENT EXPECTATIONS RISING

Value, timeliness, transparency - clients expect timely, accurate, and advisory-level services. Efficiency, resource planning, and discipline in operations enable firms to deliver on those expectations.



TALENT RETENTION AND BURNOUT CHALLENGES

As workloads fluctuate (especially around tax and compliance seasons), firms that plan ahead, allocate resources properly, and monitor team KPIs stand a better chance at retaining staff.

Conclusion

A Mid-Year Reset is not just an accounting exercise – it's a strategic imperative. At the halfway point of the financial year lies an opportunity to pause, reflect, course-correct, and re-energise. Firms that treat this checkpoint seriously – with accurate data, structured analysis, clear accountability, and realigned targets – will find themselves better positioned to finish the year strong, protect cash flow, optimise profitability, and build sustainable growth.

For firms that embrace dashboards, real-time reporting, and KPI-driven culture, the Mid-Year Reset becomes a powerful catalyst for continuous improvement. Even firms relying on more traditional tools can gain immense benefit – as long as they commit to data integrity, consistency, and transparency.

Make your Mid-FY Reset an organisational ritual. It could be the difference between a chaotic year-end scramble – and a composed, profitable, growth-driven finish.

Appendix

[1. Overview: Mid-Financial Year Reset Framework](#)

[2. Business: Mid-Financial Year Reset Framework](#)

[3. Operations: Mid-Financial Year Reset Framework](#)

[4. Team Members: Mid-Financial Year Reset Framework](#)

[5. Mid FY Metrics and Industry Benchmarks](#)

[6. Roadmap: Building a Mid-Year Reset Process](#)

[7. Common Mid-Year Mistakes to Avoid](#)

[8. How to Make Your Mid-Year Reset Effective — Practical Recommendations for All Firms](#)

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