

BOOKKEEPING SERVICES

We are now pleased to offer in-house bookkeeping services to small and medium sized businesses within the local community.

An **Information Brochure** on this new service which includes a very competitive fee structure is now available from our office.

Substantial fee discounts apply where a client engages Frederiks Accountants to undertake both their bookkeeping and tax return work, so we expect there will be considerable interest in this new service offering.

It is with sincere regret that we have decided to terminate long standing association with Robyn Williamson and Aimsafe Bookkeeping.

Robyn and her team have provided valuable bookkeeping services to a number of our business clients, and we would like to publically acknowledge her contribution to assisting our clients in this regard and wish her all the very best for the future.

However, following our recent Quality Assurance Review it has become quite clear that by not offering bookkeeping services to our clients we have been at a distinct competitive disadvantage within the local market.

Accordingly, by now offering bookkeeping services to clients directly, we believe that we can better meet the needs of our clients and provide a more effective integrated bookkeeping, accounting and taxation service.

This new service commences on 1 July 2011, and we look forward to assisting our business clients with these new services throughout the 2011/2012 financial year.

QUALITY ASSURANCE REVIEW

Our Quality Assurance Review was successfully completed on 12 April 2011, with our Quality Reviewer commenting most favorably on the efficient and effective operation of our Practice.

Thank you to all the clients who participated in the recent Quality Assurance Review and to our wonderful team for their support during this process.

CPA Australia requires all CPA accredited Practices to maintain a comprehensive Quality Control Program to ensure that all work is performed to a high standard. This also provides confidence to the general public that all Professional Accounting Standards and other appropriate legislative requirements have been fully met.

To satisfactorily complete a thorough Quality Assurance

Review without any material breaches in procedures is a very difficult task, and I am pleased to report that Frederiks Accountants has once again maintained its high operational standards in this important area.

WHAT IS THE DIFFERENCE BETWEEN A CPA/CA ACCREDITED ACCOUNTANCY PRACTICE & A NON CPA/CA ACCOUNTANCY PRACTICE?

Accountancy practices accredited by CPA Australia or the Institute of Chartered Accountants are required to meet very strict quality assurance requirements which are subject to external independent review.

Members of both professional bodies must be degree qualified, possess a minimum number of years of CPA/CA supervised work experience and must successfully complete a very intensive post graduate CPA/CA program of study. As well, professional members are required to undertake a minimum amount of professional development each year and adhere to a Code of Ethical Conduct issued by each professional body.

Finally, members who offer professional services to the general public are also required to successfully complete a Public Practice Program of study and be issued with a Public Practice Certificate.

Generally, a professional member of CPA Australia or the Institute of Chartered Accountants is well educated, possesses extensive experience in their chosen field of expertise, and is highly regarded by both the profession and the general public.

Non CPA/CA Practices are not required to adhere to such rigorous requirements, and often employ non CPA/CA qualified staff at much lower salary levels than a CPA/CA accredited practice.

As a result, the fees charged by CPA/CA accredited practices are generally higher than those fees charged by a non CPA/CA accredited practice.

SCHEDULE OF FEES

We are pleased to announce that there will be **no increase** in our Schedule of Fees for the 2011/2012 financial year.

Whilst general operating costs including wages, rent, electricity and computer software costs etc have increased over the last twelve months we have decided to absorb these cost increases as a **gesture of goodwill** to our loyal clients.

FIXED FEES

We have continued to receive substantial support and positive feedback from our clients on the new fixed fee pricing methodology introduced last year.

In fact, our Quality Assurance Reviewer has indicated that his Practice had already moved to a Fixed Fee Pricing Structure as it provides open disclosure of fees to the general public and provides clients with an element of certainty with respect to their annual accountancy costs.

ANNUAL BENCHMARKING OF TAX RETURN FEES

We are pleased to report on the annual Benchmarking of Tax Return Fees for the 2010/2011 period prepared by Rob Knights & Co - a professional consultant to the accountancy profession.

With respect to minimum and average/typical accountancy fees charged by a suburban accountancy practice in Queensland the following benchmarking data is provided for your information. Please note that all fees listed hereunder are GST inclusive:

Queensland - Suburban Accountancy Practice

Individual Tax Return Fees

Minimum Fee:	\$ 191
<u>Our Minimum Fixed Fee:</u>	\$ 165
Average/Typical Fee:	\$ 287
<u>Our Average/Typical Fixed Fee:</u>	\$ 220

Company Tax Return Fees

Minimum Fee:	\$1,846
<u>Our Minimum Fixed Fee:</u>	\$1,650
Average/Typical Fee:	\$3,396
<u>Our Average/Typical Fixed Fee:</u>	\$3,025

Self Managed Super Fund Tax Return Fees

Minimum Fee:	\$1,768
<u>Our Minimum Fixed Fee:</u>	\$1,650
Average/Typical Fee:	\$2,948
<u>Our Average/Typical Fixed Fee:</u>	\$2,640

It is clear from this benchmarking analysis that our fixed fee structure is very competitive, especially considering that the annual fixed fee also includes all taxation, accounting and tax planning meetings, correspondence processing, and the handling of all telephone enquiries etc.

Our Fixed Fee Structure is fully inclusive, is openly disclosed, and our clients face no hidden extras which are charged by many of our competitors.

LOYALTY DISCOUNT PROGRAM FOR BUSINESS CLIENT REFERRALS

As a small gesture of our appreciation for our existing business clients who refer new Business (Partnership/Company/Trust) or Self Managed Super Fund (SMSF) clients to our Practice, we are pleased to introduce a new Loyalty Discount Program.

As from 1 July 2011, any existing business client or SMSF client who refers a new business or SMSF client to Frederiks Accountants will receive a Loyalty Discount Credit of at least \$250.00 (per referral), subject to the following conditions:

the new business client has their Individual, Partnership, Company, Family Trust and/or SMSF Tax Return completed by our Practice, and

the Loyalty Discount Fee will be deducted from the referring client's subsequent Tax Return Fixed Fee following the completion and payment of the new client's business or SMSF Tax Return.

We trust that this new initiative will provide some benefit to our many existing clients who continue to be loyal and supportive of our Practice and the quality services that we provide.

TAX PLANNING

As the end of financial year approaches it is an opportune time to consider various tax planning strategies that might be available to reduce your annual taxation liability.

For your complimentary end of financial year tax planning meeting please contact our office to make an appointment with one of our experienced advisers.

PERMANENT STAFF CHANGES

We are pleased to welcome the return of **Bridie Tapley**, Accountant who has recently returned from twelve months of overseas travel. Bridie is a very experienced Accountant and her return to our Practice will be welcomed by many clients who have previously utilized her valuable services.

We also wish to report that **Kelly Shipway**, Administration Officer (Client Services) resigned earlier this year to commence her own after day care business. We wish Kelly all the very best with her new business venture, and thank her for her previous contribution to our Practice. **Toni Thompson** has been appointed to fill this particular position and possesses a wide variety of industry experience. She also has previous experience working in a suburban accountancy practice and will be a valuable addition to our administration team.

We are also pleased to welcome **Ally Tranter**, Administration Officer (Financial Planning) who has replaced **Laurie Moore** who was successful in gaining a higher level position at another company.