



Your licensing plan **Sample**

*Sally Smith
Smith Accounting*

To be read in conjunction with your Licensing Diagnostic Report

The business

Date: 10 July 2015

Practice name: Smith Accounting

Partners: Sally Smith
George Box

Client facing Accountants: Jenny Lindsay
Ryan McLeod
Alistair Black

Location: 10 George Street
Sunnyside NSW 2345

About the business / future plans

Smith Accounting is a general practice based in Sydney. You have a strong focus on business clients and tax advice.

The Licensing Diagnostic indicated that you are looking for **Rapid Growth** across the practice as a whole. However, the growth plans for each partner do vary somewhat. For example, Sally has expressed an interest to grow significantly, whereas George was after more steady growth. One comment that was universal across both partners was the need for some external business coaching support.

Following discussions as part of our phone interviews, a more accurate description of your growth plans for your overall business would be **Steady to Rapid Growth**.

You have over 100 SMSFs and plan to grow this further, but will do this as part of the overall growth of the business, rather than targeting SMSF clients specifically.

Summary - Your 3-step Licensing Plan

We have discussed the licensing needs of your business, and all client facing staff. Below is our recommended 3-step licensing plan.

What	Who needs to do this	When	How
	Sally George Jenny Ryan Alistair	Completed	Analysis completed See p.3
	Sally George Ryan Alistair	ASAP	Refer to p.4
	Sally George Ryan Alistair	By 1 July 2016	Refer to p.5

Background

The way accounting practices choose to manage the removal of the accountants' exemption will have a significant impact on their business, both short and long term. We understand this can be confusing for many accountants, so are excited to be able to prepare this licensing plan for you.

This 3-step plan is designed to provide you with a clear, simple plan to make sure you are ready for licensing by the 1 July 2016 deadline.

YOUR LICENSING PLAN

Step 1 – Deciding what you need to be licensed for

Each accountant has completed our licensing Diagnostic and undertaken a personal interview. This process has allowed us to explore exactly what services and advice each person wants to provide their clients, and whether they are willing to complete the necessary training to offer that service. We have also considered any existing and future referral arrangements that may impact, either positively or negatively, on the services the accountant wants to offer.

Below is our analysis of the outcomes of that process.

Advice area	Silly Smith	George Box	Jenny Lindsay	Ryan McLeod	Alistair Black
SMSF Strategies					
Establish and wind up SMSFs	❖	❖		❖	❖
General advice comparing SMSFs with other super structures	❖	❖		❖	❖
Limited recourse borrowing arrangements	❖			❖	❖
Investment advice & preparing investment strategies (no specific product recommendations)				❖	❖
Insurance needs analysis				❖	❖
Direct property transfers	❖			❖	❖
Reserving strategies				❖	❖
Super and retirement strategies (generally)					
Contributions advice	❖			❖	❖
Rollovers				❖	❖
Transition to retirement	❖			❖	❖
Retirement income streams	❖			❖	❖
Receiving death benefits	❖			❖	❖
Re-contribution strategies	❖			❖	❖
Retirement projections	❖			❖	❖
Intergenerational and succession planning	❖			❖	❖
Lump sum withdrawals	❖			❖	❖
Other financial planning strategies					
Cash flow and budgeting	❖	❖	❖	❖	

Advice area	Sally Smith	George Box	Jenny Lindsay	Ryan McLeod	Alistair Black
General advice	❖	❖	❖	❖	
Debt management		❖	❖	❖	
Centrelink		❖		❖	
Gearing and margin lending (outside of an SMSF)		❖		❖	
Salary sacrifice		❖		❖	
Insurance needs analysis					
Life and income protection insurance		❖		❖	
Business insurance (key person)		❖		❖	
Risk profiling and asset allocation					
Risk profiling	❖	❖		❖	
Asset allocation	❖	❖		❖	
Product advice					
Basic deposit products				❖	❖
CMTs				❖	❖
Direct shares				❖	❖
Insurance products				❖	❖
Managed investments				❖	❖

Step 2 – Your RG146 Training Plan

Training needs vary depending on the advice you want to provide. Below are the training needs for each of the accountants within your business.

Accountant	Units	Cost
Sally Smith	<ul style="list-style-type: none"> DFP 1 – Financial Planning DFP 2 – Insurance and Risk Protection Accountants SMSF Program 	\$1,655
George Box	<ul style="list-style-type: none"> Accountants SMSF Program 	\$1,470
Jenny Lindsay	No training needed	Nil
Ryan McLeod	<ul style="list-style-type: none"> DFP 1 – Financial Planning DFP 2 – Insurance and Risk Protection Accountants SMSF Program 	\$1,655
Alistair Black	<ul style="list-style-type: none"> Accountants SMSF Program 	\$1,470
TOTAL		\$6,250 – Distance

Step 3 – Becoming Licensed

There are two decisions that need to be made in relation to licensing.

1. *Authorised representative or self licensing*

Based on our diagnostic and follow up interview with your business, we recommend that you become an authorised representative, at least initially. While self-licensing is something you are interested in, and could be a good long-term solution for your business, you currently do not have the time or expertise to pursue this option. The support options for accountants obtaining the Limited Licence are also extremely limited. I do expect that to change as more accountants move into this space.

Recommended Licensing Option:

Authorised Representative

2. *Level of licensing*

There are different licensing levels, depending on the advice you want to provide. After our analysis, the recommended licensing options are provided below.

Accountant	Level of licensing *
Sally Smith	Strategic
George Box	SMSF specialist
Jenny Lindsay	Not required
Ryan McLeod	Strategic
Alistair Black	SMSF specialist

Licensing and referral relationships

Licensing and referral arrangements are not mutually exclusive. In fact, unless one person in the practice is becoming comprehensively licensed, they are key part of your licensing puzzle, but any existing relationships will almost certainly change.

You currently have a number of referral relationships in place to meet different client needs and circumstances. You have recently started working with another financial planner who you are increasingly referring more work to as they are a good fit for your business.

Although this is a relatively new arrangement, you are comfortable with your referral partners and are reluctant to change.

About us

Licensing for Accountants is an independent firm which supports and transitions accountants into licensing. We have an extensive background in accounting and financial services licensing issues, and understand the opportunities and challenges licensing presents. Our expertise lies in providing information, education and support to guide accountants during their licensing journey.

To maintain our independence, we do not hold an Australian Financial Services Licence (AFSL). For those accountants that are best suited to becoming an authorised representative, we offer a matching service to identify the right fit for them. This service has been selected over a preferred supplier option, acknowledging that a one size fits all solution does not suit all accountants.

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