



TOOHEY REID

partners in | business

Employee Pack

2011

This document is designed to provide a brief introduction of Toohey Reid Advisors, its core values, structure, clients and service standards to existing and potential employees.

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WHY TOOHEY REID ADVISORS

What sort of business do you want to work in? Clearly the choice is important, as it will determine the type of work you are involved in and the culture you are exposed to. Often it is difficult to clearly determine these matters during an interview. This employment pack is designed to help you understand a little better who we are and what we do.

The People who are Toohey Reid Advisors are not your typical Accountants. We are business minded entrepreneurs and having fun in life at the same time. Our lives both inside and outside work complement each other and are all integral parts of our lifestyle.

We want our people to share our philosophy, which is that while work is an integral part of life it is not the only aspect of life. It is however important that our work and life values are congruent.

We have developed our core values to ensure that our people fit our culture and aspire to the same level of success as us and beyond. If our firm reflects on our core values at all times then it ensures our people clearly understand that our work should be results based, interesting, challenging and fun.

Checklist – Why Toohey Reid Advisors

- Professional, exciting and fun place to work.
- Diverse range of client industries with average fee size of \$10 - \$50k
- Diverse range of projects in taxation, business advice, business development, and retirement planning
- Above market remuneration with excellent packaging options and incentives
- Comprehensive feedback via formal and informal reviews
- Professional development via training, study assistance and mentoring program
- The latest technology, software and systems
- Social events and fun activities throughout the year

We recognise every action by our people is a marketing action and needs to be completed in accordance with our core values and purpose.

CORE VALUES

Our Purpose

“Delivering results, guaranteed”

Our purpose is to deliver results to clients in the following areas:

- improved bottom line
- improved financial control
- exceptional service

To be sure that we have delivered on our purpose, results need to be measurable and communicated to our clients.

Our People

We believe that our business is our people. We look after our own by caring for their health and well-being and helping them to set and achieve their personal and business goals.

The Client is Number One

We recognise that our clients always have a choice. By building strong relationships, providing exceptional service, being passionate and always looking to add value, we will experience ongoing client loyalty.

Profit

Everyone is responsible for profit and profit is the identifiable measure of our success. We believe that the only measure as to whether we are offering something of value to our clients is medium and long-term individual, team and firm profitability.

We believe a “Standard Way” to do things is the “Best Way”

In our firm there is a best way and everybody operates that way. This does not mean that we are not open to continuous improvement. If it can be demonstrated that there is a clearly superior way to do something then that standard will be implemented.

Innovation

Innovation is the key to delivering on our purpose. The fast pace of the world presents us with many new challenges (we have challenges not problems). We welcome these challenges as they present new opportunities to innovate. In dealing with challenges we will not be confined to conventional wisdom, but look beyond it for appropriate solutions. By valuing and rewarding innovation, we create an exciting and challenging environment.

Expand our Horizons

We encourage our people to expand their horizons through new experiences and meeting new people. By adding to our library of experiences we will create a vast resource to draw upon to deal with opportunities and challenges that may present themselves, allowing us to think outside the square where required. Increasing our social network increases exponentially the number of people we can have a positive influence on and the opportunities that will befall us.

Our Structure

Our structure is simple, lean and flat, which keeps all team members close to our clients and their mentors. We believe our people should be treated equally and have equal privileges. Promotion from within will always be our first choice. We believe that work should be challenging and fun for everyone.

Incentives - “ What gets rewarded gets done”

Incentives are based on quantitative outcomes. Profit increases, new client fees and innovations that create additional value will be rewarded.

Responsibility and Discipline

We do not make excuses or blame others. Our success or failure is our own responsibility. Discipline in life and work allows our people to accept responsibility and rise to the challenges they set themselves.

Passion, Fun and Future

We believe our people must be passionate about Toohey Reid Advisors and our clients. Passion for our clients, our people and our future ensures we will enjoy what we do and do it well. It means we can in turn provide our people with a clear pathway to achieving their hopes, aspirations and dreams.

OUR CLIENTS

Our clients cover a wide diversity of industries and sizes however we predominately provide services to clients who are classed in the market as small to medium enterprises. In order to understand our client base we have provided a small example of them below.

Bulk Commodities Handling and Storage Services

- Turnover - \$20m
- Employees – 40
- Our fees - \$60k

Solicitors Practice

- Turnover - \$10m
- Employees – 35
- Our fees - \$15k

Builder and Investor

- Turnover - \$80m
- Our fees - \$60k

Coffee and Tea Wholesaler and Retailer

- Turnover - \$5m
- Employees – 25 fulltime and 15 casuals
- Our fees - \$15k

Architect

- Turnover - \$4m
- Employees – 20
- Our fees - \$30k

Fire Protection Services

- Turnover - \$20m
- Employees – 60
- Our fees - \$35k

OUR SERVICES

Our firm's purpose of delivering identifiable results to our clients means our client projects are often exciting and rewarding. We try work with clients where there is a good cultural match and we can leverage our skills and knowledge to the client's advantage. Below is a summary of some recent client projects.

Recent Projects

1. Business and Taxation advice to a client subject to a \$10m takeover offer from a Public Company
2. Tax advice in respect to a corporate restructure to minimise trading risk and provide for estate planning for a client with adult children from first marriage and new wife and children
3. Business and Taxation advice in respect to an acrimonious partnership split
4. Business and Taxation advice in respect to a management share plan scheme
5. Succession planning advice and implementation where we proposed the adult children purchased the parents share of the company, arranged financing and provided taxation advice.
6. Advice and due diligence in respect to business acquisitions

REMUNERATION STRUCTURE

We can provide the flexibility to pay and package higher salaries for our people, dependent upon their profitability. We reward our people when they contribute to our profitability above budgeted targets. We know from our own experience with large firms that they find this difficult to offer because of the ramifications it can cause when one "Senior" is rewarded more than the other "Seniors" – it causes dissention amongst the ranks.

1. Base Salary – we pay above market base salary. We offer flexible packaging including, Motor Vehicle, Car Park, Laptop, and other minor exempt benefits. You may also consider a higher level of paid annual leave eg 6 weeks.
2. Budget Incentive – we pay bonuses to our people when they exceed their budgeted fee target. A number of our people earn these bonuses and it is dependent upon you, as to how much you can earn in addition to your base. A working example of the budget bonus system will be provided at the interview.
3. New Clients Incentive – we pay bonuses to our people when they introduce new clients to our firm. This bonus is paid as 20% of fees invoiced in the first year and 10% in the years following. We provide assistance through use of our firm marketing material and tapping the skills of our people. The clients will remain your property should you leave.
4. CA / CPA – we provide our people with assistance by paying for each subject upon successful completion. One days paid study leave and one days paid exam leave is allowed per subject.
5. Home Buyers Deposit Loan – we provide an interest free homebuyers loan to our people to assist them with their initial deposit or maybe furniture for their house. In order to qualify for this you must have worked with our firm for 12 months and meet various targets over a period of time. If you continue with our firm for 5 years and meet the various targets the Directors may agree to write off the loan and not seek repayment.
6. Other Study – Study and exam leave for other study (eg Master of Tax) may be offered.
7. Amenities – we have a functional kitchen, espresso coffee machine and natural spring water fountain.

FEEDBACK & PROFESSIONAL DEVELOPMENT

Our firm is aware that feedback is extremely important to our people so that they can monitor their progress against their objectives and goals. We provide feedback via a number of forums, including;

- Day to day comments and job reviews
- Weekly job flow meetings
- Monthly Firm Meetings
- Formal Trimester Reviews and Annual Salary Review
- Mentoring Program

Mentoring Program - as part of our review process, each of our people is assigned a mentor. The mentoring program is designed as a complete process to set and achieve your own personal and business goals. These goals are reviewed with your mentor and then you create a detailed plan to achieve them. This plan is reviewed and updated as part of the trimester review. This allows each of our people to deeply identify and focus on what their real goals are. In this way your real goals can be achieved

To assist our people in their professional and personal development and their contribution to our firm we provide assistance in a number of ways, including;

- Structured periodical in-house training program – we run both technical and non-technical sessions
- External seminars run by the ICAA, CPA, NTAA, TIA and other training bodies.
- Committed support during the CA Program (as outlined in the remuneration section)
- Supplying Weekly Tax Bulletins, and Tax Magazines
- On the job instruction and assistance from the Directors

TECHNOLOGY AND SYSTEMS

In order to provide an exceptional service to our clients our firm requires the appropriate tools and technology to deliver.

Software includes

- Handisoft (our integrated taxation, practice management, company secretarial and ledger system).
- Simplefund – our taxation and accounting package for SMSF.
- Microsoft Suite of products.
- Cashfocus – a cash flow projection and budgeting package allowing what ifs and many other variables.
- MYOB and Quicken.
- Full Internet access.
- Full email access.

Hardware includes

- Latest technology computers, printers and photocopier.

Other includes

- Hard copies of tax handbook and legislation, trust structure guide, company wind up procedures manual, and many seminar and training papers.

SOCIAL ACTIVITIES

- Friday Arvo wind-down – starts at 4.00pm each Friday when we grab a drink from our bar fridge and unwind for the weekend. We have one or two office activities such as Foosball for the competitive ones amongst us!
- The Session – We have a monthly gathering for a night on the town paid for by the firm, when we achieve our monthly fee budget.
- Quarterly Activity – once a quarter our firm puts on a social activity for our people including a Christmas Function, End of Financial Year Function and Melbourne Cup lunch. We also schedule in other fun activities like Go Carting, Lawn Bowls, Skirmish and Lions, Bronco's or Roar Football game plus the occasional day out on the boss's boat.
- Team Challenges – we recently trained and competed in the Churchie Corporate Rowing Regatta.
- Charity work – As a team, we regularly donate our time to help worthy causes.