

Section 5

7 How to become a member

SA&A operates under, and complies with, the Franchise Code of Australia, which requires appropriate Due Diligence procedures and documentation to be provided. In addition we also uphold the values of the Rotary 4-way Test.

The 4 Way Test of the things we think, say or do:

1 Is it the TRUTH?

2 Is it FAIR to all concerned?

**3 Will it build GOODWILL & BETTER
FRIENDSHIPS?**

4 Will it be BENEFICIAL to all concerned?

**If YOU answer YES to these, then call SA&A
today**

With acknowledgement to Rotary International

The process followed is:

1. A candidate enquires about SA&A. We respond with either a phone call or a preliminary email providing some preliminary information material and requesting his / her resume
2. The candidate(s) provides their resume(s).

3. We then review the resume(s), advise the candidate(s) whether or not it is appropriate for them to proceed, and provide the Confidentiality Agreement.
4. The candidate(s) returns the signed Confidentiality Agreement.
5. We then contact the candidate by phone, for a no-obligation discussion. Should both parties so decide, then this is followed up with a meeting – either face to face or by Skype, and discussions of the options available.
6. If it is agreed that the candidate proceed to Due Diligence the candidate provides the appropriate information for the contract, either direct or through completing the Purchasing Entity & Legal Details Form. This enables a final contract including the details of the territory being licensed, and all the agreed variations to the standard terms and conditions to be prepared, as is required under the Franchise Code.
7. Where the legal entity proposing to join the network is a sole trader, then the provided resume will suffice. Where a partnership, company or trust is being formed, then the resumes of all partners or directors will be required to be approved before completion of the grant process.
8. A suitable territory to be purchased will be identified in discussion with the candidate.
9. SA&A provide the potential franchisee with:
 - a. The current Disclosure Document,
 - b. Two copies of the Franchise Grant contract tailored to the specific franchisee,
 - c. The latest update of the Australian Franchise Code of Conduct
10. The candidate has a minimum period of two weeks (but may take up to four weeks) to seek advice and conduct his / her investigation. SA&A provides access to existing network members for discussions and responds to questions.
11. During this period SA&A will reference check the candidate(s). SA&A will also call for reports from all existing network members to whom the candidate has spoken.
12. Once the candidate has completed their review, they return the signed and witnessed contracts to SA&A. The candidate then places a 10% fully refundable deposit. (In the event of the candidate not

proceeding then the legal fees are non-refundable, but the rest of the deposit is normally refunded. In exceptional circumstances where there have been numerous revisits of the contract, then SA&A may opt to retain more of, or the whole, deposit to defray expenses incurred, to the extent allowed by the Franchise Code.

13. There is a seven day cooling off period during which time the candidate may withdraw from the deal and obtain a refund of all payments except the amount expensed on legal costs. During this time SA&A and the candidate are involved with planning the training &c. At the end of the cooling off period, they remit the balance of the purchase price.

14. SA&A signs both copies and returns one to the franchisee.

15. Planning then commences for the set up and training of the new member.

Now, the generic business plan for a member looking to become an RTA, with a very modest growth plan, provides the following indicative results over the first seven years:

Results	Turnover	Owners Margin	Margin %age
Year 1	\$ 77,790	\$ 51,043	65.62%
Year 2	\$183,420	\$136,413	74.37%
Year 3	\$289,050	\$198,020	68.51%
Year 4	\$394,980	\$273,530	69.25%
Year 5	\$500,610	\$348,028	69.52%
Year 6	\$606,240	\$420,140	69.30%
Year 7	\$711,870	\$489,864	68.81%

We use a seven-year plan so that, if the member wants to sell the business at the end of the initial licence period, then the financials support the anticipated exit price – we work on a P/E of 2.5x on Owners Margin. Yes, it is conservative, but it is prudent.

Now the interesting question – what do you consider this business to be worth to you? Call us today to discuss the investment required.

All enquiries should be made via our Melbourne-based National Support Office using:



Postal: SA&A, PO Box 2582, Rowville, Vic 3178

Email: info@smarteraa.com.au

Website: www.smarteraa.com.au

Phone: 1300 843 354 / 03 9752 8729 / SMS: 0438 002 839



MEMBERSHIP APPLICATION FORM

Please note that the completion of this form implies no obligation and that SA&A guarantees to retain any information supplied in confidence. **WE EMPHASISE THAT THE QUALITY OF THOSE SELECTED TO JOIN OUR NETWORK IS IMPORTANT TO OUR ONGOING SUCCESS.** It is important, therefore, for you to provide verifiable qualifications or experience in accountancy, bookkeeping or a related profession if you are interested in joining our network.

PERSONAL DATA

NAME		SURNAME	
ADDRESS			
SUBURB		STATE	POSTCODE
PHONE - WORK		MOBILE	
PHONE - HOME		PREFERRED TERRITORY	
EMAIL			

QUALIFICATIONS

ACADEMIC		INSTITUTION	
PROFESSIONAL MEMBERSHIP (CIRCLE)	IPA	CPA	ICANZ
Other – please specify	TIA	ICAEW or similar	CIMA / ACCA



Tax or BAS Agent Registration # & Year Registered		#	Year	
RELEVANT EXPERIENCE	YEARS	COMPANY	POSITION	
ACCOUNTANT				
BOOKKEEPER				

Please provide additional information via a curriculum vitae

REFEREES Please provide the details of any referees who can confirm your experience as an accountant or bookkeeper. They will not be contacted without your agreement

REFERREE 1	NAME		CONTACT	
REFERREE 2	NAME		CONTACT	

CURRICULUM VITAE

The standards of the Network members joining Smarter Advisory & Accounting are of the highest quality and it is important that these standards be maintained. **Please attach a copy of your C.V**

PLEASE RETURN THIS FORM WITH YOUR C.V.(S) TO SA&A:

POST TO PO BOX 2582, ROWVILLE VIC 3178 OR

SCANNED TO: info@smarteraa.com.au