



**HORWOOD**  
HQ

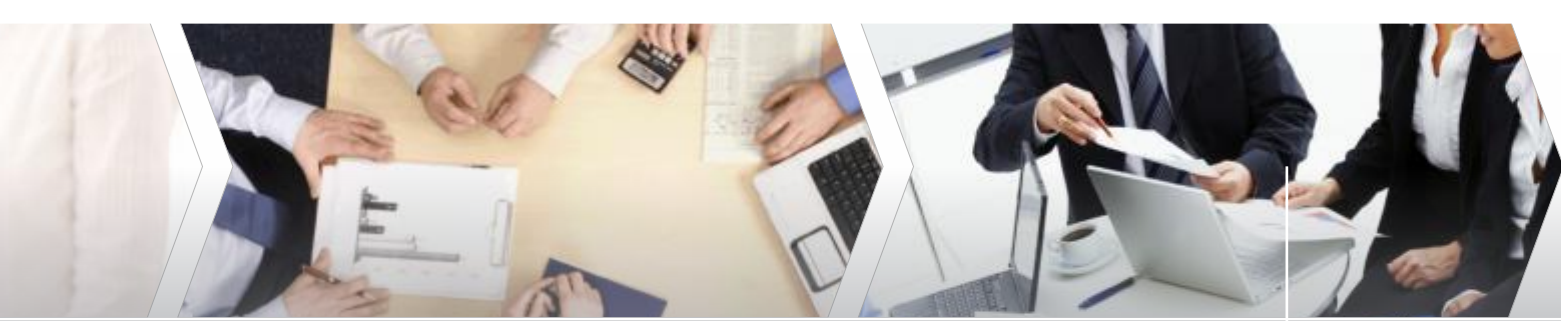
**MANAGED  
CERTIFIED  
MEMBERSHIP**



## **INVITATION FOR MEMBERSHIP**

**For Accountants and  
Accounting Businesses  
October 2016**





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## INTRODUCTION

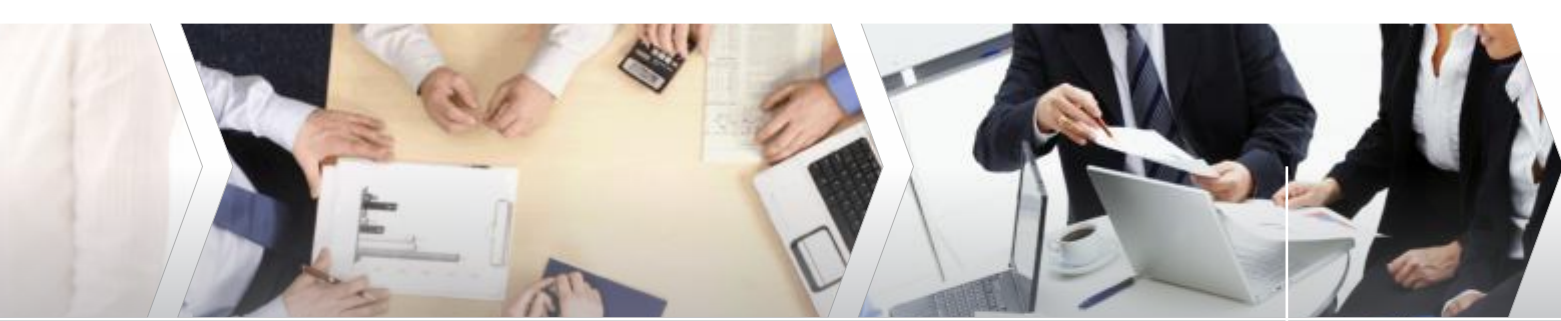
Accountants are the number one trusted business advisor for their clients. Having proper systems and processes in place are essential to ensuring that they are providing their clients the best possible service and the most value. Effectively managed practices combined with a strong network of professional staff and managers will give accountants the absolute assurance and confidence to offer engagements of higher commercial complexity.

By becoming a Member Partner with Horwood HQ, you and your clients are tapping into a vast resource of knowledge, top facilities, and technical support.

Join HQ today and transform your practice:

- Operate at optimum efficiency by using Horwood's quality management system framework
- Expand your client base, and offer your clients more valuable services
- Enhance your work/life balance
- Manage your practice revenue and client base anywhere using the Horwood cloud platform
- Gain uninterrupted access to corporate facilities and innovative services
- Reduce your administration and cash-flow pains
- Be in control, build a sustainable growing business and enjoy a more rewarding professional life





# WISH LIST

## Work Less

HQ brings a holistic service, covering everything A to Z - from receipts and lodgement, to servicing clients of the Member Partners. HQ will assume responsibility for all client services right up to business managerial level.

Day-to-day administrative activities:

- Quoting for jobs, initial engagement and processing of engagements.
- Invoicing clients, processing payments and banking
- Reconciling payments to Member Partners
- Providing general executive assistance to Member Partners
- All administration including reporting to Member Partners

Managerial activities:

- Corresponding with clients, client meetings, and client sign off
- Completion of checklist paperwork and sending invoices
- Management review
- Partner signoff

Member Partners will only need to look after client relationships and higher level advice.

## No More Headaches

HQ takes away the pains and headaches in managing the business's own accounting clutter. These include:

- Assuming responsibilities regarding overheads, and ongoing tax administration
- Business obligations in bookkeeping, staff super, payroll, PAYG withholdings, and wage reviews
- Operational maintenance with software licensing, IT systems, office equipment, tracking stationary, and expenses
- Client invoicing and administrative support





## Earn More

HQ offers Member Partners greater scope and freedom to earn more. Our instantaneous payment system also provides Members a sense of certainty about their earnings.

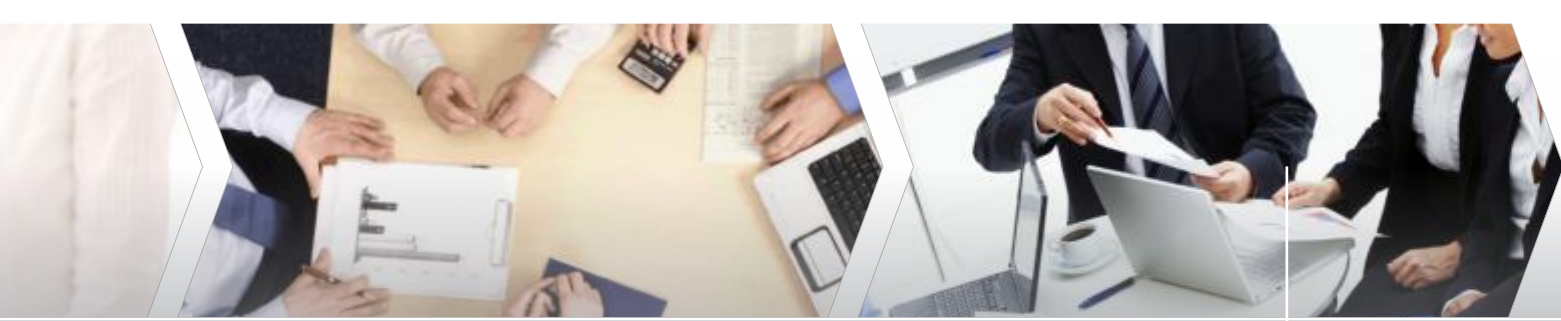
All deposits from clients payments are immediately processed and Member Partners will receive a transfer of 30% of the fee (less any third party costs or disbursements) to their accounts, once a month.

Member Partners also enjoy the absence of any servicing or facility costs, the largest three being rent, staff wages, and super. With drastically reduced overheads, Members can keep the majority of their 30% margin intact and in their pockets.

With HQ's solid professional network and streamlined operations working to support the business, Member Partners will be afforded a greater temporal and financial capacity to build their clientele, and procure even more earning opportunities to grow their business.

## Option To Retain And Build Your Own Brand/Business Identity

Member Partners have the option to retain their own practice identity and brand. With the only exception of having our certified logo as part of any presentation, the Member Partner may introduce to their clients all the facilities and staff as they were of their own. All staff and management will present to clients as belonging to (or servicing) under the Member's practice.



## Attract Higher Paying Clients

Big business clients require a legion of professional support for their accounting needs. They are often accustomed to the complete package of services and resources. This is where Horwood HQ steps in. From the modern aesthetics of our professional office facilities to the depth of our technical knowledge, we can help our Member Partners cater for larger and more demanding clients with our resources at their disposal.

HQ currently has 2 premium office locations in Parramatta and Sydney CBD. Our offices are custom designed and ergonomically fitted to be comfortable and professional in its appeal. They are well resourced to serve all levels of clients. Both offices have state-of-the-art multi-screen signage displays and are synced to the appointments of the Member Partner to display their brand and business identity.

HQ provides 20+ full-time staff and personnel who possess a spectrum of experience and expertise to cater for clients. Professional managers are qualified and experienced CA members and our staff is 100% supported in all their continuing education and professional development. This ensures our HQ team is one step ahead, ready to deliver relevant and timely professional services.

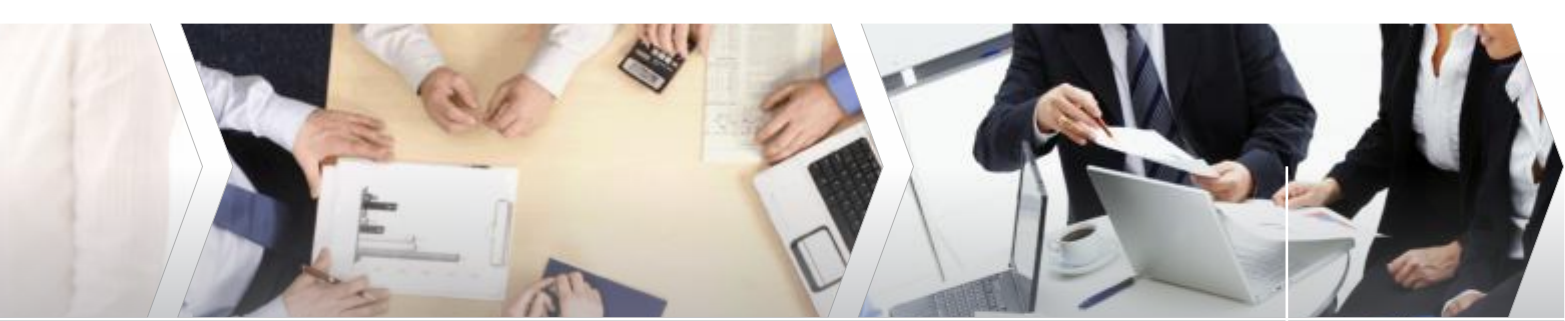


Unlike many large accounting firms, the team at HQ places great importance in providing maximum accessibility to clients and take pride in minimising turnaround time for client requests. Their dedication to client assistance and consistency of delivery will earn you the undisputed trust and loyalty of your clients.

In addition to an exceptional team, HQ is also strategically partnered with Gooesoft software company. This development team has produced some of the best practice management software for Horwood as well as popular tailored digital platforms for clients' use through our Business Compass Program (please see page 8 for details).

Armed with outstanding office space and facilities, an unparalleled HQ personnel team, and cutting edge info-technology, Member Partners can engage and respond to the demands of their high-tier business clients with the utmost confidence.





## Gain More Quality Time And Freedom

With everything else being taken care of, we expect the Member Partners to gain much more quality time, free of worries and hassles, and simply focus on being a professional partner.

The Member will also enjoy the added mobility of taking their office wherever they wish. With Horwood Cloud, every Member Partner will be able to access their own private practice space (portal) and Horwood Display Program via the internet.

The Horwood Display Program provides a dashboard view of their own practice's activity and performance. Everything from clients' jobs, activities outstanding, and work in progress, to monitoring who is managing and processing the job, and the value of each job. Member Partners are able to access their entire business via their mobile device.

Horwood Cloud grants you the freedom to choose where you want to work, when you want to work - whether it's at the office or enjoying the outdoors.



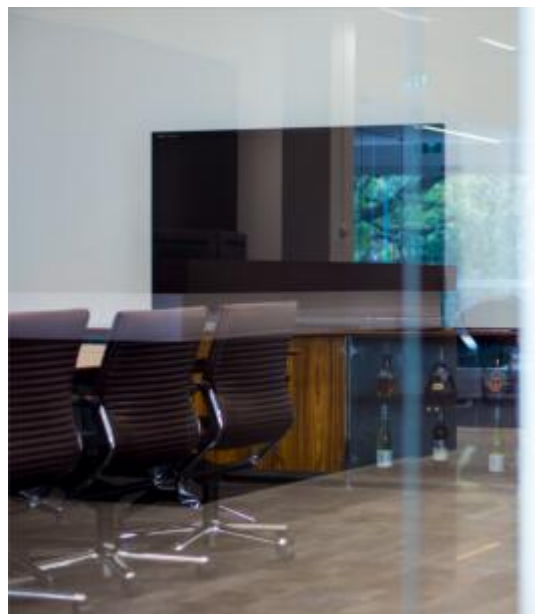
## IMPROVE YOUR CLIENT BASE

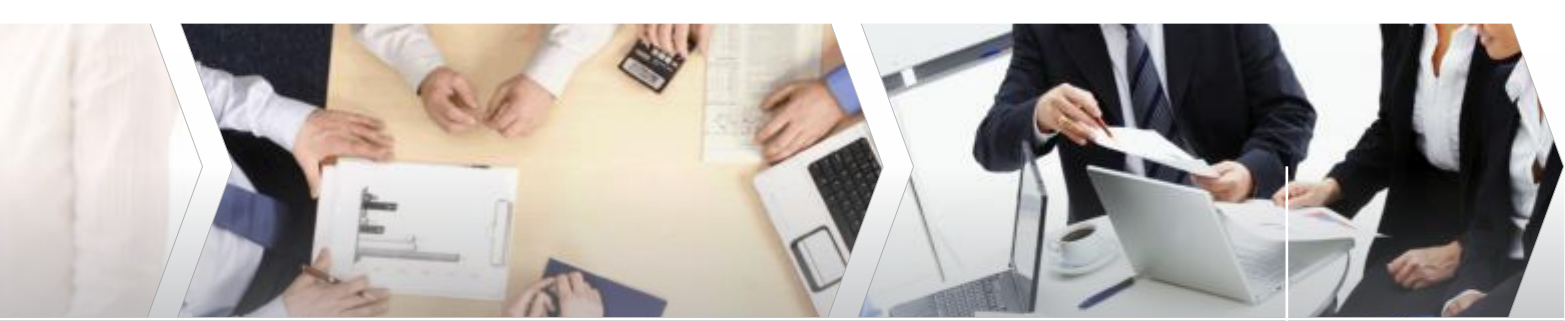
### Innovation In Services

HQ supports the ongoing growth of our Member Partners' business by offering a range of unique and comprehensive services. All these services have been designed with the client in mind, to ultimately offer a level of unsurpassed quality, value, and timely delivery.

### Priority One

Priority One consolidates business and financial management of client operation, so that the business owners can invest their time being the CEO of their company, not the bookkeeper. Priority One is a market leading business service which supports all aspects of business operations. This centralised financial management system serves to maximise the value of the data collected in reports, to build greater efficacy into your business operations. Priority One is essentially a 3 in 1 service: bookkeeping; compliance management; and executive assistance.





## GOC Exchange

GOC Exchange is an expense processing platform that offers comprehensive reporting to help streamline client's payments and processing, reducing the need for data entry. It also integrates with accounting software to reduce the effort in bookkeeping. A GOC facility will:

- Act as a virtual accounting department, files and schedules all your payments using automated type recognition technology - no data entry required
- Ensure all invoices are paid within 24 hours of the due date
- Provide live updates of your account balances and a calendar to keep track of outgoings
- Collate useful reports to gain a CEO view of your business operations





## Innovation in Services

### Horwood Display

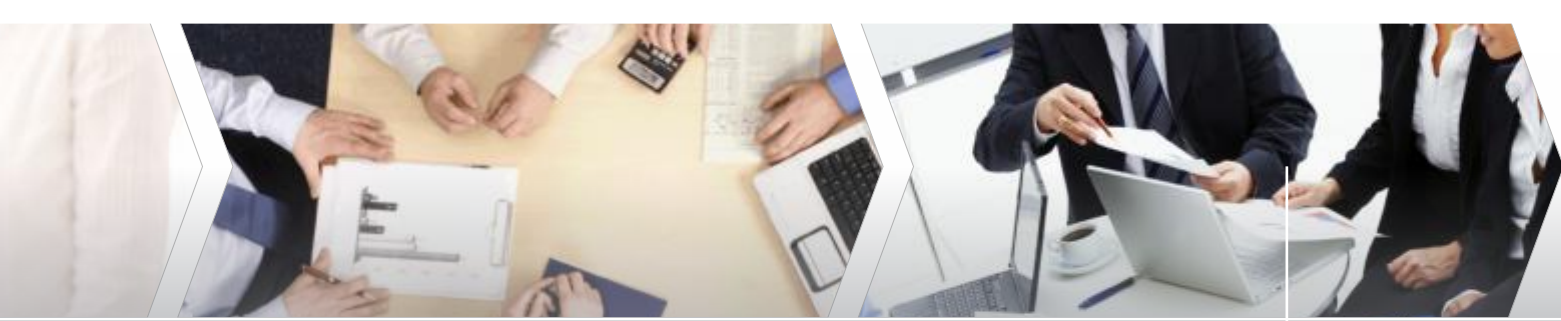
Horwood Display is a cloud based practice management platform specifically designed for accountants. The platform gives you the ability to manage your practice and clients anywhere, anytime, using a mobile device:

- Manage all your jobs - job details and job history
- View work in progress, their statuses, and assign tasks to staff members
- Monitor invoicing and billing
- Give clients access to the portal to share job progress
- Message and send notifications to clients

### Horwood HQ Advisory App

The Horwood HQ Advisory app is a client's companion, downloaded and used on their mobile phone. It allows clients and users to ask questions or browse the knowledgebase for answers to any array of business related activity.

Our Members have used the app to provide instant advice and support to their clients. It can be white-labelled and customised to your requirements. The App is also an invaluable source for generating new client leads.



## Larger Network of Professional Support

HQ provides opportunities to our Member Partners to network and share their knowledge and experience with other professionals. The collaboration yields cross referral of services and help expand businesses.

HQ is strategically aligned with Horwood Partners, a team of 15+ professional staff and 5 Partners all possessing vast experience in a range of professional areas/industries. Our Member Partners are encouraged to leverage off their knowledge and expertise. Other affiliated professionals include legal, financial planning, and auditing services.

## Professional Facilities

HQ Lobbies are modern office facilities with meeting rooms, business lounges, conferencing facilities, and Wi-Fi access. It is designed to be a business hub - a meeting place for businesses. Member Partners can use these facilities to upscale their presentation and cater for high-tier clients. Please see page 3 regarding our facilities offering for high-tier clients.

Currently, HQ Lobby is located at Parramatta and Sydney CBD. HQ Lobby will be expanding to other cities and become available to our Members outside of Sydney.

## Auto-Pilot Your Practice

Member Partners have the advantage of growing their business independent of their interaction. Our professional staff will not only service clients requirements but also actively seek further servicing opportunities from clients.





# INNOVATION IN WORK LIFE

## Technology

At HQ, we place immense emphasis on technology to help give our Member Partners greater mobility and improved productivity. We achieve this by leveraging enterprise grade applications and IT infrastructure to ensure the highest level of security. Through innovation and our commitment to deliver the highest standards in best practices, HQ is proud to offer our Member Partners a platform which they will find enjoyable and useful to use.

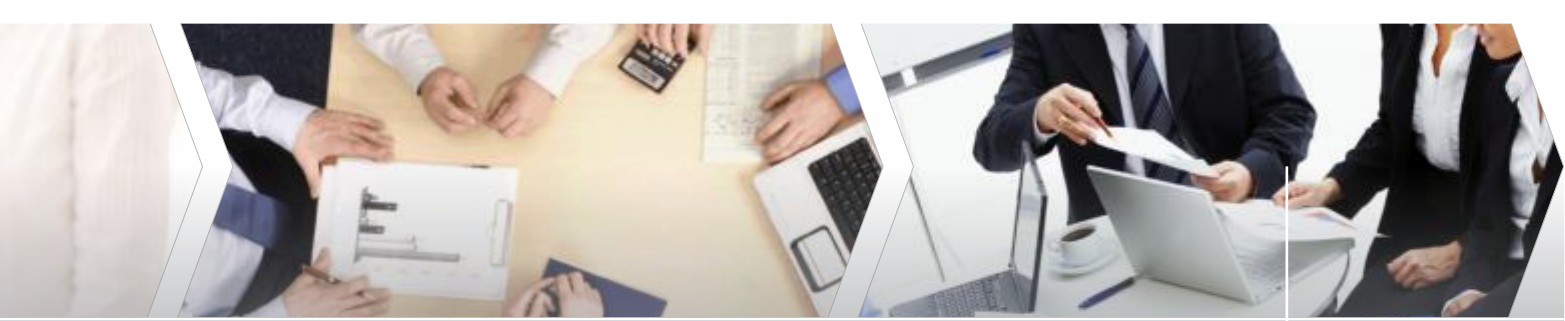
### Horwood Cloud

Member Partners can enjoy a virtual office at their fingertips. Using Remote Desktop technology and the internet, this mobile desktop gives Members access to all their emails, files and software on any device. This environment is secure and backups are performed regularly and seamlessly, giving Members peace of mind and business continuity.

### Horwood Display

Let our professional staff handle all the work and provide you with updates once it's completed. With one icon on the mobile phone, our Members will be able to harness a birds eye view of work in progress and all information required to deal with their clients.





## Zero Business Administration

Part of the pain of running any business is the administration. With Managed Certified Membership, our Members will be able to eliminate all this:

- Zero rent/facility maintenance worries
- Zero staff handling and headaches
- Zero administration and processing
- Absolutely zero hackwork

## Earn As You Go (EAYG)

Managed Certified Membership takes away the stress of cash flow management by providing an upfront payment arrangement for our Members. This means that our Members get to earn as soon as the clients pay, without having to wait until the end of the month.





## FORWARD THINKING

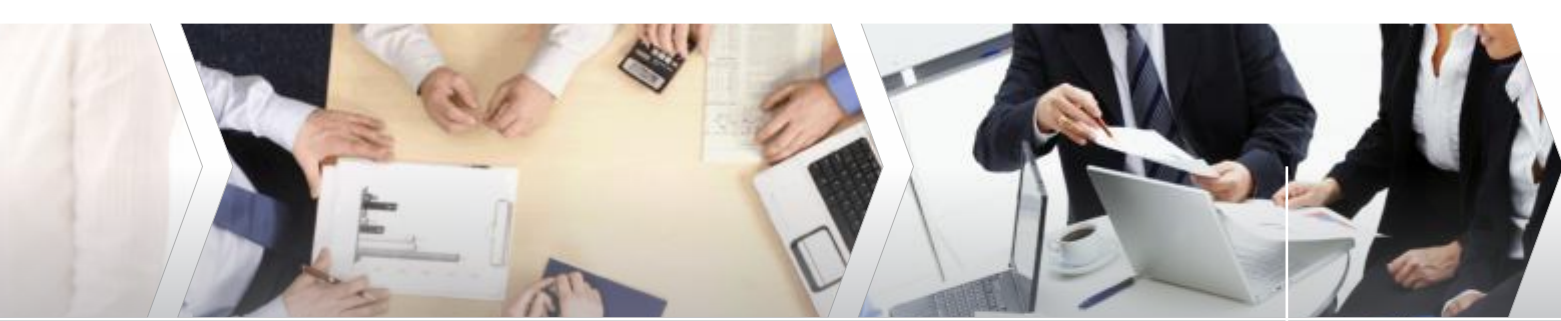
### Business Compass Program

The Business Compass Program is a service offered to SME's, including accounting practices. It is a business systems review and administration consulting service dedicated to helping companies that require restructuring or are in the growth phase of their business cycle. It is common for businesses to struggle with every day operational pains that prevent them from achieving growth.

The Business Compass Program begin by engaging a team of professional managers and business engineers who analyse your business operation and map out the "engine room", the flow of the internal processes. Based on this map of core processes, Horwood HQ will then execute customised solutions:

- Ensuring the right IT systems, communication systems, and security are used (e.g. business continuity, disaster recovery)
- Solutions for corporate compliance (e.g. ASIC, ATO, OSR) - training personnel, auditing, and implementation of best practices
- Recommendations for accounting and practice management, booking keeping, administration systems, expense processing, and general office productivity
- Tools for correct management reporting and financial transparency

By equipping your business with effective and streamlined practices, Business Compass Program can eliminate operational pains and accelerate organisational growth.



## Your Exit Strategy

Managed Certified Membership has the added value of being able to plan an exit strategy from day one.

Members have the option to maintain their existing business structure, and earn profit without the headaches. However, Horwood HQ offers the added opportunity to de-risk, by selling part (or all) of their client base at any time to Horwood HQ.

## Plug-In Plug-Out

This unique system has been designed to facilitate smooth entry and exit at a low cost. It also give the Members the flexibility to keep their existing business structure or a virtual practice (skeleton structure) while maintaining control of their client base.

Members are free to detach from HQ with 14 days' notice, and after completing the arrangements.

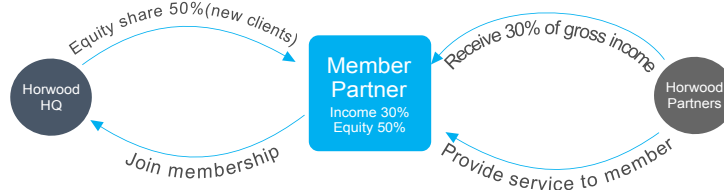


# ARRANGEMENTS

There are 2 types of membership arrangements at Horwood HQ.

## Type A - Member Partner

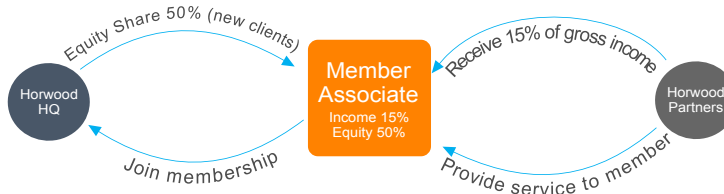
The Member Partner arrangement is designed for accounting firms who wish to keep their business identity, and prefer lodgement using their own Tax Agent number.



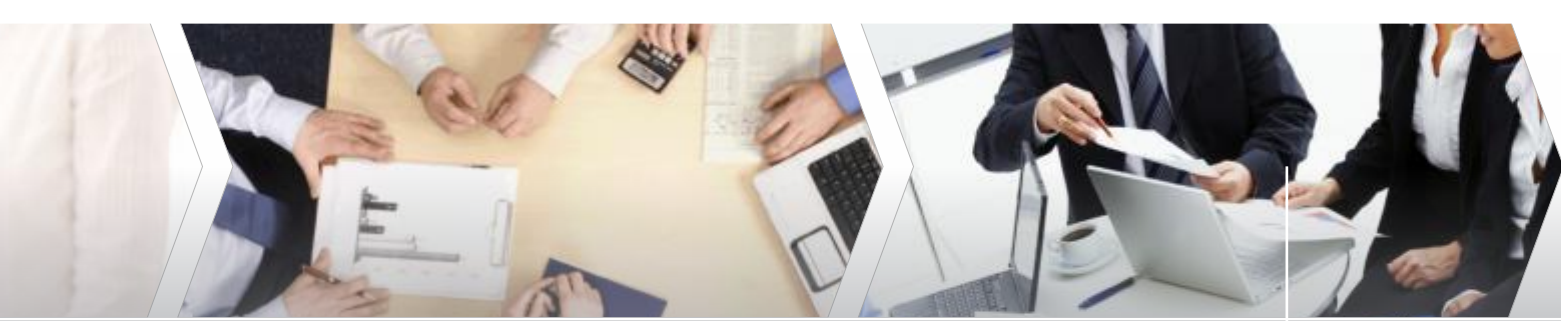
New clients	Members share 50% of the equity with Horwood HQ
Existing clients	Members keep 100% of their existing client base in equity, but can choose to sell the fee base to Horwood HQ at any time (please see section on Exit Strategy)
Revenue share	Members will receive 30% of all revenue generated from client services (paid monthly)

## Type B - Member Associate

The Member Associate arrangement is designed for individual accountants who would like to join the Horwood HQ lodgement program.







## Fees & Charges

First year (grace period)	\$5000 membership fee which is refundable to cover the administration and setup. Once Member reaches a threshold of \$50,000 (managed by HQ), this fee will be refunded.
Exit equity calculation	Should Member Partners wish to leave, calculation on equity will be based on the previous 12 months billing.  Members can either choose to keep or sell any of their client base back to HQ based on the same formula

HQ offers flexibility when it comes to client relationships and selection of services:

- Members should still maintain their relationship with their clients, but all other functions will be handled by HQ (this includes but is not limited to processing, administration, billing and support).
- All Members are welcome to utilise our office space for client meetings and work. There is full access to office facilities (computer, phone, internet, kitchen, photocopier, and fax) and stationery. We have free Wi-Fi for Members and clients at all our facilities.
- Members can authorise Horwood HQ to perform any other value added services on their behalf e.g. business advisory, Business Compass Program.
- Members can choose to grow their client base with auto-pilot. Horwood HQ will help to continue growing the Member's client base.



## Examples

John joins HQ as a Member Partner with an existing fee base of \$200,000. After 3 years, his fee base increase to \$350,000.

### Scenario 1 - Retiring

John decides to retire, and sell his entire client base back to HQ. The exit equity calculation is as follows:

Increase in equity since joining = \$150,000 (\$350,000 - \$200,000)  
John is entitled to 50% of the increased equity = \$75,000

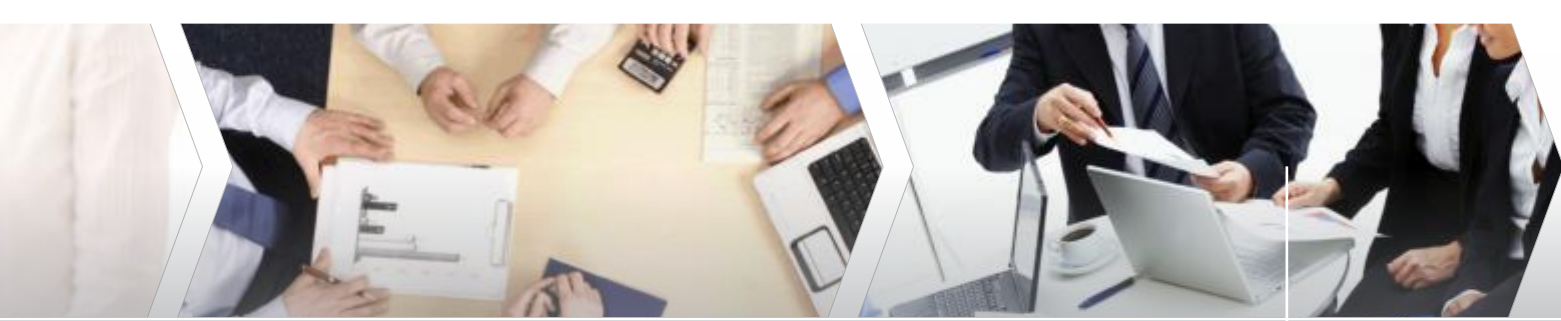
John may sell the entire practice to HQ for \$275,000 (\$75,000 + \$200,000), assuming market value is \$1 = \$1 fee

### Scenario 2 - Leaving Membership

John would like to unplug, and leave the membership whilst keeping all of his fee base. The exit equity calculation is as follows:

Increase in equity since joining = \$150,000 (\$350,000 - \$200,000)  
John is entitled to 50% of the increased equity = \$75,000

John pays HQ \$75,000 (50% of \$150,000) in order to exit with all the clients



## Horwood HQ is set to transform the Australian accounting industry

The Horwood HQ management team has 50+ years of combined business experience across all facets of the accounting industry. We recognise there have been inefficiencies in the way accounting practices are run, and seized the opportunity to change this. In striving to create the ultimate working lifestyle, we have invested in state-of-the-art IT infrastructure and operational management systems for our professional partners and HQ Member Partners.

Horwood HQ is not only geared to cope with the ever-changing business environment but aims to exceed our client's expectations every time.

We look forward to sharing this exciting journey with you.





## Horwood HQ

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