CARISMA SOLUTIONS

RK Rogerson Kenny BUSINESS ACCOUNTANTS

JOB STANDARDS CARIMSA

Melbourne Visit July 2024

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ABSTRACT

- Job management is the responsibility of the team member to whom the job has been allocated, this includes regular follow-up/ communication with RK.
- All assets and liabilities in Financials need to have third party confirmation.
- All key items in Profit and loss must be supported by either workpapers or third-party documentation.
- Job status in XPM/FYI/Planner/Trello needs to be updated daily.
- Before raising queries for a job with RK, the job needs to be processed so that nothing can be done without additional information.
- Please ensure that only the RK template is used for processing the job.
- Any queries should be clearly articulated and supported with relevant details to ensure better understanding. It's important to differentiate between internal queries and those that can be shared with the end client.
- Completing timesheets is mandatory and work should be carried out within the allocated budget. If there are any unexpected situations, we can request a budget increase.
- The turnaround policy should be adhered to.

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Team-Lydiana

Purpose

1. To establish a standard for the jobs coming in for review and ensure that all team members are clear about their responsibilities.
2. In case of a deviation at any point in time, this document can be referred to by anyone in the team to understand what went wrong
3. This document is meant to undergo constant improvement, and this can be done as a group in a meeting.
4. The next review of these documents will be on September 30, 2024.

Job Flow

1. We can prepare a document request checklist based on the RK's manager's request and submit to RK manager.
2. Once information is received and engagement is signed the team will be notified.
3. The team will process the job and if required send us the queries for the job if there is no sufficient documents are not available.
4. All queries and final output will be vetted by the Chennai reviewer/manager.

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RK's Standards and Expectations

1. All the jobs are allocated need to check if that is a Group Job – Group Job means that all entities listed in the group in XPM need to be treated as a Group and are being looked at.

2. The team member to whom the job has been allocated is responsible for the management of the job from start to finish.
   This includes but is not limited to:

a. Ensuring that all information is available to them before they process the job. If not, then contact RK team to confirm the next step.

b. Follow up on queries once a week at a minimum. -This needs to be done separately for each job.

c. Ensuring that all the information provided by the client has been accounted for.

d. Changing the Job Status Regularly, XPM and FYI(My task)

e. If the job is not reviewed within a week then email following up with RK on an update.

f. Ensuring that the job has been finished within RK's recommended time frame.

i. Annual Compliance job (Refer TAT sheet).

ii. Individual ITRS 1 (Refer TAT sheet).

3. Extract the Trial Balance and check the each and every account and highlight in yellow if there is no issue. Highlight in red if there is an Issue.

4. Journal can be posted in XERO if need adjustment and crate one JNL

5. Prepare separate pdf/excel workpapers as follows.

- 1 All Balance sheet items.
- 2 Profit and loss statement based on the RK's checklist.
- 3 Significant variance - more than 25%.

6. Prepare control sheet and complete the following

1.Budget

2-YE Chkl

3-YE Review

4-YE Queries

5-Tax Summary

7. Queries can be drafted in excel - control sheet and same can be copy and paste and sent to RK- manager through email. It should segregated as Internal queries (Queries to be asked with Lydiana & Anna Sun, and Client queries which need to be sent to client).

8. Please use the template from the PY file or can be collected from a knowledge-FYI (GST reconciliation template, Division 7A template etc.)

9. RK's Checklist must be completed before sending a query.

10. One single adjusting journal to be posted by combining all the journals

11 All tax returns are completed error-free and Pre-lodge is done before placing the job for review with RK.

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12 These documents can be stapled in FYI.

1 FS

2 TR

3 TB

4 Control sheet

5 Other report that need to send to client like- trust distribution minute Beneficiary account and dividend minute etc.

13 WP Export from last year and put in the current year what is required.

1 Fixed assets

2 Beneficiary account

3 inter entity loan account

4 Hire purchase

5 Prepayment

14 Any Bank Loan or Hire Purchase make loan commitment schedule. In the consult meeting we run through the finance schedule and ask them if they want us to compare to current rates etc run through Ryan Donovan.

15 Superannuation balances to note on 2024 Tax Summary. Gives us a discussion point to add with our client consult meeting.

16 Monthly schedule training and review of delivery for the Chennai manager

Task to be completed within 24 hours of the job being Allocated.

1 Ensure that all the software access has been provided for each entity that has a software subscription.

2 Ensure that all the information received before processing the job or inform immediately.

3 Ensure that all the transactions (in the respective software) for the financial year in the bank accounts have been reconciled. Nothing is sitting in the in-tray or is not reconciled.

4 Ensure that if the job is coming back to the team member after the query stage, then the respective team member checks to ensure that all the queries have been answered fully and satisfactorily. If not, the team member needs to come back to RK either.

a. to clarify the response or
b. to notify the missing document from the earlier request or
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Task once the job is ready to be started

1 Review the prior year Jobs work papers and understand the main issues in the job and queries raised along with their responses (not spending more than 15 -30 min per job) Make sure the bank account balance on 30th June matches with the Bank/ Credit Statement on 30th June.

2 Make sure that All Assets and liabilities have Third-party documentation to support the closing balance along with teamwork.

3 Ensure that all the accounts in the Profit and loss account, with either significant variation or that must be declared with ATO separately or that can be verified internally have a third-party document and/or Supporting working. Note: It is important to ensure that team members ask all the relevant questions in the first query as we would like to minimise the query email sent to the client. (Max 2 query email for a job)

4 The query sheet should include all the entities in the group even if there are no queries in the entity. If there are no queries for an entity in a group, then it should be mentioned clearly that there are no queries.

5 If there are any further queries based on the response received from the above query all the steps in the above step need to be performed.

6 We need to prepare FS and TR once all the query resolved.

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7 When formatting an Annual Financial Statement (AFS) items need to be kept in mind:

A Financial should also include Tax Reconciliation, Tax Depreciation schedule.

B Director name must be As per ASIC.

C P/L and Balance sheet need to be maintained in Alphabetical order.

(i) Use capital for start of word - for example: Motor Vehicle Expenses

(ii) Use & instead of ''and'' - for example Salary & Wages, Repair & Maintenance

(iii) For notes - if it is one account only, there is no need for Notes, instead show in the Balance Sheet

D All total figures from one schedule should match all other schedules.

E e.g. Totals in the balance sheet should match the total in notes to financial

F Numbering of the notes in the balance sheet should be in ascending order.

G The Balance Sheet should be as concise as possible

H No suspense account in the client file once the job is ready for review

I The taxable in company/Trust/Partnership tax return should match the relevant figures in Tax reconciliation.

J Dividend statements to be sent with every job.

k Division 7A Loans - Lawpath Agreements prepared and sent out for signing with tax pack.

8 if the entity has motor vehicle (cars) check if FBT return has been prepared. If it hasn’t, raised it with RK

9 Check trust resolution - is the distributions % still applicable or need to be updated

Job processes individual Income tax return

1 Review the prior year's Jobs and deductions the client has claimed in the Tax returns.

2 The cover page of the return needs to be carefully filled out.

3 Use the previous year template and make necessary changes

4 The details/workings of each deduction are included in the description of the Item.

5 Save document in FYI as follows PBC- which means it is provided by client. CSW- which means it is prepared within by the Carisma.

6 Summary page must be complete.

7 Link to the documents from FYI.

8 Rental property- put the comparative in the excel workings- refer the last year template.

9 Ensure that if there is no private health cover in the financial year for the client the Medicare levy surcharge is updated to say the number of days except is ‘0’.

Xero Workpaper Specific Instructions

We need to prepare the Xero workpapers - just import the TB and tick the items-no need to attach the WP and RK- managers are using Xero workpapers to write the review points (Lydiana).

The offshore reviewer must hit the refresh button in the Xero workpaper when they receive the job from the team member.

Third-Party Documents (Group Jobs and Individual Jobs)

1. Bank Statement / Credit card Statement on 30th of June.

2. External/Internal Bookkeeper Confirmation in an Email

3. Client Confirmation in an email

4. Respective screenshot from Client Workings

5. RK Confirmation in Teams or Email or File note

6. Purchase Settlement statement if the asset is a property.

7. ATO reports from the TAX agent portal.

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8. ASIC profile summary

9. ASIC invoice

10. HP/ Loan Contracts

11. ATO rulings/ Case Laws

12. Share/Crypto Portfolio Report

13. Signed Div 7A Loan Agreement

14. Signed Trust Distribution Minutes

15. Signed Share Certificate

16. Signed S290 Form for SMSF Internal client.

17. Acknowledgement of Super contribution to industry Super

18. Payroll Tax Report

19. Inter-entity loan – GL from the other entity

20. Valid Logbook

21. Invoices for payments

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Permanent Documents for an Entity

1 Trust Deed

2 Company Constitution

3 Share Certificates

4 DIV 7A Loan agreements

5 HP Schedule

6 Any Loan Agreements

7 On lend Agreements

8 Unit Certificates

9 Unit/Share Holding Table

10 Asset Purchase documentations

a. Purchase settlement and Contract for land, property purchase.

b. Tax Invoices

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Next Year Checklist Requirements (optional)

1. The Checklist need to be completed and constantly revised during the Job
2. Needs to include all the entities in the Group
3. The checklist needs to be personalised to the group.

   Means:

   A. Bank/ Credit card account statement request needed to include which bank and last 4 digits of the account (BOQXXX1234, CBA XXX1234) and the period the statement is required for.

   B. Individual deductions queries need to include the deductions claimed in the prior year and that may repeat.

   C. If last year's superannuation is claimed, then query for Acknowledgement from the superfund.

   D. Any Insurance documents needed for next year (Assume it will be provided by the same provider as last year)

   E. Motor vehicle deductions documentation request needs to be itemized for each vehicle.

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Software Available

1. Xero Practise Manager – Job management and Tax Lodgements
2. My Xero – Maintaining Client files and preparing Annual Financial Statements.
3. Xero Workpapers – Maintaining Workpapers for Financial statements.
4. company related needs.
5. Tax Agent portal – Client’s tax Management.
6. FYI – Client document management
7. Office 365
8. Hero app for hire purchase
9. Lawpath Agreements - Division 7A Loans and dividend minutes
10. NTAA for FBT calculation - but FBT return is lodged on xpm

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Budget

1. Budget given in the XPM
2. Ask budgeted hours if not provided
3. We can create job if job not already created- you can refer the last year job creation.
4. XPM - Green Xero - Put estimated hours for processing and reviewing etc in the job tasks.
5. Accountant time can be put under the processing and Reviewer time can put it under the reviewer.

Job Assignment

Job will be assigned Via email and tasked on FYI Due date is shown on FYI task. Please advise Lydiana is the job will not be able to be completed on time because client meeting to wrap up year end has been booked when the job is in

Trello/planner- access can be provided to manage the workflow.

Change the job status at XPM and FYI on daily basis.

Plan for the day and status for the day email need to send email.

Team-George

Purpose

1. To establish a standard for the jobs coming in for review and ensure that all team members are clear about their responsibilities.
2. In case of a deviation at any point in time, this document can be referred to by the Chennai team and RK team.
3. This document is meant to undergo constant improvement, and this can be done as a group in a meeting.
4. The next review of these documents will be on September 30, 2024.

Job Flow

1. "CS" can prepare a document request checklist based on the RK's manager's request and submit to RK manager.
2. Once information is received and engagement is signed the team will be notified.
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This includes but is not limited to:

a. Ensuring that all information is available to them before they process the job. If not, then contact RK team to confirm the next step.

b. If queries are not responded to within one week then follow up on queries once a week at a minimum during the weekly meeting.

c. Ensuring that all the information provided by the client has been accounted for.

d. Changing the Job Status Regularly, XPM and FYI.

e. If the job is not reviewed within a week then email following up with RK on an update.

f. Ensuring that the job has been finished within RK's recommended time frame.

i. Annual Compliance job (Refer TAT sheet).

ii. Individual ITRS 1 (Refer TAT sheet).

3. Extract the Trial Balance and check the each and every account and highlight in yellow if there is no issue. Highlight in red if there is an Issue.

4. Journal can be posted if there a bank transaction or net movements from other software.

5. One JNL can be posted if there are any adjustment entries required.

6. Prepare control sheet and complete the following

1 All Balance sheet items.

2 Profit and loss statement based on the RK's checklist.

3 Significant variance - more than 25%.

7. Prepare control sheet and complete the following 8. Please use the template from the PY file or can be collected from a knowledge-FYI (GST reconciliation template, Division 7A template etc.)

2-YE Chkl

3-YE Queries

5-Tax Summary

6-Compilation Details

8. Queries can be drafted in excel - control sheet and same can be copy and paste and sent to RK- manager through email. It should segregated as Internal queries (Queries to be asked with George and Client queries that need to be sent to the client).

9 Please use the template from the PY file or can be collected from a knowledge-FYI (GST reconciliation template, Division 7A template etc.)

10 RK's Checklist must be completed before sending a query.

11 All tax returns are completed error-free and Pre-lodge is done before placing the job for review with RK.

12. These documents can be stapled in FYI.

1. FS
2. TR
3. TB
4. Control Sheet
5. Other report that need to send to client like- trust distribution minute, Beneficiary account and dividend minute etc.

13. WP Export from last year and incorporated to the current year for processing.

1. Fixed assets
2. Beneficiary account
3. Inter entity loan account
4. Hire purchase
5. Prepayment

14. Please prepare RK's loan commitment scheduled (if they want us to compare to current rates etc run through Ryan Donovan.)

15. Superannuation balances to note on 2024 Tax Summary. Gives the RK manager the discussion point for client consult meeting.

16. Monthly schedule training and review of delivery for the Chennai manager

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B Director name must be As per ASIC.

C P/L and Balance sheet need to be maintained in Alphabetical order.

D All total figures from one schedule should match all other schedules. e.g. Totals in the balance sheet should match the total in notes to financials.

E Numbering of the notes in the balance sheet should be in ascending order.

F The Balance Sheet should be as concise as possible

G No suspense account in the client file once the job is ready for review

H The taxable in company/Trust/Partnership tax return should match the relevant figures in Tax reconciliation.

I Dividend statements to be sent with every job.

J Division 7A Loans - Lawpath Agreements prepared and sent out for signing with tax pack.

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Job processes individual Income tax return

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3. Client Confirmation in an email

4. Respective screenshot from Client Workings

5. RK Confirmation in Teams or Email or File note

6. Purchase Settlement statement if the asset is a property.

7. ATO reports from the TAX agent portal. a) Prefill Report b) ICA report c) ITA reports d) STP report e) Tax Summary

8. ASIC profile summary

9. ASIC invoice

10. HP/ Loan Contracts

11. ATO rulings/ Case Laws

12. Share/Crypto Portfolio Report

13. Signed Div 7A Loan Agreement

14. Signed Trust Distribution Minutes

15. Signed Share Certificate

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4 DIV 7A Loan agreements

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7 On lend Agreements

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9 Unit/Share Holding Table

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a. Purchase settlement and Contract for land, property purchase.

b. b. Tax Invoices

Next Year Checklist Requirements (optional)

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Budget Hours

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2. Ask budgeted hours if not provided
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4. XPM - Green Xero - Put estimated hours for processing and reviewing etc in the job tasks.

Job Assignment

Job will be assigned Via email.

Trello/planner- access can be provided to manage the workflow.

Change the job status at XPM.

Enter the budgeted hours in the XPM if George provided budgeted hours in the email.

Reporting & Other KPIs

Weekly meeting to discus workflow, planning for the next week

Daily email - plan for the day and update status at the end of the day

Weekly time sheet report and full team job status.

Team-Corey

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1. Review the prior year's Jobs and deductions the client has claimed in the Tax returns.

2. The cover page of the return needs to be carefully filled out.

3. Use the previous year template and make necessary changes

4. The details/workings of each deduction are included in the description of the Item.

5. Save document in FYI as follows PBC- which means it is provided by client. CSW- which means it is prepared within by the Carisma.

6. Summary page must be complete and match to ITR.

7. Link to the documents from FYI.

8. Rental property- put the comparative in the excel workings- refer the last year template.

9. Ensure that if there is no private health cover in the financial year for the client the Medicare levy surcharge is updated to say the number of days except is ‘0’.

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Xero Workpaper Specific Instructions

We need to prepare the Xero workpapers - just import the TB and tick the items-no need to attach the WP and RK- managers are using Xero workpapers to write the review points (Geroge).

The offshore reviewer must hit the refresh button in the Xero workpaper when they receive the job from the team member.

Third-Party Documents (Group Jobs and Individual Jobs)

1. Bank Statement / Credit card Statement on 30th of June.

2. External/Internal Bookkeeper Confirmation in an Email

3. Client Confirmation in an email

4. Respective screenshot from Client Workings

5. RK Confirmation in Teams or Email or File note

6. Purchase Settlement statement if the asset is a property.

7. ATO reports from the TAX agent portal. a) Prefill Report b) ICA report c) ITA reports d) STP report e) Tax Summary f)

8. ASIC profile summary

9. ASIC invoice

10. HP/ Loan Contracts

11. ATO rulings/ Case Laws

12. Share/Crypto Portfolio Report

13. Signed Div 7A Loan Agreement

14. Signed Trust Distribution Minutes

15. Signed Share Certificate

16. Signed S290 Form for SMSF Internal client.

17. Acknowledgement of Super contribution to industry Super

18. Payroll Tax Report

19. Inter-entity loan – GL from the other entity

20. Valid Logbook

21. Invoices for payments

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Permanent Documents for an Entity

1 Trust Deed

2 Company Constitution

3 Share Certificates

4 DIV 7A Loan agreements

5 HP Schedule

6 Any Loan Agreements

7 On lend Agreements

8 Unit Certificates

9 Unit/Share Holding Table

10 Asset Purchase documentations

a. Purchase settlement and Contract for land, property purchase.

b. Tax Invoices

Next Year Checklist Requirements (optional)

1. The Checklist need to be completed and constantly revised during the Job
2. Needs to include all the entities in the Group
3. The checklist needs to be personalised to the group.

   Means:

   A. Bank/ Credit card account statement request needed to include which bank and last 4 digits of the account (BOQXXX1234, CBA XXX1234) and the period the statement is required for.

   B. Individual deductions queries need to include the deductions claimed in the prior year and that may repeat.

   C. If last year's superannuation is claimed, then query for Acknowledgement from the superfund.

   D. Any Insurance documents needed for next year (Assume it will be provided by the same provider as last year)

   E. Motor vehicle deductions documentation request needs to be itemized for each vehicle.

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Software Available

1. Xero Practise Manager – Job management and Tax Lodgements
2. My Xero – Maintaining Client files and preparing Annual Financial Statements.
3. Xero Workpapers – Maintaining Workpapers for Financial statements.
4. Tax Agent portal – Client’s tax Management.
5. FYI – Client document management
6. Office 365
7. Hero app for hire purchase
8. Lawpath Agreements - Division 7A Loans and dividend minutes

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Budget Hours

1. Budget given in the XPM
2. Ask budgeted hours if not provided
3. We can create job if job not already created- you can refer the last year job creation.
4. XPM - Green Xero - enter estimated hours for processing and reviewing etc in the job tasks. Estimated % in the team channel

Job Assignment

Job will be assigned Via email.

Trello/planner- access can be provided to manage the workflow.

Change the job status at XPM first and FYI will automatically changed.

Reporting & Other KPIs

Weekly meeting to discus workflow, planning for the next week

Daily email - plan for the day and update status at the end of the day

Weekly time sheet report and full team job status.



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THANK YOU

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