

BankLink Best Practice Guide Australian Version

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FOREWORD

GST provides the Australian practice with the ideal platform from which to develop new services.

Technology such as BankLink allows great change to be effected in a minimum of time, and seamlessly. Not only is BankLink a natural accounting solution for the smaller business, it is also a powerful practice management resource.

The research available to the accounting profession tells us that clients need more than just compliance services from us. This we already know. Practices need the tools to deliver such services as efficiently and effectively as is possible.

Adopting BankLink will assist you in repositioning your practice so that business monitoring and development service becomes the recognised way of doing things. Over time, a minimum GST compliance service should evolve, with the completion of an accurate GST return simply being the by-product of a comprehensive but simple reporting package.

Failure to deliver such business management services will only leave the door open for other Financial Services based organisations hoping to develop the “one stop shop”

Technology such as BankLink will allow you to deliver these services professionally and efficiently. This ensures that the true winner of tax reform will be the client.

Viv Brownrigg
Te Puke, New Zealand
May 2000

SECTION 1 - BACKGROUND AND PERSPECTIVE

This resource guide was designed and written to complement the technical BankLink User Manual.

Whereas the BankLink User Manual focuses purely on the technical specifics of the software, this resource guide has an entirely different set of objectives in mind, that is: -

- To help practices to create a vision for how the compliance division of their operation will look once GST has been introduced. To help them to recategorise their clients and redefine the processes by which monthly or quarterly reporting will be delivered, in a way in which GST Return preparation becomes simply a by-product.
- To help practices spread that clear message to all members of the team, both present and future; in such a way that all team members live and breathe that vision. To ensure that new practice methodologies are applied consistently, 100% of the time.
- To assist practices in creating a business development division aimed at delivering affordable and meaningful business development services to the smaller business.

Our Practice before the Introduction of GST

Ours was the typical provincial practice. Five partners, lots of clients, plenty of compliance work to do, but little in the way of business development services on offer.

The vast majority of our clients brought their books in once a year. Quite a few of those clients, as I recall, delivered their records in shoeboxes and paper bags. Some might as well have tipped them out of their farm trailers at our front door, the care that had been taken in their presentation.

We saw most of our clients once per year, to review the annual financial statements and taxation returns. For a few clients we prepared six monthly or quarterly financials, and sometimes special purpose financials, but this certainly wasn't the norm. And yet we certainly seemed busy enough.

If we had categorised our clients according to record keeping systems, it would have looked something like this: -

<i>Client Record Keeping Systems-1986</i>	
Specialised Industry Specific Software	1%
Other Mainstream Software (e.g. Quickbooks, MYOB)	1%
Manual CashBook	5%
Shoebox (of varying quality)	93%

Vivienne Brownrigg, Chartered Accountants

Back in 1986 the computer technology used by the average NZ accounting firm was pretty crude when compared with today. We certainly didn't have the emphasis on systems and processes that is now taken for granted in any firm of reasonable standing.

Several factors may have contributed to a large number of NZ firms not proactively seeking the preparation of client GST returns. Our computer technology back then was at times cumbersome, and we doubted our ability to provide a computerised GST returns service to clients in a cost efficient manner.

Secondly, we couldn't see a lot of value in preparing manual GST returns for clients, unless those clients were unable to or expressed no interest in preparing their own GST returns. What useful management information could clients receive from a manually prepared return, apart from knowing their GST liability?

Thirdly, we were behind with our Income Tax compliance work. We simply weren't geared up to prepare several hundred GST returns every two months. Frankly, we didn't have the resources. We needed a GST return preparation division like we needed a hole in the head.

And so we as a firm did not proactively market GST return preparation services.

Now, some twelve years on, things couldn't be more different.

<i>Client Record Keeping Systems-1999</i>	
Specialised Industry Specific Software	1%
Other Mainstream Software (e.g. Quickbooks, MYOB)	5%
Manual CashBook	1%
BankLink (levels 1-5)	91%
Shoebox (of better quality)	2%

Vivienne Brownrigg, Chartered Accountants

How Our Systems Evolved Between 1986 and 1998

Back in 1995, fresh back from Boot Camp, we set some goals. Firstly, we would review and improve all our compliance services. We would systematise everything that we could, so that we could truly say that we were as efficient as we could possibly be. We would convert as many of our clients to our GST/Cashflow reporting service as was feasible.

The only clients that we would not target, would be those who were truly and successfully independent as regards management information systems and technology. When new clients came on board, at the initial interview we would explain that this was the way we did it here.

Our systematised GST/Cashflow reporting service would then become a conveyor belt from which to extract worthwhile business development projects. We would know instinctively, quite apart from our client selection processes, which clients would truly get most benefit from business development advice. We would develop systems so that the entire team could identify issues that required proactive advice, as those issues emerged.

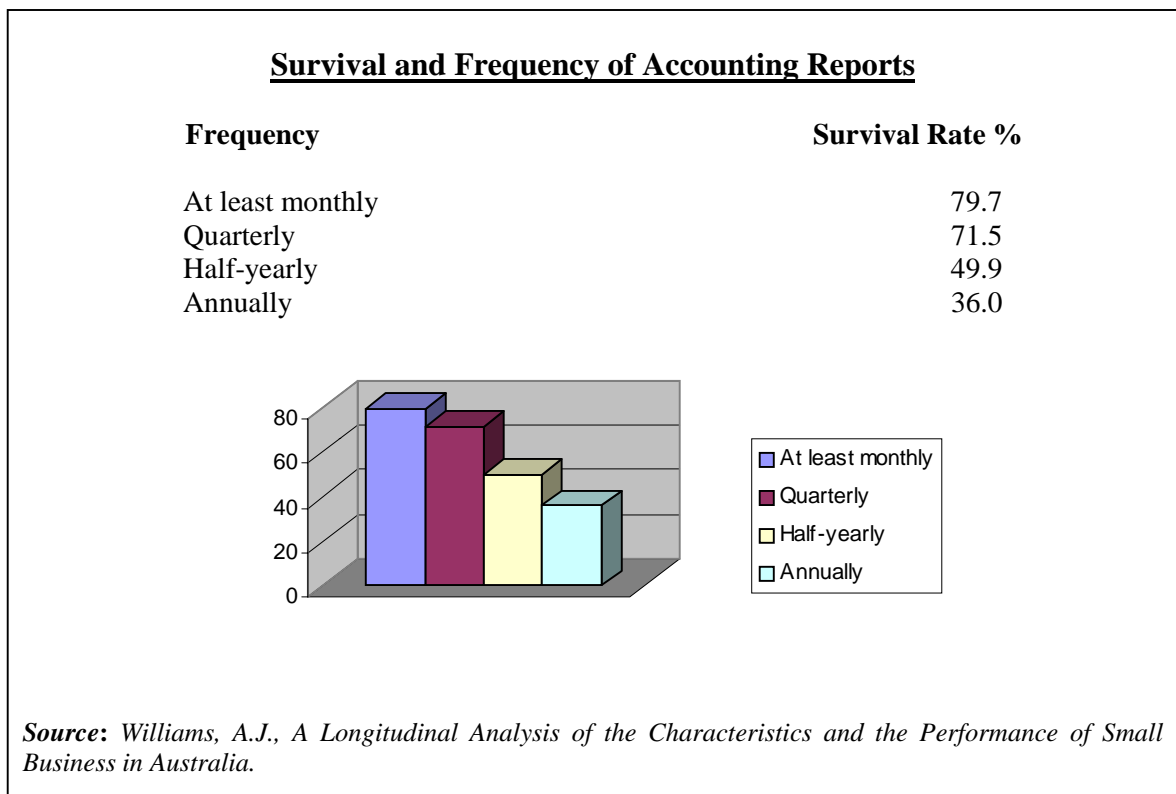
Producing clients' actual results monthly would give us credibility. Both our clients and we could see the results as they unfolded, and could truly assess the financial effects of new business strategies. We were not going to simply offer our clients business development services, without having some measure of accountability for the results.

By 31 March 1996, we had completely streamlined our compliance processes, in particular our GST/Cashflow reporting service. Over 75% of clients were now recipients of that service, and our practice manual was in draft form.

Since the launch of our GST/Cashflow reporting service, we had noticed a slightly different relationship emerging with many of our clients. Because we were visibly more proactive, and because we were positioning ourselves more as business partners, we were noticing a higher level of enquiry from them about their business performance. We had quite subtly repositioned ourselves in the minds of clients.

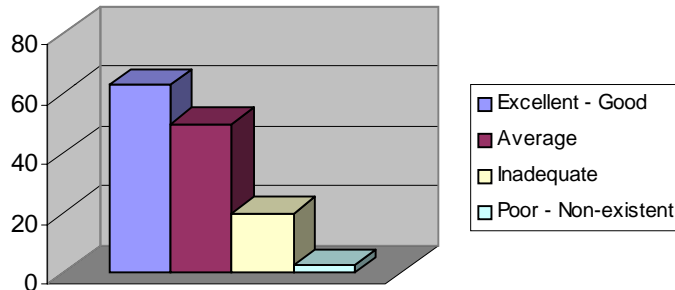
Much research has been conducted to prove the link between survival of small business and frequency of financial reports.

The following tables and graphs are a powerful reminder of that link. . . .



Survival and Adequacy of Accounting Records

Adequacy	Survival Rate %
Excellent-Good	63.0
Average	49.8
Inadequate	20.1
Poor-Non-existent	2.5



Source: Williams, A.J., A Longitudinal Analysis of the Characteristics and the Performance of Small Business in Australia.

Looking back, I am convinced that we made the right decisions, particularly as applies to the dependence versus independence debate, and having regard for our practice size and style. In the past year I've consulted to a number of practices that are struggling with implementation of successful business development services. They struggle for a variety of reasons.

In many firms there is no integration between compliance, management and business development services. There is also little in the way of systematisation of processes to help ensure a consistent outcome.

Some of these firms have created practices full of clients who are almost completely independent when it comes to GST/Management reporting requirements. That's fine. But here is the challenge. They have not necessarily created relationships that encourage the client to view their accounting professional as someone who not only can coach them in their business, but can also help them keep the score, while the game is being played.

These practices will have to develop new strategies to reposition themselves in this light, and that will not happen overnight.

Back in 1996 we thought we had done it. But as we know, any business must continually change and review its operating model to remain competitive. So in 1998, we completely reinvented our GST/Cashflow reporting service yet again. My team was initially sceptical. Things were working well. If it isn't broken, don't fix it, right? Wrong.

Why Change?

By the end of 1997, around 90% of our clients were recipients of the full GST/Cashflow reporting service. When I quote to you these statistics, I am specifically excluding simple investment and rental tax return clients. In fact, our success rate of clients targeted for this service was around 95%. Those clients not using the service were largely independent in this respect. They were getting similar management information from reliable computerised systems.

Around December 1997 we first started researching BankLink software. I visited a couple of practices that were delighted with the efficiencies this system was providing. Even though our GST/Cashflow reporting service was working well, we did have some frustrations and there was always room for improvement.

I'd been aware of BankLink for some time, but had not truly appreciated how relevant its use could be to our practice. I had been under the false impression that practices that used the software had instructed the majority of their clients to code their own transactions, a practice that I did not want to encourage. I believed, as I still do, that only around 15% of the clients in our practice would be truly capable of this.

SECTION 2 - BANKLINK FEATURES

Of the 1000 or so practices currently using BankLink, and as a result of my travels I estimate that only 10% of these practices are using all the features of the product to best advantage.

Why is this? There are many reasons, but the four most likely are: -

- **Because they don't have a vision for their Practice.** They haven't created a picture of what their preferred client accounting systems are, and then outlined an action plan to turn that ideal picture into reality.
- **Because they don't have well defined structured systems to ensure that the practice vision is adhered to.** And so people end up doing their own thing. One partner in a firm may fully embrace BankLink, whereas another may not.

New clients that come on board may not be shown the BankLink system on a consistent basis. And so, the practice supports a multitude of client accounting systems, some excellent, some average, some plain ugly.

In fact, there may not be any defined process to evaluate client accounting systems, and clients may be unaware that their particular system is inferior.

- **Because they don't properly train their people, all their people.** And so, over time, practice methodologies become diluted and weakened as people start to do their own thing.

Systems such as BankLink are easy to integrate into an accounting practice, once systems are defined, people are trained, and the initial set-up processes are complete.

- **Because they haven't properly trained their clients.** "Train them, don't blame them," a phrase you've all heard.

How many times do clients ask our advice on a piece of accounting software? Too often, we give our advice, but don't offer to be involved in the training process. And so our clients struggle on, sometimes obtaining advice from inappropriate sources. Is it so surprising that they get it wrong?

The Features and Issues within BankLink that are not Used to their Fullest by Accounting Practices

Client selection issues

Many practices do not apply BankLink across the board to all suitable clients. Over time percentages using the system decline, as systems don't exist to ensure new clients acquired are automatically introduced to BankLink.

BankLink should be used to eliminate all inferior accounting products and practices including: -

- **Manual Cashbooks**
- **Inferior Electronic Cashbooks**

Clients using reputable software may not be coping with that software. They either need retraining, or they need a new system. BankLink should always be considered as an alternative.

Bank account selection

Each bank account needs careful evaluation before linking to BankLink. There is no point in loading a savings account that has minimal or no activity. On the other hand, bank accounts, which contain regular transactions, should and must be linked. **Don't decide not to link accounts because of the BankLink charges. If you use BankLink wisely, you will recover these. BankLink causes you to address fundamental issues with your client, including wise use of Bank Accounts. We have always advised clients to maintain a private bank account, thus keeping their business transactions isolated in one Bank Account.**

Coding features

A minimum of 30% of transactions on average can be memorised (up to 80% and 90% is achievable). Client files need regular review to ensure this feature is maximised.

Client categorisation

BankLink can be operated on several levels, according to client bookkeeping abilities. Many practices don't fully appreciate this feature, and have failed to categorise their clients accordingly.

Report features

Many practices use BankLink, but don't extend their service to providing BankLink clients with a range of useful Management Reports, **across the board. Don't assume your clients won't want these reports. You don't have the right to make these blanket assumptions.** There is a greater perception of value if you provide these reports to clients. Why not decide on a mixture of reports applicable to all clients, and make that your minimum service?

Make GST reporting part of that minimum service and it will cost your client virtually nothing for GST Return preparation.

All levels within BankLink can receive useful Management Reports. Provide these reports even to lower levels, and you will encourage these clients to request additional services.

Business development services potential

Don't stop at providing a monthly or quarterly reporting service. Why not go a step further, and monitor these results as well. Develop checklists to identify opportunities and issues within small businesses, as they present themselves.

Potential for additional services

BankLink assists you in delivering other worthwhile services quickly and efficiently. Incredibly, many practices either fail to recognise this potential, or simply have not built these services into their minimum service to small business clients. In our practice, the following services are automatically provided. This has added considerable value to our service levels and in many cases has helped to prevent business failure.

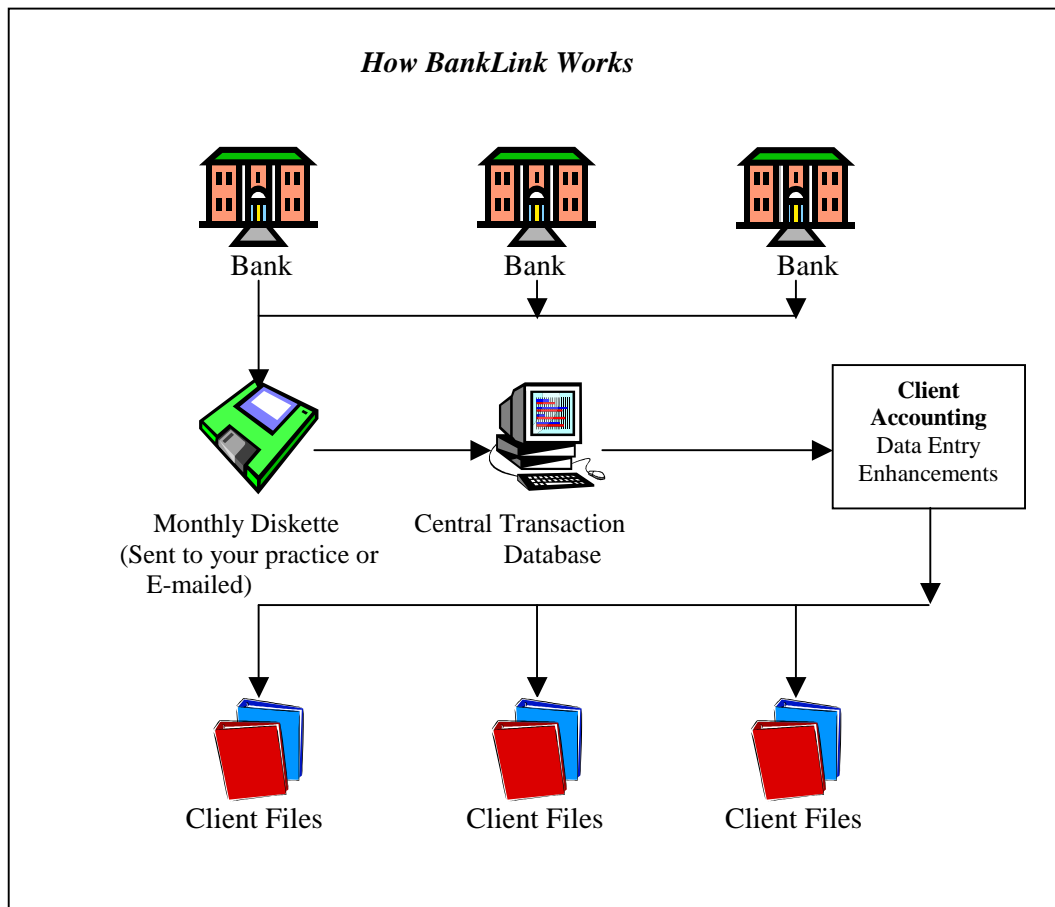
- Business performance review within three months for all new businesses.
- Tax review within three months for all new businesses.
- Tax planning reviews just prior to end of balance date for all clients.
- Annual business performance review for all businesses, including a benchmarking analysis.

What is BankLink?

BankLink is an advanced system for coding, managing and reporting on bank statement transactions before they are posted to the general ledger of your main accounting system.

BankLink delivers banking transactions, in electronic form, directly from the bank to your practice. When received, BankLink transactions are automatically downloaded into your BankLink administration system and subsequently to your respective BankLink client files where you code them. Later, in your main accounting system, you retrieve these coded transactions from BankLink into your client ledger.

BankLink 5 is a windows application. As such you get a predictable look on screen as well as functions you have come to know and rely on. This compatibility makes BankLink easy to learn and operate.



Why BankLink?

After an evaluation of the software, I summarised the advantages of switching to BankLink: -

- Clients would receive a variety of interesting but simple monthly management reports. This would add value to our services.
- We would receive bank statement information more quickly, in most cases by the third working day of the following month.
- We would eliminate much of the unwanted paper flowing in and out of the office. Bank statements were no longer required, and in many cases the need for invoices and other documents might be reduced or eliminated. Wise use of the coding report would assist remote clients to provide us with their information, yet allowing them to retain their invoices and bank data.
- Efficiency would improve. A data entry clerk would no longer be required. Accounting technicians would be responsible for their own input. The timesaving would be enormous. Coding and data input would be merged into one process.
- Repetitive tasks could be eliminated. Recurring entries could be memorised. That is, you only ever had to code them once.
- There would be true integration of the clients' and the accounting professionals' strengths. Those clients who were capable could code some or even all of their transactions, relying on the accountant to complete processing.
- There would be true merging of clients' computer hardware with the Accountants' software. Clients could check the BankLink data in and out of their computer system, without needing to hire the software.
- We as a firm would have the immediate solution to our small business clients' accounting software needs. We could eliminate the use of inferior accounting software packages. These clients would no longer need to purchase accounting software. As a firm, we would pay the same hireage fee regardless of how many bank accounts were loaded. Clients preparing time consuming manual cashbooks could easily be converted to BankLink.
- BankLink Ltd served a large user group, and clearly was continuously investing in enhancing its product. Judging by the experience of other practitioners we had surveyed, the Company's support was outstanding. All of this was of tremendous value to our clients.
- BankLink could provide the accounting solution for all levels of clients, as regards bookkeeping abilities. Much more on this later.
- Time spent on compliance work would be reduced, freeing up valuable time to spend on worthwhile business development projects.
- Such were the efficiencies of BankLink, that GST return preparation would become effectively free of charge. Clients would therefore receive better value for their accounting dollar. This was the BankLink promise.

FAQ's (Frequently Asked Questions) asked by Accounting Practices

What about the BankLink Fees that are charged for each bank account, plus the monthly transaction fees, how have you recovered these?

We calculated roughly what these would be, and put up our charge rates in advance to absorb them. We did not do what some practices have done, and add them to the monthly fee invoice. Client feedback has told us that to add the BankLink fees separately would be insensitive and appear penny-pinching.

When is the best time of the year to introduce BankLink?

Obviously prior to the end of the financial year. We allowed six weeks to convert the vast majority of our client database to BankLink.

Can you backdate transactions, that is, if you acquire a new client after balance date, can you somehow input the first two months transactions into the system, so that you don't need wait almost a year to sign the client up to BankLink?

Yes, the new Windows® version of BankLink (BankLink 5) allows this to be done in a less cumbersome way to other versions of the software.

My advice would be to backdate, even if this is for say 6 months' transactions. The benefits of getting the client on to BankLink immediately outweigh the time taken to backdate.

Should we let clients do their own coding of transactions?

We go into this issue in great detail in section 3 of this resource guide. Generally speaking, if the client cannot be relied upon to code accurately, for whatever reason, we would advise no. We have learnt from experience here. Unless your client is prepared to invest time and money in training, or if you have doubts as to their abilities, don't let them use the check in and check out facility. If you do, you will regret your decision.

Surely if BankLink creates coding and processing efficiencies, your fees must have gone down?

Yes and no. As I said before, we put our charge rates up in advance. Part of the increase was to cover direct costs such as BankLink set-up and transaction fees. The rest of the increase was to cover time efficiencies, so that our gross fees didn't go down. We were able to justify this on the basis that we were delivering more comprehensive reports to our clients, as well as adding value in ways that are discussed much later in this resource guide.

An important point needs to be made here. We never suggested to clients that our fees would go down, we implied that they would remain at a similar level for compliance services. We preferred to position the exercise as creating additional value, rather than reducing costs.

The reality is that our gross fees have risen. Our compliance fees have reduced slightly, but this reduction has been well exceeded by revenues from business development services.

What about clients who have used manual and electronic cashbooks? Should they be encouraged to switch to BankLink?

Absolutely, unless those present systems are truly working 100%. If current systems are inefficient, inaccurate, or simply don't provide the management information that clients truly need, then they should be scrapped. If you fail to convert these clients to a better system, such as BankLink, you will be acquiring significant problems once GST has been introduced. Later in this resource guide, we talk about tactful ways to get this message across to clients without fear of offending them.

I believe many clients use electronic and manual cashbooks because they want to justify their computer purchase, or they assume their accounting fees will decline significantly. There is often no factual basis for such assumptions. I often find that if you suggest a better system, most clients are delighted to be discontinuing their cashbook.

The reality is that the vast majority of these cashbooks are at best inaccurate, at worst, totally unreliable. The reality is also that for those using these systems, accounting fees often do not reduce at all. All too often we get trapped into reworking significant parts of the accounting job, often writing off fees in the process.

What do we say to clients who resist change?

Simply follow the power point presentations in section 4 of this resource guide. If you are prepared to follow this process, a good conversion rate should be achieved.

If we can convert 95% of our clients to BankLink in the space of six weeks, then so can you.

What sort of coding and processing timesaving have you gained in your Practice by using BankLink?

Broadly they are: -

- Data Entry Savings 100%
- Coding time savings with memorisation 30%
- Coding time savings with sorting 20%

By developing structured BankLink levels we have been able to increase the processing timesaving as follows: -

<u>Time saving achieved in coding /processing function</u>	
Level 1 clients	90%
Level 2 clients	80%
Level 3 clients	60%
Level 4 clients	30%
Level 5 clients	30%

One year on from converting your clients to BankLink, is there anything you'd do differently?

Yes. Firstly we'd educate the local banks on BankLink by sending them information packs well before sign up. A simple letter explaining what you're doing, why you're doing it and how, along with a BankLink information kit would do fine. We were appalled at the lack of knowledge on BankLink at even senior levels within the banking fraternity, and believe you will encounter a similar level of ignorance.

Secondly, we would spend more time getting our General Ledger Chart of Accounts into great shape. All codes must exist in your General Ledger Chart before working in BankLink. When a client's chart in BankLink is refreshed and a transaction is coded to a number that doesn't exist in General Ledger, that transaction will appear uncoded on BankLink report completion.

What do you do if a potential new client, for whom you feel BankLink is the answer, refuses to sign up, insists on using some other system which you feel strongly will not work?

Don't take them on. The vision of your practice should be lived and breathed by all the team. If you allow future clients to dictate terms, over time you will end up with a multitude of inferior systems. This will weaken your business development service potential, and is completely inconsistent with the aims and objectives of your practice.

Should we continue to code Bank statements and then punch them into the computer?

No, no, no!!!!

Why on earth would you want to do this?

Why eliminate the processing efficiencies of BankLink?

Eliminate punching from your practice. (Interestingly, almost every practice I've spoken to about BankLink, asks this very question)

What is BankLink Ltd's product support like?

Outstanding. We all know and experience the frustration of inferior software support from some mainstream accounting software providers. BankLink has always responded to our needs quickly and accurately.

Have you ever experienced any technical difficulties with the software?

Very rarely. Once we experienced a situation where some bank data was inaccurate, due to a bank transfer error. This problem was peculiar to one bank, and affected two clients. BankLink assures us that a system has been put in place with this particular bank to ensure that this situation won't be repeated. It hasn't.

How do you cope with the logistics of filing so many GST Returns with the ATO?

By having structured, quality workflow systems.

How well does BankLink integrate with recognised General Ledger Software packages?

Extremely well. BankLink interfaces to the following Accounting Systems: -

- APS Australia
- ASCII CSV
- Attache
- Ceedata
- CA-Systems (now MYOB Accountants' Office)
- Handisoft Handiledger (DOS & Windows)
- Lotus 123
- Microsoft Excel
- MYOB
- Omicon PA
- QuickBooks
- Solution 6 MAS
- Teletax Windows (to be released around September 1999)

Has BankLink helped to smooth out some of the monthly peaks and troughs in your practice?

Very definitely. Because we receive enhanced bank transactions by the third working day of the month, we can commence working on clients' data earlier. Similarly, if remaining data doesn't come in from a client until just before the GST Return filing deadline, because of the time savings, we can complete the transaction processing while the client is having a cup of coffee in the reception area!

What if we want to work on clients' data more often than monthly, say weekly?

In N.Z BankLink can arrange weekly data for specific clients. Realistically 99% of clients are happy with monthly data. In fact, we don't offer anything else. A more frequent data transfer service will become available in Australia over the next twelve months.

Has BankLink helped you to deliver affordable business development services to smaller business clients?

Absolutely. It starts with providing monthly or quarterly monitoring services. That immediately positions your practice in a different light. Once you develop a procedure to encourage your team to report issues needing B D advice, business development projects will become the natural result.

What additional services has BankLink assisted you in developing?

To summarise: -

- Business Monitoring.
- Automatic business performance reviews for start-up businesses after three months' trading have passed.
- Automatic tax planning reviews for start-up businesses after three months' trading have passed.

- Automatic tax planning reviews for all clients after ten months of the financial year have passed.
- Three day turn around for special purpose Financials.
- Facilitating Monthly Management Meetings.
- Facilitating business planning sessions.
- The natural progression to higher level business development work, including:
 - Planning sessions/days.
 - Preparation of business plans.
 - Systems development and implementation.
 - Client training programs.
 - A range of Business Development services.

Is the BankLink System secure?

The BankLink organisation was set up with the sole purpose of supplying bank transaction data to Accounting practices, and has been doing this for over ten years. Bank transaction information is by its nature highly confidential. The agreements that BankLink has with the banks, with the client and with your accounting practice allow the secure exchange of transaction data to take place while maintaining full confidentiality of your client's data. This document answers some of the questions that clients have in relation to the security and confidentiality of their data.

Who has access to client transaction data?

When clients sign BankLink Client Authority forms, they authorise their bank to supply their transaction data to BankLink, and authorise BankLink to provide it to your practice. The BankLink Service Agreement states that all data and information relating to your practice shall be treated as confidential by BankLink.

In addition, BankLink have a rigid Supply Agreement with each participating bank which clearly states that any data supplied shall remain confidential, and be used specifically for the BankLink service.

The collection and distribution of the data is done by computer, and there is usually no need for the staff at BankLink to look at any of the client transaction data processed. If there is a problem with the data supplied by the banks - which does happen from time to time – BankLink may need to look at a client's ledger to correct the transaction information in it. This doesn't happen often, but it is necessary to ensure the reliability of the data provided to you.

When you receive the client data in your practice, then the client transaction data is available to all your team. You can restrict the use of the BankLink software to particular team members, and you can also password protect individual clients.

How secure is the delivery medium?

You can receive your BankLink data either by diskette or by modem. Regardless of how you choose to receive the data, the data files are identical. The transaction data is supplied in encrypted form and cannot be accessed by anyone other than the intended recipient.

This is considerably more secure than sending bank statements by post!

How often should we download BankLink data to our General Ledger software?

As little as possible. We process all management reports from Banklink, and only download to General Ledger when Annual Financials are required or the client requires an interim Balance Sheet. We can prepare the working papers for all tax planning reviews from BankLink reports.

How do you handle the constant flow of Invoices/Cheque books/Deposit books from clients?

We try to avoid this by using the coding report wherever possible. This is particularly useful for Retailer/Contractor type clients, although we still find it necessary to obtain invoices for our farming clients. Our GST engagement letter makes it clear that it is the client's responsibility to ensure that valid Tax Invoices are held by them.

SECTION 3 - CLIENT CATEGORISATION

Before you can be in a position to recommend the right accounting system to a given client, an evaluation is required of: -

- The effectiveness and accuracy of systems presently used.
- The particular needs of that client.
- Whether those systems are consistent with practice methodologies.

In talking to Australian practices, I often ask them to categorise their clients as to what system those clients are using, straight off the top of their head. For example, I may say, what percentage of your clients use Quickbooks, or what percentage use fully reconciled cashbooks?

It is always interesting to compare the answers to such off the cuff questions with the actual results of detailed individual evaluations. In other words, what you think you may **have** in your client database could be quite different from what you actually do have.

Over time, systems can become scattered. New clients come on board and may miss out on valuable training in the area of record keeping.

A full evaluation of every client's accounting systems, their capabilities and their needs, is extremely useful in recommending the right systems.

Certain practices will have a larger percentage of dependent and fully computer conversant clients than practices such as ours. A client evaluation checklist will ensure you maintain your integrity throughout the process and truly recommend what is best for your client, and therefore your practice.

Accounting Systems Evaluation Checklist		
Client: -		
<u>Evaluate System Used</u> (Circle)	<u>Rating Indicators</u>	Comment
<ul style="list-style-type: none"> • Custom Software • Quickbooks • MYOB • Other Electronic CashBook (describe) • BankLink (describe level) • Manual reconciled CashBook • Unreconciled CashBook • Other (describe) • Shoebox 	<ol style="list-style-type: none"> 1. Poor 2.4. Requires Improvement 5.6. Average 7. Very Good 8.9. Firm Standard 10. Outstanding <u>Rating</u> <ol style="list-style-type: none"> a) Accuracy of system () b) Ability to integrate with Practice software () c) Quality of Management Reports () d) User friendliness/flexibility () e) Ability to cope with GST Return preparation () 	
<u>Evaluate Clients' Abilities</u>	<u>Rating</u>	
Performance Indicators: - <ul style="list-style-type: none"> • Error rate • Rework • Fee write-offs • Ability to accurately process other taxes • Training received • Accounting background 	<ol style="list-style-type: none"> a) Accuracy of output () b) Level of ongoing support/supervision required () c) Time taken to achieve output () d) Ability to understand Management Reports () 	
Other Issues		
<ol style="list-style-type: none"> 1. Does the current system meet client's needs? 2. Does the current system assist us in Accounts preparation? 3. Could the current system be improved by adequate training? 4. Does the client enjoy using this system? 5. What motivates the client to use this system? <ol style="list-style-type: none"> a) Management information b) Fee reduction 6. Does the client have adequate computer hardware? 	Yes/No Yes/No Yes/No Yes/No Yes/No Yes/No	

RECOMMENDATIONS

Signature _____ Team Member _____

MANAGER/PARTNER REVIEW

Comments

Signature _____ Team Member _____

AGREED ACTION PLAN

By Whom _____

By When _____

Client Categorisation (Australian Version)

PROTOCOL: To ensure that every client using BankLink is obtaining maximum efficiency from our systems, by assisting in processing to the appropriate level.

PROCEDURE: Assign each client to a level that matches his or her accounting skills.

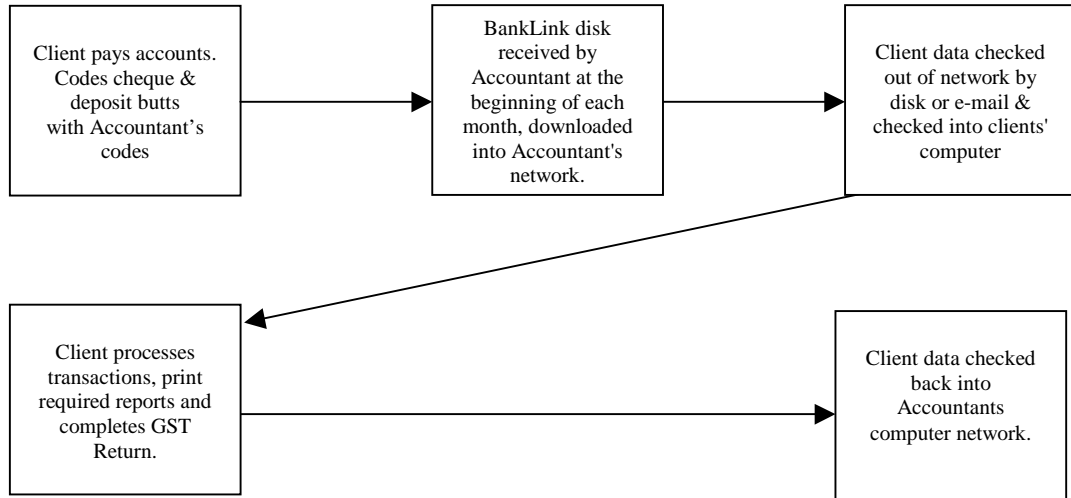
Analysis cheque and deposit books, which enable a client to precode payments and receipts, are not currently available in Australia.

For these to become available, all banks would need to support such a change. Considerable pressure should be placed on the banks to encourage this facility; by the accounting profession, by Government and by business groups and associations.

Should such changes ever take place within the Banking industry, Australian Practices will be able to develop the different levels of BankLink further to encompass this feature.

Level One

Coding Skills	Excellent
Computer Hardware Required	Client must have own hardware, minimum requirements Pentium
Supervision Required	Virtually none
Training/Set up needs	One on one training required along with written training guide. Client Manager provides chart of accounts and structured training.

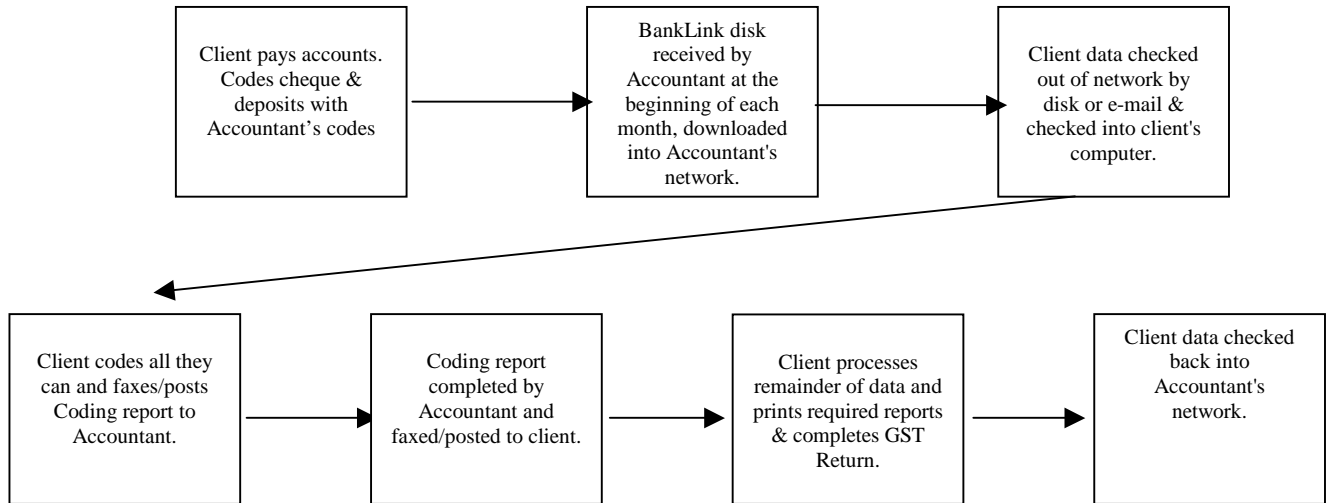


Likely candidates

- Superb manual cashbooks.
- Clients using other electronic cashbooks, where results are reliable.
- Clients using other integrated software, where the integrity of the accounting module is questionable.
- Very suitable for retail, contracting, manufacturing type clients.

Level Two

Coding Skills	Very Good.
Computer Hardware Required	Client must have own hardware, minimum requirements Pentium.
Supervision Required	Some supervision required from time to time.
Training/Set up needs	One on one training required along with written training guide. Client Manager provides chart of accounts and structured training.

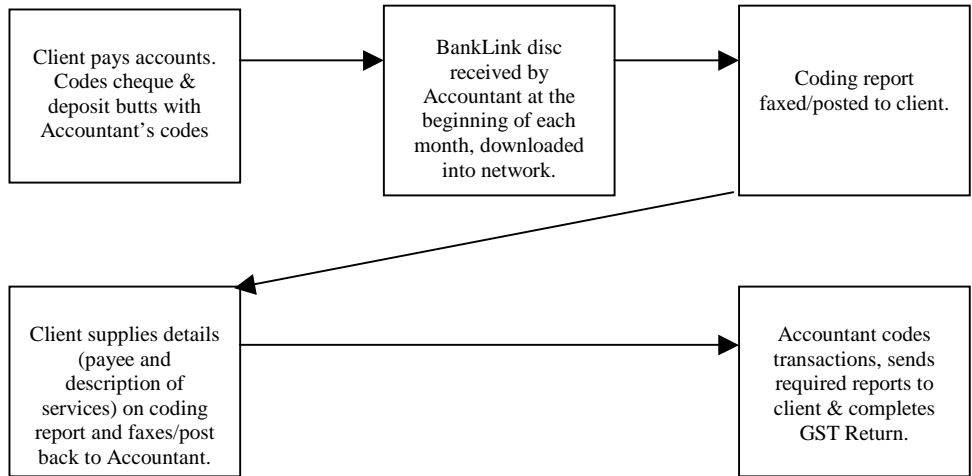


Likely Candidates

- Manually prepared cashbooks, some recoding required.
- Other electronic cashbooks, some recoding required.
- Very suitable for retail, contracting, manufacturing type clients.

Level Three

Coding Skills	Very Good
Computer Hardware Required	Client requires no computer hardware
Supervision Required	None
Training/Set up needs	One on one training required along with written manual. Client Manager provides chart of accounts and structured training.

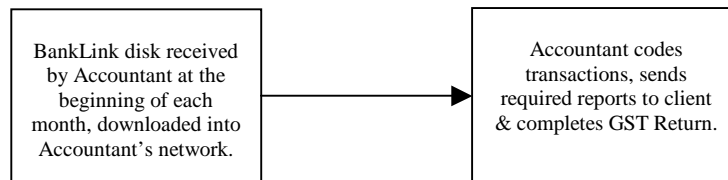


Likely candidates

- Manually prepared cashbooks, some recoding required.
- Other electronic cashbooks, some recoding required.
- Very suitable for retail, contracting, manufacturing type clients.

Level Four

Coding Skills	Inadequate.
Computer Hardware Required	Client requires no computer hardware.
Supervision Required	None
Training/Set up needs	No training required, client simply signs up.



Likely candidates

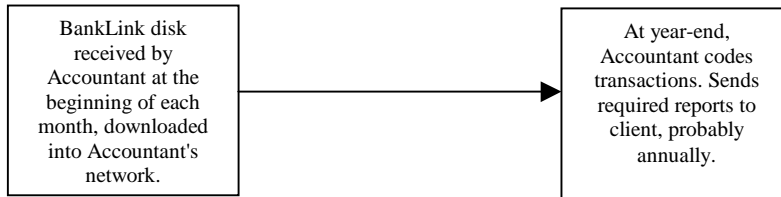
- Clients with little appreciation of accounting issues.
- Farming clients, not because of any perceived lack of accounting skills, but because of the complexity of transactions.

Other issues

- If in doubt, allocate this level to a client.
- Allocate a higher level later, if appropriate.

Level Five

Coding Skills	Not relevant, client is not interested in GST/Cashflow reporting service. BankLink is being used to produce data processing efficiencies.
Computer Hardware Required	Client requires no computer hardware
Supervision Required	None
Training/Set up needs	No training required, client simply signs up.



Likely candidates

- Clients not registered for GST.
- Clients whose level of activity does not warrant BankLink.

Section 4 - Converting Clients to BankLink

How do you deal with the dozens of concerns clients naturally have when you first suggest change?

Firstly, you need to anticipate the obvious and not so obvious questions they are likely to ask. Secondly, you need to establish what your practice policies will be. And lastly, you need to train all your team so that everybody responds to those concerns consistently, tactfully, and according to firm principles.

Next, you need to explore ways of successfully converting clients to the new way of doing things. This could be by a combination of methods, including: -

- Group presentations for clients with similar needs.
- One on one BankLink presentations.
- Direct communication with remote clients.

In the BankLink Presentation section is a BankLink presentation in PowerPoint format. This could easily be adapted into a flipchart, presentation folder or overhead projector slides. The PowerPoint format is by far the best and most interesting way of presenting BankLink.

10 Steps to Successful Conversion to BankLink

1. Identify those clients for whom BankLink will provide the accounting/GST solution. Use the Accounting Systems Evaluation Checklist enclosed in this resource guide.
2. Having identified the clients, assign what you think is the appropriate level within BankLink for each of those clients and arrange them into groups.
3. Make sure the entire team is aware of responses to frequently asked questions, and that those responses are provided consistently. See BankLink Information Pack (in the BankLink Templates section) for a summary of those FAQ's.
4. Invite groups of clients of similar type to BankLink presentations.
5. Run client acquisition presentations using either OHP or Power Point format.
6. Have the team available to sign clients on to BankLink on completion of the presentation; the bank account details can be entered at a later date.
7. Hand out BankLink information packs to those clients who attend these presentations.
8. For those clients who do sign up on the day, arrange formal training. (refer Section 6)
9. For those clients who don't sign up on the day, be sure to follow up by telephone contact. Your telephone script should be worked out in advance along the lines of: -

- Are you ready for us to complete the Authority forms? If response is “no”,
- Do you have any remaining concerns about BankLink, and if so, what are they?

Clients need prompting and reminding. Regardless of how well you present BankLink to them, they will still have natural concerns and make inaccurate assumptions.

10. Follow our client signup procedures (Section 5) to ensure a smooth entry to BankLink.

You may want to consider grouping clients together for the above presentations according to their expected level within BankLink. Do not blindly encourage clients to code their own transactions using the check in and check out facility. Selection of the appropriate BankLink level is crucial in ensuring the quality of information output.

If you allocate the right level, you will be able to control the quality of this information, and accurate GST Returns will simply be a by-product of the BankLink process.

SECTION 5 - CLIENT SIGNUP PROCEDURES

PROTOCOL:

To register our clients with BankLink and ensure that the registration process is completed accurately and efficiently.

PROCEDURE (where Authority form is to be posted to client for signing):

1. Complete a BankLink Authority form for each Bank account that needs linking. Be sure to link all bank accounts that are required. You will need to make a decision as regards savings accounts that have little activity.
2. Retain a copy of each Authority in the BankLink Administration file, for matching with the signed authority when received.

This file needs regular review, to ensure all clients return their BankLink Authority forms.

3. Prepare a standard letter to send with the completed Authority forms and include a pre-paid self-addressed return envelope (small, non-window).

This will ensure that the BankLink Authority form is returned to this office and not direct to the Bank. Authorities may then be checked for correctness prior to despatch to BankLink.

4. Post to the client in the following order: -
 - Letter
 - Authority
 - Clip a reply-paid envelope on top
5. On receipt of the signed BankLink Authority, separate the top three copies (Bank/Processing/BankLink) from client copy (pink)
6. The top three copies are to be batched weekly and forwarded to BankLink under covering letter.
7. Mark the pink copy (client copy) with the date and/or Batch number and then staple to the photocopy in the BankLink file. This enables you to periodically scan for authorities not yet returned.
8. Record names of clients using the BankLink check in check out facility, in the appropriate register at the front of the BankLink Administration file. This will ensure they are kept informed of updates as they come to hand.

Authority Form

1. Up to three different Accounts may be recorded on one authority form as long as they are for the same Bank.
2. If the client has 2 trading Banks, e.g. Westpac and National Bank then two authority forms must be completed.

3. **Name of Account** Enter the account holder's name as it appears on your client's cheque and deposit forms. (Using initials instead of full names will give you more space on the form)
4. **Account Number** Enter the complete bank account number as it appears on the client's cheque and deposit forms. Remember that the suffix should be right aligned.
5. **Client Code** (Optional) Enter the client's file code in your accounting system.
6. **Cost Code** (Optional) Enter the client's billing code in your time and cost system. This code will be printed on your itemised billing report. (We do not use this function)
7. **Bank and Branch** Enter the full name of the client's bank and BSB number.
8. **Commencement Date** Enter the date from which you wish to start receiving transactions, or “ASAP” to load the account immediately.
 - March Balance Date = 1/4/99
 - May Balance Date = 1/6/99
 - June Balance Date = 1/7/99
9. **My/Our Advisors** Enter the name of the accounting practice.
10. **Signatures** The account signatories required to sign a cheque must sign this form. Attach a “sign here” sticky against the signing line (signature of third party), as some clients may sign the manager’s section.

Other Issues

The following Banks are linked to BankLink (as at April 1999)

Australia

- Advance Bank
- ANZ Bank
- Bank of Melbourne
- Bank of South Australia
- BankWest
- Bendigo Bank
- BNZ
- Challenge Bank
- CBA
- Colonial State Bank
- National Australia Bank
- Macquarie Investment CMT
- St George
- Westpac
- Wesfarmers Dalgety

New Zealand

- ANZ Bank
- ASB
- Bank of New Zealand (BNZ)
- Countrywide Bank
- National Bank of New Zealand
- New Zealand Dairy Group
- Postbank
- Pyne Gould Guinness
- Taranaki Saving Bank
- Westpac Trust

Monthly Reconciliation of Linked Bank Accounts

1. When the monthly BankLink discs arrive by courier, they are then loaded into the practice computer network. This generates a "Download Report". You may prefer to download your BankLink data via the Internet. (This is our preferred option)
2. Attached to the discs will be a BankLink Statement, Tax Invoice (perhaps more than one), a Schedule of Accounts on the disc and a client maintenance sheet. This will list all accounts, which have been loaded and deleted within the period.
3. Compare the Download report and the Schedule of Accounts to ensure that they both have the same transaction count. This ensures that the BankLink charges are correct, and that all data has arrived.
4. Using the copy of your covering letter to BankLink, (sent with new Authorities) check to ensure that all accounts you have loaded or deleted during the period have been actioned by BankLink on their client maintenance sheet.
5. Ensure that the Schedule of Accounts shows that there are no Nil entries.
6. Any Nil entries need to be investigated as this will either indicate: -
 - That the Bank has not completed the loading for a new client, or
 - That the client has closed or transferred their account
7. Advise BankLink in writing of any accounts that need to be deleted from the Nil entries report.

BankLink Administration

1. Appoint a BankLink co-ordinator to maintain the BankLink administration file. It is advisable that the checking in and out of data be completed by one individual.
2. Create a BankLink administration file. Consider the following layout: -

BankLink Administration File

Section 1 – Client register

- Register of all clients using BankLink. Indicate: -
 - Date linked/deleted
 - Level assigned
 - Progress of training (indicate the team member responsible)
- Alphabetical index of office copy of BankLink Authority forms

Section 2 – Check in and check out facility

- Monthly Register of clients who use the check in and check out facility
- Procedures for checking data out to clients by either: -
 - E-mail
 - Floppy disk
- Procedures for sending software updates to clients

Section 3 – BankLink correspondence

- Copies of batch summary correspondence
- Copies of deletion summary correspondence
- Sundry correspondence with BankLink

Section 4 – BankLink monthly summaries

- Download reports
- BankLink transaction/rental charges
 - Monthly invoice
 - Monthly statement summary

Check In and Check Out Procedures

We supply Level One and Level Two BankLink clients **only** with electronic bank statement data.

All BankLink clients that receive this data must be entered in the user definition fields in our client administration software. They will have been tagged as “BankLink Data” clients.

Mail merge reports will select the clients that receive data in each particular month. **These will be Level One or Level Two clients only.**

They will receive data either:

- Monthly
- Three Monthly

(The receipt of data on a more regular basis must be by prior arrangement only)

Clients will also tell us how they would like to receive the data. The client’s preference as to how they receive the data is recorded in the BankLink Data Check in and Check out Register, either: -

- Checked out to a floppy disk and posted to the client, **or**
- Checked out to a floppy disk, attached to an e-mail message and e-mailed to the client.

When to Send Clients their Data

Data should be received from BankLink by the third day of each month, so it needs to be forwarded by **the first following working day** to clients.

Safety Precautions when Checking In and Out Clients to Disk and e-mail

- Only one person is responsible for maintaining the “check in” and “check out” register.
- When clients are “checked in” or “checked out” all other users should be out of BankLink for the entire time.
- Check that you have the correct disk for your client. These should be clearly labelled and dated.
- Clients will have their own disk. The same disk must be used for a client each time.
- Disks should be stored separately in the “Check Out “ or “Check In” box.

Maintaining the BankLink Data Check In and Check Out Register

Details recorded include:

- Client name
- Data preference (disk or e-mail)
- Date of Check Out
- Date of Check In

Ensure that each client receives and returns their data for the month.

Check the register a week before the next data update is due from BankLink (about the 27th day of each month) to confirm that all updated data has been returned.

Phone to remind those clients with outstanding data, **as they need to check back in before they can receive the next data update.**

Mailing Data to a Client by Floppy Disk

- This is to be done only by the nominated person
- Place a Floppy Disk in the “A:” drive of any computer
- Enter the BankLink main menu
- Go to systems
- Select check out clients
- Select OK
- Select your client **only** by pressing the space bar and placing a tick next to the client name. If the client receives BankLink data for more than one entity select all entities
- Enter
- The client will then “check out” to the disk
- Label the disk correctly with your client’s name, and the last data period
- Mail to the client

When a client is mailed a disk the team member responsible should enter it in the BankLink data check in and check out register. The “check out” status and date should be recorded.

Sending Data by E-mail

- This is to be done only by the nominated person
- Place a floppy disk in the “A:” drive of the designated e-mail computer
- Enter the BankLink main menu
- Go to systems
- Select check out clients
- Select OK
- Select your client **only** by pressing the space bar and placing a tick next to the client name. If the client receives BankLink data for more than one entity select all entities
- Enter
- The client’s files will “check out” to the disk

Then write your e-mail message and attach the Checked Out file.

- Go into Microsoft outlook main menu screen
- Compose new mail message
- Select the client’s e-mail address
- Type the message
- Then select “attach”
- Select A drive
- Select your client’s file in the A drive (on the disk)
- Double click on the file
- You will then see the attached file at the bottom of the e-mail message
- **Print a copy of your e-mail message**
- Next, go to “tools” in upper menu bar
- In tools check for “new mail on”
- Click OK

- When the system checks for new mail it will send your e-mail message to your client with the attached file

Once the client has completed their management reports and GST Return, they return the data by mail or e-mail for us to update their records in our BankLink files.

Once again follow the safety procedures for BankLink “checking in” and “checking out” and enter the return of the data in the BankLink check in and check out register.

To “Check In” Data Received by Mail

- This is to be done only by the nominated person
- Check that the floppy disk is labelled with the client’s name
- Go to the BankLink main menu Icon
- Enter
- Go to systems
- Select check in
- Put your client’s disk in the A: drive of any computer
- Select your client by pressing the space bar. Your client will be selected with a tick. If there is more than one BankLink file on the disk you can select them all
- Press enter
- The system will tell you it has successfully checked the data back in
- Store the disk in the BankLink disk box to be reused by the client

Now update the BankLink data check in and check out register.

To Check In BankLink Data Returned by E-mail

- This is to be done only by the nominated person
- When e-mail message is received, place a blank floppy disk in the A drive of the computer designated for e-mail messages
- Enter into the e-mail message
- Click on the attached disk file
- Save to the floppy disk in the A drive
- Now go to the BankLink icon on the main menu screen
- Enter the BankLink program
- Select system
- Select check in
- Select your client by pressing the space bar
- Enter
- BankLink will update your client’s files and tell you if this was done successfully

Now update the BankLink data check in and check out register.

Sample Letters

When signing clients up to BankLink, a smooth system is required to ensure the highest possible conversion rate.

There are at least four approaches you could take: -

1. You discuss BankLink over the phone or face to face with a client who has specifically asked you for an immediate solution to GST Return preparation. To follow up, you would use sample letter one, along with the Client Authority forms.
2. You conduct a detailed one on one or group presentation, using the BankLink Client Acquisition presentation in this resource guide, either in Power Point or OHP format. To follow up you would use sample letter two, along with the Client Authority forms.
3. You send a BankLink information pack to prospective BankLink clients, who live in a remote area, or who are unable to attend a BankLink presentation, You would also enclose Sample Letter three, along with the Client Authority forms.
4. You take the bull by the horns, and just send a letter with Authority Forms filled out in advance, to selected clients.

BANKLINK WORKSHOP (Making the most of your Accountants Technology)

REGISTRATION FORM

Please register us for the BankLink Workshop.

The investment is \$ _____ for the first per person from you firm and \$ _____ for each person after that.

Business Name: _____

Primary Delegate: _____

Additional Delegates(s): _____

Please tick which event you are attending:

4. 00 p.m. – 6. 00 p.m.

4. 00 p.m. – 6. 00 p.m.

4. 00 p.m. – 6. 00 p.m.

4. 00 p.m. – 6. 00 p.m.

PAYMENT DETAILS

We are paying a total of \$ _____

Cheque (made payable to _____)

Credit Card:

Amex

MasterCard

Bankcard

Visa

Diners

Number: _____

Expiry Date: _____/_____

Name on Card: _____

Signature: _____

PLEASE FILL IN AND FAX TO (Name Name) AT (Firm Name) ON (Fax Number)

-Firm Address-

-Firm Phone-

FIRM NAME

If you have any questions please CALL on _____

BankLink Introduction Letter - Sample Letter 1

Date

Salutation
Address
TOWN

Good Morning

Nearly all the major Banks have recently introduced BankLink, a service that is available to all businesses right throughout the country.

This new service enables the Banks to supply your bank statement information directly to us as your Accountants, in electronic form.

Your bank statement information, which we used to collect from you and then process manually, can now be loaded directly into our computer system electronically.

We are sure you will appreciate the efficiencies this system offers.

We have decided to adopt this new system for all our clients, as we sincerely believe that it will allow us to provide you with better and more effective client care.

All you need to do is complete and sign the attached “Client Authority” form, authorising us to collect your bank data electronically. Remember that you will still get your own printed bank statement as usual.

We look forward to receiving the signed authorities by return mail. (Just pop them in the envelope provided).

Enclosed also is a detailed BankLink Information Pack. Please take the time to read its contents and if you do have any queries or concerns do give either myself or any one of the team a call.

Here at FIRM NAME, we look forward to delivering to you the tremendous benefits we know BankLink will provide.

Kind regards

BankLink Sign-up Letter - Sample Letter 2

Date

Salutation
Address
TOWN

Good Morning

Further to our recent presentation outlining the benefits of BankLink, please find enclosed “Client Authority” forms, authorising us to collect your bank data electronically.

We look forward to receiving the signed authorities by return mail. (Just pop them in the envelope provided).

If you do have any queries or concerns about BankLink, do give either myself or any one of the team a call.

Here at FIRM NAME, we all look forward to delivering the tremendous benefits we know BankLink will provide.

Kind regards

BankLink Introduction Letter (Remote Clients) - Sample Letter 3

Date

Salutation
Address
TOWN

Good Morning

Nearly all the major banks have recently introduced BankLink, a service that is available to all businesses right throughout the country.

This new service enables the banks to supply your bank statement information directly to us as your Accountants, in electronic form.

Enclosed please find: -

- BankLink Information Pack
- Client Authority forms

All you need to do is complete and sign the attached “Client Authority” forms, authorising us to collect your bank data electronically. Remember that you will still get your own printed bank statement as usual.

We look forward to receiving the signed authorities by return mail. (Just pop them in the envelope provided).

If you have any queries or concerns about BankLink, do give either myself or any one of the team a call.

Here at FIRM NAME, we all look forward to delivering to you the tremendous benefits that we know BankLink will provide.

Kind regards

BankLink Batch Addition Letter - Sample Letter 4

Date

BankLink Ltd
GPO Box 4608
SYDNEY

Attention:

Good Morning

Please find enclosed BankLink authority forms as follows: -

Client

Bank Account Number

Do call us immediately if you have any queries concerning the enclosed authorities.

Yours faithfully

Firm Name Etc.

Encl.

BankLink Batch Deletion Letter - Sample Letter 5

Date

BankLink Ltd
GPO Box 4608
SYDNEY

Attention:

Good Morning

Please **delete** the following clients from our BankLink records: -

Client

Bank Account Number

This request is effective immediately.

Do call us immediately if you have any queries concerning the above request.

Yours faithfully

Firm Name etc.

SECTION 6 - BANKLINK TRAINING PROCEDURES

BankLink Training Procedures (Australian Version) - Level One

1. Complete the overview of BankLink
 - What is BankLink?
 - What are the advantages of BankLink?
 - BankLink costs.
 - Training costs. (always over estimate these)
2. Explain the BankLink process
 - Use the flow chart to explain the sequence of events.
3. Explain how to load the software
 - Explain to the client the software delivery process.
 - Run through the loading instructions with the client.
4. Review the coding process.
 - Run through the client's Chart of Accounts. Review any complex coding issues.
 - Run through the procedures for coding, as listed in the BankLink Training Guide.
5. Use of Analysis Codes on Cheque and Deposit butts.
 - Run through the procedure for writing the code onto the cheque and deposit butts, as pre-coding facility is currently unavailable.
6. Ask the client if they have any queries or concerns. Make sure these are all addressed on the spot. Refer to FAQ's in the BankLink Information Pack.
7. Demonstrate BankLink to the client.
 - Use the "Demo" client on your computer to demonstrate the features of BankLink.
 - The following processes must be thoroughly explained to the client.
 - Entering codes
 - Memorising transactions
 - Dissections
 - Entering comments
 - Entering quantities
 - The use of short cut keys
 - Entering journals
 - Looking up the chart of accounts.
8. Checking data in and out.
 - Explain to the client the process of checking in and out the data.
 - The timing of the receipt and return of data to the accounting practice is extremely important and the client must be made aware of this.
 - This is an appropriate time to be asking the client if they have an e-mail address. Does the client wish to receive their data by disk or e-mail? E-Mail is the preferred option wherever possible.

9. Printing reports and graphs.
 - Show the client how to print the various reports and graphs that will be most appropriate to their information requirements.
 - Ensure that the client is aware of all of the reporting options and their usefulness.
10. Finally ask the client if they have any further questions. If they hesitate, ask them if there are any issues they would like you to repeat in the training process. Reinforce that all queries/concerns must be redirected to their support team member within the accounting practice.
11. Ensure that the checklist is completed alongside the training, this will ensure that no important steps are missed out.
12. Establish a follow-up program to chart progress. Make a diary note for 6 weeks after BankLink training has been completed to telephone the client to identify any issues that require further training.

BankLink Training Checklist - Level One

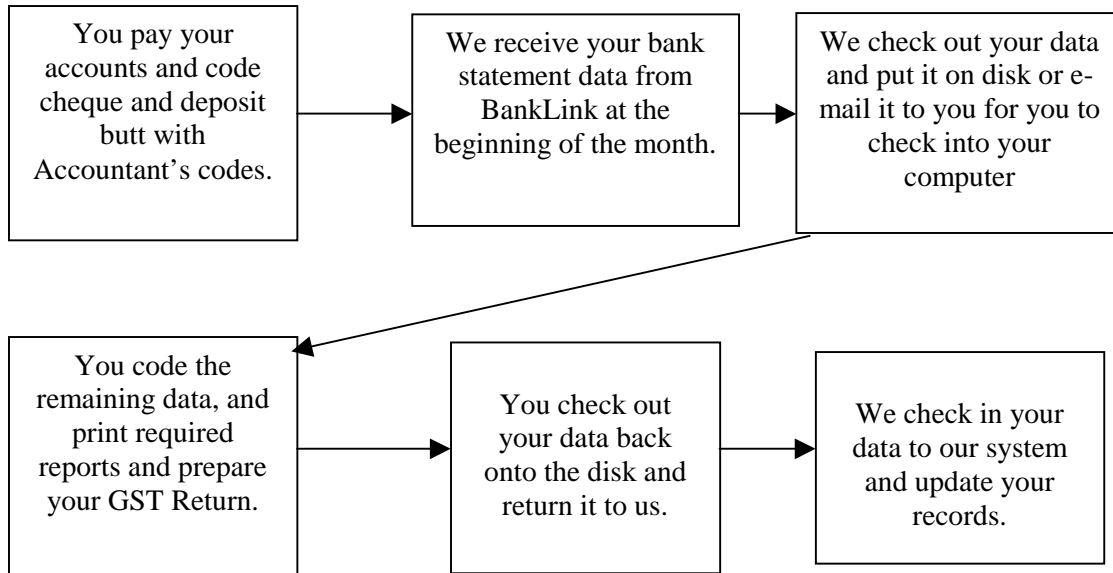
- 1. Bank Link Form Completed and Signed
- 2. Complete Overview of BankLink
- 3. Explain how to load BankLink Software
- 4. Review the coding process
- 5. Use of Analysis codes on cheque and deposit butts
- 6. Demonstrate BankLink to the client
 - Dissection of transactions
 - Memorisation
 - Entering comments
 - Entering quantities
 - The use of short cut keys
 - Looking up chart of accounts
- 7. Demonstrate BankLink Journals
 - GST
 - Accruals
 - Stock
- 8. Checking data in and out
- 9. BankLink Reporting
 - GST Report
 - Cashflow
 - Other Options
- 10. Data by e-mail (E) or Disk (D)

Client e-mail Address _____

Other Comments
Action Plan
By Whom _____ By When _____

Client BankLink Training Guide

Overview of BankLink



The BankLink software

You need to have BankLink software loaded into your computer system and we provide this software free of charge. It is Windows based and is Y2K compliant. We will provide you with a BankLink box set that includes software and a technical user manual. We will provide you with any future updates at no cost whatsoever.

To load the software by disk (CD)

1. Go to start on the windows main menu screen
2. Go to run. Put the CD in your CD Drive.
3. Type in D:\setup.exe or E:\setup.exe if your disk is identified as E Drive
4. The BankLink Software Set up program will start
5. When prompted select install to drive C (or another drive if you are on a network)
6. The Software will now be installed (Note: a shortcut to the desktop is installed automatically)

To update your new BankLink software to the latest BankLink version

The BankLink update file will be supplied on floppy disk or by e-mail

To Update:

1. Go to Windows Explorer and put the update disk in your A Drive
2. Click on the A Drive in Windows Explorer
3. Click on the Update file BK5win.exe
4. Right click your mouse and select copy
5. Click on the BK5 folder on your C Drive
6. Right click your mouse and select Paste
7. The file will now update and you will be asked "Do you want to replace existing file?"
8. Select "Yes"
9. Re-enter BankLink and check in the Help – About screen that the latest version number appears.

BL/TG 1

Your BankLink codes

We allocate numeric codes to each type of income and expense to produce your financial statements. If you use these codes during the year we only need to process information once. These codes are adapted to suit your particular business and are provided to you in your “BankLink Training Guide”. They are called the “Chart of Accounts Report” Some simple tips:

- Use only the codes provided.
- Select any new codes from the Chart of Accounts Report in your BankLink Guide.
- If you are unsure of what code to use, phone us and ask.
- If you wish to add a code, phone us and we will provide you with a new code to use.

The BankLink process

1. We receive your bank statement data from BankLink by the 3rd working day of each month.
2. We download this data to a floppy disk for you to take home, or we e-mail it to you.
3. You may process your data on a monthly basis. Many clients’ process their data according to their GST Return periods but it is advisable to process monthly. This keeps you in touch with your business results on a regular basis.
4. You load the BankLink data disk into your computer. This is called “Checking In” the data.
5. You code your remaining transactions. Memorised transactions will already be coded.
6. If you are preparing profitability reports, and you keep a perpetual stock inventory, then you will need to enter your journals for debtors, creditors, work in progress and inventory for the month.
7. If you have GST Return adjustments to make, then enter your GST journals.
8. Ring us with any difficult coding problems **before** you finalise your reports and GST Returns.
9. Print your reports from BankLink (see the attached BankLink Reporting Guide)
10. Prepare your GST Return as you normally would.
11. Check out your data back onto the disk. See notes for “Checking Out Data”
12. Return the disk to us so we can update our system. You may return the data to us by e-mail.

To check in your data by disk

1. Enter your BankLink program.
2. Go to systems.
3. Check in clients.
4. Insert your disk and select OK.
5. Check in clients.
6. Press space bar to enter.

To receive your BankLink data by E-mail

We will have sent you an e-mail message with an attached BankLink file.

1. Put a blank floppy disk into your A drive.
2. Enter into the e-mail message from our office.
3. Highlight the attached BankLink file.
4. Right click the mouse and select “Save as”.
5. Save the file to disk. To do this save to A: \”file name”.
6. Once the file is on disk, you enter into the BankLink program and “Check In”.

To check out your data by disk

1. Enter your BankLink program.
2. Go to systems.
3. Insert your disk.
4. Select checkout.
5. Select OK.

To return your BankLink data by E-mail

1. Once you have “Checked out” your updated transactions to disk leave, the disk in the A: drive.
2. Exit out of the BankLink program and go into your e-mail program.
3. Type your message to this office.
4. Select “Attach a file”.
5. Select your BankLink file in the A drive.

Trouble shooting and support

Your BankLink support is with us. Call _____ with any problems or difficulties such as:

- Coding queries
- GST issues

BankLink reporting

BankLink has a range of reports for you to use in your business.

Coding report

When you have finished coding your bank transactions print a coding report to make sure the job is complete. Select:

- Reports
- Coding report
- Uncoded only
- From 01/01/XX o 31/01/XX
- Print Coding report

This will identify any uncoded or incorrectly coded transactions.

GST reports

To complete your GST returns select he following reports.
Specify the correct period, select payments or invoice basis, and then print:

- GST report (Copy these details to your GST Return form)
- GST report summary
- GST audit trail
- Bank reconciliation report (summarised)

Monthly cashflow reports

The following reports will give you a monthly summary of your business cashflow. Do not select the GST inclusive option if you are GST registered. Select:

- Reports
- Cashflow reports
- Print “Twelve months actual”

Budget reports

If your business has input budget figures into BankLink, you will find some budget reports of value. Select:

- Reports
- Cashflow reports
- Print “Actual budget and variance for the month”
- Print “Twelve months actual and budget”

Profitability reports

For profitability reporting. Select:

- Reports
- Profitability reports
- Monthly actual
- Twelve months actual

If you are running a budget you may wish to print profitability reports that make a comparison with budgeted figures. Select:

- Reports
- Profitability reports
- Actual and budget variances for the month
- Twelve months actual and budget

Graphs

Select the graphs that suit your particular business. A good starting point is the one page summary of the graphs available. Select:

- Graphs
- One page summary or
- One page summary (with budget included)

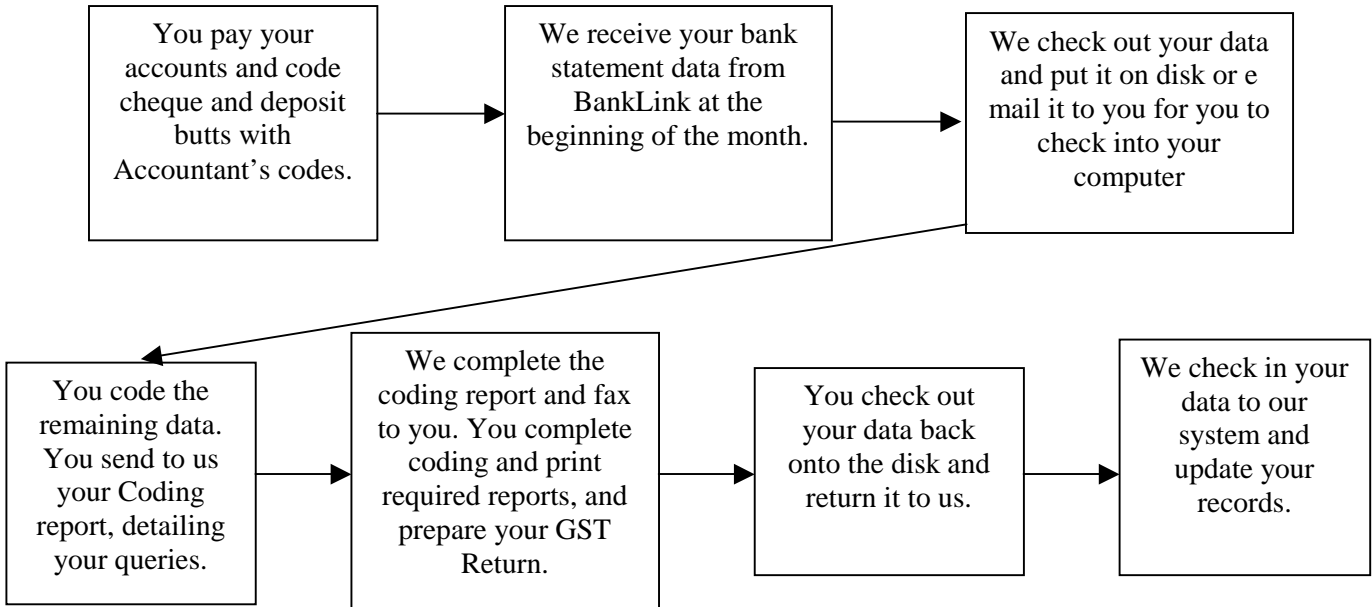
BankLink Training Procedures (Australian Version) - Level Two

1. Complete the overview of BankLink.
 - What is BankLink?
 - What are the advantages of BankLink?
 - BankLink costs.
 - Training costs. (always over estimate these)
2. Explain the BankLink process.
 - Use the flow chart to explain the sequence of events.
3. Explain how to load the software.
 - Explain to the client the software delivery process.
 - Run through the loading instructions with the client.
4. Review the coding process.
 - Run through the client's Chart of Accounts. Review any complex coding issues.
 - Run through the procedures for coding, as listed in the BankLink Training Guide.
5. Use of Analysis Codes on Cheque and Deposit butts.
 - Run through the procedure for writing the code onto the cheque and deposit butts, as pre-coded facility is currently unavailable.
6. Ask the client if they have any queries or concerns. Make sure these are all addressed on the spot. Refer to FAQ's in the BankLink Information Pack.
7. Demonstrate BankLink to the client.
 - Use the "Demo" client on your Computer to demonstrate the features of BankLink.
 - The following processes must be thoroughly explained to the client.
 - Entering codes
 - Memorising transactions
 - Dissections
 - Entering comments
 - Entering quantities
 - The use of short cut keys
 - Entering journals
 - Looking up the chart of accounts.
 - Ensure the client knows how to print a Coding report, and the necessity of sending the report to the Accountants office for remaining queries to be answered.
8. Checking data in and out
 - Explain to the client the process of checking in and out the data.
 - The timing of the receipt and return of data to the accounting practice is extremely important and the client must be made aware of this.
 - This is an appropriate time to be asking the client if they have an e-mail address. Does the client wish to receive their data by disk or e-mail? E-mail is the preferred option wherever possible.

9. Printing reports and graphs.
 - Show the client how to print the various reports and graphs that will be most appropriate to their information requirements.
 - Ensure that the client is aware of all of the reporting options and their usefulness.
10. Finally ask the client if they have any further questions. If they hesitate, ask them if there are any issues they would like you to repeat in the training process.
Reinforce that all queries/concerns must be redirected to their support team member.
11. Ensure that the checklist is completed alongside the training. This will ensure that no important steps are missed out.
12. Establish a follow up program to chart progress. Make a diary note for 6 weeks after the BankLink training has been completed to telephone the client to identify any issues that require further training.

Client BankLink Training Guide

Overview of BankLink



The BankLink software

You need to have BankLink software loaded into your computer system and we provide this software free of charge. It is Windows based and is Y2K compliant. We will provide you with a BankLink box set that includes software and a technical user manual.

We will provide you with any future updates at no cost whatsoever.

To load the software by disk (CD)

1. Go to start on the windows main menu screen
2. Go to run. Put the CD in your CD Drive.
3. Type in D:\setup.exe or E:\setup.exe if your disk is identified as E Drive
4. The BankLink Software Set up program will start
5. When prompted select install to drive C (or another drive if you are on a network)
6. The Software will now be installed (Note: a shortcut to the desktop is installed automatically)

To update your new BankLink software to the latest BankLink version

The BankLink update file will be supplied on floppy disk or by e-mail

To Update:

1. Go to Windows Explorer and put the update disk in your A Drive
2. Click on the A Drive in Windows Explorer
3. Click on the Update file BK5win.exe
4. Right click your mouse and select copy
5. Click on the BK5 folder on your C Drive
6. Right click your mouse and select Paste
7. The file will now update and you will be asked "Do you want to replace existing file?"
8. Select "Yes"
9. Re-enter BankLink and check in the Help – About screen that the latest version number appears.

Your BankLink codes

We allocate numeric codes to each type of income and expense to produce your financial statements. If you use these codes during the year we only need to process information once. These codes are adapted to suit your particular business and are provided to you in your “BankLink Training Guide”. They are called the “Chart of Accounts Report” Some simple tips:

- Use only the codes provided.
- Select any new codes from the Chart of Accounts Report in your BankLink Guide.
- If you are unsure of what code to use, phone us and ask.
- If you wish to add a code, phone us and we will provide you with a new code to use.

The BankLink process

1. We receive your bank statement data from BankLink by the 3rd working day of each month.
2. We download this data to a floppy disk for you to take home, or we e-mail it to you.
3. You may process your data on a monthly basis. Many clients’ process their data according to their GST Return periods but it is advisable to process monthly. This keeps you in touch with your business results on a regular basis.
4. You load the BankLink data disk into your computer. This is called “Checking In” the data.
5. You code your remaining transactions. Memorised transactions will already be coded.
6. You fax or post to us your coding report, listing any remaining transactions you are unable to code.
7. We complete the coding report and send/fax it back to you. You then complete transaction coding.
8. If you are preparing profitability reports, and you keep a perpetual stock inventory, then you will need to enter your journals for debtors, creditors, work in progress, and inventory for the month.
9. If you have GST Return adjustments to make, then enter your GST Journals.
10. Ring us with any difficult coding problems **before** you finalise your reports and GST Returns.
11. Print your reports from BankLink (see the attached BankLink Reporting Guide)
12. Prepare your GST Return as you normally would.
13. Check out your data back onto the disk. See notes for “Checking Out” data.
14. Return the disk to us so we can update our system. You may return the data to us by e-mail.

To check in your data by disk

1. Enter your BankLink program.
2. Go to systems.
3. Check in clients.
4. Insert your disk and select OK.
5. Check in clients.
6. Press space bar to enter.

To receive your BankLink data by E-mail

We will have sent you an e-mail message with an attached BankLink file.

1. Put a blank floppy disk into your A drive.
2. Enter into the e-mail message from our office.
3. Highlight the attached BankLink file.
4. Right click the mouse and select “Save as”.
5. Save the file to disk. To do this save to A:\”file name”.
6. Once the file is on disk, you enter into the BankLink program and “Check In”.

To check out your data by disk

1. Enter your BankLink program.
2. Go to systems.
3. Insert your disk.
4. Select checkout.
5. Select OK.

To return your BankLink data by E-mail

1. Once you have “Checked Out” your updated transactions to disk leave, the disk in the A: Drive.
2. Exit out of the BankLink program and go into your e-mail program.
3. Type your message to this office.
4. Select “Attach a File”.
5. Select your BankLink file in the A drive.

Trouble shooting and support

Your BankLink support is with us. Call _____ with any problems or difficulties such as:

- Coding queries
- GST issues

BankLink Reporting

BankLink has a range of reports for you to use in your business.

Coding report

When you have finished coding your bank transactions print a coding report to make sure the job is complete. Select:

- Reports
- Coding report
- Uncoded only
- From 01/01/XX o 31/01/XX
- Print Coding report

This will identify any uncoded or incorrectly coded transactions.

GST reports

To complete your GST returns select he following reports.
Specify the correct period, select payments or invoice basis, and then print:

- GST report (Copy these details to your GST Return form)
- GST report summary
- GST audit trail
- Bank reconciliation report (summarised)

Monthly cashflow reports

The following reports will give you a monthly summary of your business cashflow. Do not select the GST inclusive option if you are GST registered. Select:

- Reports
- Cashflow reports
- Print “Twelve months actual”

Budget reports

If your business has input budget figures into BankLink you will find some budget reports of value. Select:

- Reports
- Cashflow reports
- Print “Actual budget and variance for the month”
- Print “Twelve months actual and budget”

Profitability reports

For profitability reporting, select:

- Reports
- Profitability reports
- Monthly actual
- Twelve months actual

If you are running a budget you may wish to print profitability reports that make a comparison with budgeted figures. Select:

- Reports
- Profitability reports
- Actual and budget variances for the month
- Twelve months actual and budget

Graphs

Select the graphs that suit your particular business. A good starting point is the one page summary of the graphs available. Select:

- Graphs
- One page summary or
- One page summary (with budget included)

BankLink Training Procedures (Australian Version) - Level Three

1. Complete the overview of BankLink.
 - What is BankLink?
 - What are the advantages of BankLink?
 - BankLink costs
 - Training costs. (always over estimate these)
2. Explain the BankLink process.
 - Use the flow chart to explain the sequence of events.
3. Review the coding process.
 - Run through the client's chart of accounts. Review any complex coding issues.
 - Run through the procedures for coding, as listed in the BankLink Training Guide.
4. Use of analysis cheque and deposit books
 - Explain to the client the procedure for ordering analysis coded cheque/deposit books.
 - Run through the procedure for writing the code into the cheque and deposit books.
Remember neatness of the code is very important to ensure that the code is punched by the banking staff is entered accurately.
5. Ask the client if they have any queries or concerns. Make sure these are all addressed on the spot. Refer to FAQ's in the BankLink Information Pack.
6. Analysing the Coding report
 - Explain to the client the process of using a Coding report.
 - Inform the client of all the details that are required on the Coding report.
7. Printing reports and graphs.
 - Explain to the client the reporting options available.
 - List on the client's checklist all reports that will be printed by the accountant's office.
8. Finally ask the client if they have any further questions. If they hesitate, ask them if there are any issues they would like you to repeat in the training process.
Reinforce that all queries/concerns must be redirected to their support team member within the accounting practice.
9. Ensure that the checklist is completed alongside the training, to ensure that no important steps are missed out.
10. Establish a follow up program to check progress. Make a diary note for 6 weeks after completion of BankLink training to telephone the client to identify any issues that require further training.

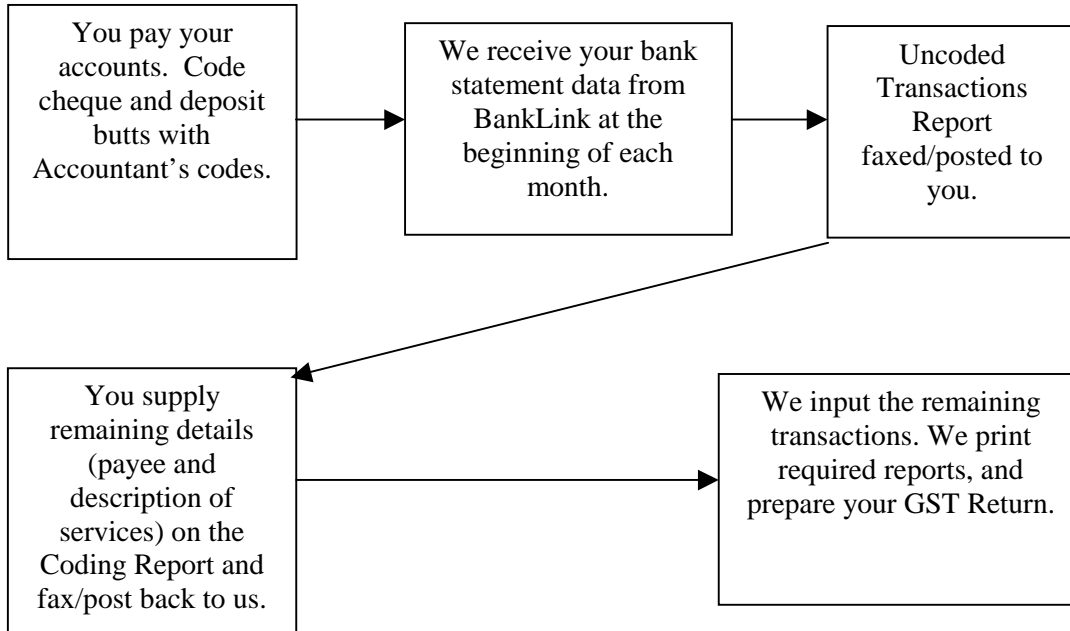
BankLink Training Checklist - Level Three

- 1. Bank Link Form Completed and Signed
- 2. Complete Overview of BankLink
- 3. Review the coding process
- 4. Use of Analysis codes on cheque and deposit butts
- 5. BankLink Reporting
 - Coding Items Reports
 - GST Report
 - Cashflow
 - Other Options

<p>Other Comments</p> <p>Action Plan</p> <p>By Whom _____ By When _____</p>

Client BankLink Training Guide

Overview of BankLink



Your BankLink codes

We allocate special four digit codes to each type of income and expense to produce your financial statements. If you use these codes during the year we only need to process information once. These codes are adapted to suit your particular business and are provided to you in your “BankLink Training Guide”. They are called the “Chart of Accounts Report” Some simple tips:

- Use only the codes provided.
- Select any new codes from the Chart of Accounts Report in your BankLink Guide.
- If you are unsure of what code to use, phone us and ask.
- If you wish to add a code, phone us and we will provide you with a new code to use.

The BankLink process

1. We receive your bank statement data from BankLink by the 3rd working day of each month.
2. We print a report of uncoded transactions and post or fax this to you.
3. You complete details of the uncoded transactions. We will need to know whom a payment was to and what it was for. Likewise with unknown deposits.
4. If a payment is a split transaction we will need a breakdown of that payment.
5. If you normally bring in your invoices each GST period continue to do so.
6. We will code any asset purchases or sales, or any land or business purchases or sales.

7. We will always need copies of invoices for asset purchases or sales, as well as sale and purchase agreements and solicitors settlement statements for property transactions. We also need copies of any hire purchase agreements.
8. If you have any business transactions that do not go through your bank account please let us know.
9. We will process your transactions and let you know what your GST payment or refund will be for the period. We will ensure that your GST payment reaches Inland Revenue by due date.
10. We will send out to you, your monthly management reports.

BankLink reporting

BankLink has a range of reports we can produce for you to use in your business.

Coding report

When we are coding your bank statements and completing your GST we may send you a Coding report. This lists the transactions that we need you to describe in more detail. Just note on the report what items a transaction was for and who it was made out to.

Monthly cashflow reports

Once we have processed your bank statements and completed your GST returns we will provide the following reports:

- **Bank Reconciliation Report** – If you have more than one bank account they will be combined on your cashflow report. A bank reconciliation shows you the opening and closing bank balances for each account for the period.
- **Cashflow Twelve Months Actual** – This will show your cashflow since the start of your financial year.

Budget reports

If you have provided us with budget figures for your business and asked us to put them into our BankLink program you will find some budget reports of value:

- **Actual Budget and Variance for the Month.**
- **Twelve Months Actual and Budget.**

Profitability reports

If you have an interest in profitability reporting the following reports can be provided:

- **Monthly Actual Profitability**
- **Twelve Months Actual Profitability**

Graphs

We can provide graphs that suit your particular business. A good starting point a one-page summary of the following graphs. These can compare annual figures with the previous year.

- Income
- Trading payments
- Trading results
- Closing bank balances

Section 7 - Client Reporting

The following is a listing of BankLink reports available to all clients: -

Coding Report

When coding of bank statement transactions is completed, a coding report is requested to ensure that no transactions have been missed. Select:

- Reports
- Coding report
- Uncoded only
- From 01/01/XX to 31/01/XX
- Print Coding report

This will identify any uncoded or incorrectly coded transactions.

GST Reports

To complete client's GST returns select the following reports. Specify the correct period, select payments or invoice basis, and then print:

- GST report (Copy these details to your GST Return form)
- GST report summary
- GST audit trail
- Bank reconciliation report (summarised)

Bank Reconciliation Report – If clients have more than one bank account they will be combined for reporting purposes on the cashflow report. A bank reconciliation will show the opening and closing bank balances for each account for the period.

Monthly Cashflow Reports

The following reports will provide a monthly summary of business cashflow. Do not select the GST inclusive option if client is GST registered.

- Reports
- Cashflow reports
- Print “Twelve months actual”

Cashflow Twelve Months Actual – This will show your cashflow since the start of your financial year.

Budget Reports

If clients have provided budget figures for their business and the have been subsequently entered into BankLink, you may find some budget reports of value:

- **Actual Budget and Variance for the Month.**
- **Twelve Months Actual and Budget.**

Select:

- Reports
- Cashflow reports
- Print “Actual budget and variance for the month”
- Print “Twelve months actual and budget”

Profitability Reports

If you have an interest in profitability reporting the following reports can be provided:

- **Monthly Actual Profitability**
- **Twelve Months Actual Profitability**

Select:

- Reports
- Profitability reports
- Monthly actual
- Twelve months actual

Graphs

A good starting point is the one page summary of the graphs available. Select: -

- Graphs
- One page summary or
- One page summary (with budget included)

These can compare annual figures with the previous year for: -

- Income
- Trading payments
- Trading results
- Closing bank balances

Section 8 - Ongoing BankLink Development

Twice each year, (In March and September), each client using the BankLink facility should be reviewed.

- Does this client have further reporting needs?
e.g. Budget/Variiances. If so, discuss with Partner and take further action if necessary.
- Could this client improve their record keeping/coding quality by further coaching from our offices?
- Should the level originally allocated to this client be reviewed?

Annually, at least two months prior to balance date the entire client data base should be reviewed to identify clients who are not using BankLink and should be. Refer to the Accounting Systems Evaluation Checklist.

BankLink Templates

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ACCOUNTING SYSTEMS EVALUATION CHECKLIST

Client: -

<u>Evaluate System Used</u> (Circle)	<u>Rating Indicators</u>	Comment
<ul style="list-style-type: none"> • Custom Software • Quickbooks • MYOB • Other Electronic CashBook (describe) • BankLink (describe level) • Manual reconciled CashBook • Unreconciled CashBook • Other (describe) • Shoebox 	2. Poor 2.4. Requires Improvement 5.6. Average 8. Very Good 8.9. Firm Standard 11. Outstanding <u>Rating</u> f) Accuracy of system () g) Ability to integrate with Practice software () h) Quality of Management Reports () i) User friendliness/flexibility () j) Ability to cope with GST Return preparation ()	
<u>Evaluate Clients' Abilities</u> Performance Indicators: - <ul style="list-style-type: none"> • Error rate • Rework • Fee write-offs • Ability to accurately process other taxes • Training received • Accounting background 	e) Accuracy of output () f) Level of ongoing support/supervision required () g) Time taken to achieve output () h) Ability to understand Management Reports ()	
<u>Other Issues</u> 7. Does the current system meet client's needs? 8. Does the current system assist us in Accounts preparation? 9. Could the current system be improved by adequate training? 10. Does the client enjoy using this system? 11. What motivates the client to use this system? a) Management information b) Fee reduction 12. Does the client have adequate computer hardware?	Yes/No Yes/No Yes/No Yes/No Yes/No Yes/No	

RECOMMENDATIONS

Signature _____ Team Member _____

MANAGER/PARTNER REVIEW

Comments

Signature _____ Team Member _____

AGREED ACTION PLAN

By Whom _____

By When _____

BANKLINK INTRODUCTION LETTER

Date

Branch Manager
Name Bank
Address
AUSTRALIA

Dear Name

Please find enclosed an information pack that outlines BankLink, a new accounting product we are about to incorporate into our practice.

With the upcoming introduction of GST, we intend providing a simple and cost effective solution to our clients to address the issue of GST return preparation, at the same time providing useful management reports which are tailored to the small to medium sized business.

The enclosed folder includes: -

- BankLink Information Pack
- Sample Client Authority Form

We appreciate you taking the time to read the enclosed information.

If you have any queries or concerns regarding this service or would like to know more about BankLink don't hesitate to contact any one of the team here at _____ .

Yours faithfully

Team Member

Encl.

BANKLINK INFORMATION PACK

The Features of BankLink

What is BankLink?

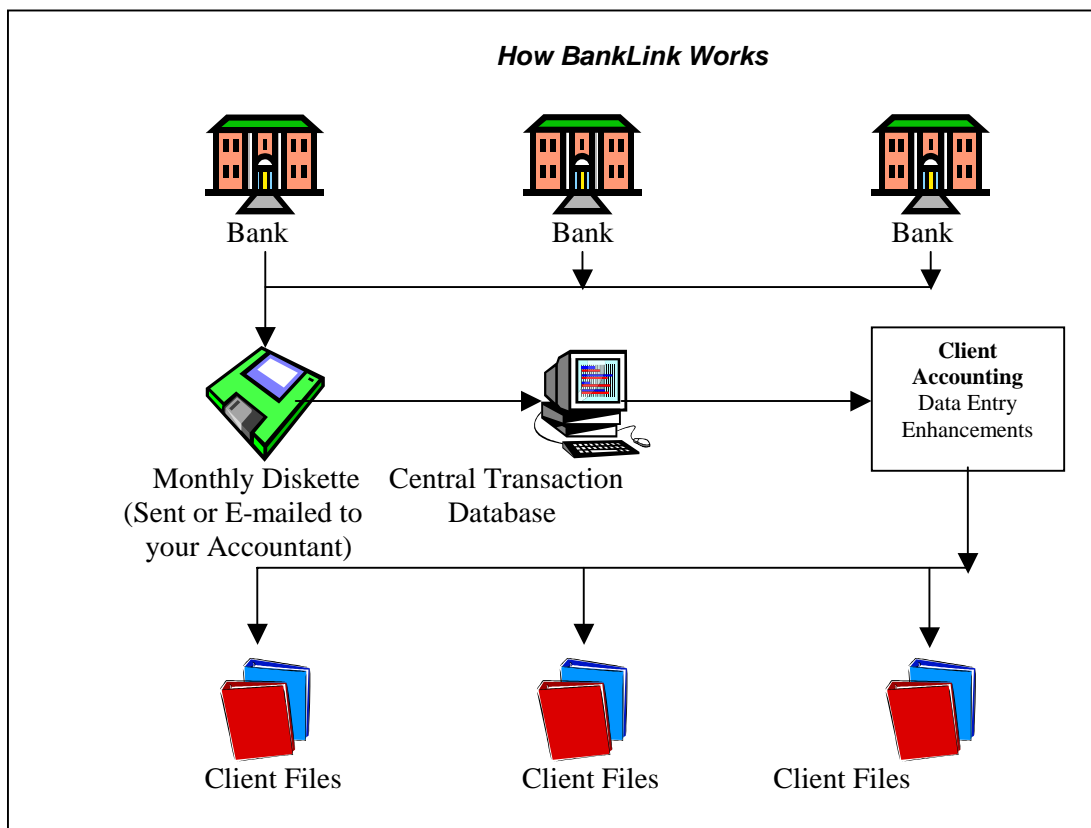
BankLink is an advanced system for coding, managing and reporting on bank statement transactions before they are posted to the Accountant's general ledger system.

BankLink is New Zealand and Australian based with 65% of New Zealand and 6% of Australian practices using this service. BankLink is Y2K compliant and provides excellent product support. It currently services 1000 practices in New Zealand and Australia.

BankLink delivers bank transactions, in electronic form, directly from the bank to the Accountant. Once received, BankLink transactions are automatically downloaded into the Accountant's client files where they are coded and a range of comprehensive but simple management reports are produced.

BankLink is a unique software application. It can either be used by clients independently of their accountant, or by the accountant alongside the client. As BankLink can be applied at a variety of levels, it is the natural GST solution for the typical small and medium-size business.

BankLink is a Windows application. As such, you get a predictable look on screen as well as functions you have come to know and rely on. This compatibility makes BankLink easy to learn and operate.



Why use Banklink?

BankLink provides a variety of instant management reports. These are easy to read and provide up to date information for clients, their accountants and their financiers.

Accurate GST Return preparation is simply a by-product of this remarkable software.

Much research has been conducted to prove the link between small business survival and the frequency and adequacy of accounting reports and records.

The following tables are a powerful reminder of that link: -

Survival and Frequency of Accounting Reports

Frequency	Survival Rate %
At least monthly	79.7
Quarterly	71.5
Half-yearly	49.9
Annually	36.0

Source: Williams, A.J., A Longitudinal Analysis of the Characteristics and the Performance of Small Business in Australia.

Survival and Adequacy of Accounting Records

Adequacy	Survival Rate %
Excellent-Good	63.0
Average	49.8
Inadequate	20.1
Poor-Non-existent	2.5

Source: Williams, A.J., A Longitudinal Analysis of the Characteristics and the Performance of Small Business in Australia.

Why we introduced GST/Cashflow reporting?

- First and foremost, to improve clients business monitoring and planning skills.
- To assist in accurate GST Return preparation.
- To provide clients with better value for their accounting dollar.

Some Frequently Asked Questions about BankLink (by Clients)

What will it cost me?

There are monthly bank fees. We have decided to absorb these charges and expect to recover them from time savings.

Client training may be required and this will be charged at our normal hourly rate. The cost of the training will vary from client to client according to their type of business and specific needs. Estimates of training costs will be provided to clients in advance.

There are no charges for product support or software updates.

Can I do my own coding?

For clients who have their own computer systems, this may be possible. However, we don't often recommend it. Clients who are interested in this feature need to be prepared to invest considerable time, and some money in structured training.

What happens if I change my bank account during the year?

You'll need to let us know before this happens. We'll simply send you a fresh authority form for your new bank.

Can you access my bank account?

Absolutely not. we are simply receiving enhanced bank transactions.

Can you backdate transactions in BankLink?

Yes this can be done. Backdating a few weeks' transactions is not difficult to do. However, it is always more efficient to get BankLink loaded by the beginning of the new financial year.

Will our accounting fees go down?

This is unlikely. Whilst BankLink provides accounting efficiencies, in reality these time savings will be replaced by additional services such as GST compliance and business improvement services.

Who provides product support?

All support is provided by us.

What are the advantages of BankLink?

- BankLink improves the quality and timeliness of our Accounting reports.
- BankLink is Y2K compliant.
- BankLink eliminates unwanted paper; we no longer have to search for missing bank statements.

- BankLink product support and service is outstanding.
- BankLink help us to be more efficient: -
 - Transactions are sorted.
 - Transactions can be memorised.
 - Data is complete.
 - Punching of Bank Statements is no longer required.
 - Management reports are instantaneous.
- As GST reporting is simply a by-product, why not have your accountant take care of the GST compliance issues? Avoid the hassles of GST Return preparation, not to mention the hefty ATO fines.

What reports are available from the software

- GST Return and detailed GST report
- Bank Reconciliation report
- Cashflow reports, any period, actual, budget and variance, previous year. . .
- Profitability reports, any period, actual, budget and variance, previous year. .
- Exception reports
- Graphic reports on sales, expenses, trading results and cash balances.
- Spending by payee reports
- Smart budget reports

What Australian banks support BankLink?

- Advance Bank
- ANZ Bank
- Bank of Melbourne
- Bank of South Australia
- BankWest
- Bendigo Bank
- BNZ
- Challenge Bank
- CBA
- Colonial State Bank
- National Australia Bank
- Macquarie Investment CMT
- St George
- Westpac
- Wesfarmers Dalgety

What happens now?

- The client signs a BankLink authority form.
- We send this to BankLink; they complete the set-up process.
- Where necessary, we provide clients with comprehensive training.

Summary

We believe BankLink is a business improvement tool as well as an accounting software package.

An added bonus of BankLink is that it processes GST Returns accurately and efficiently.

One of the great features of BankLink is that it will force clients to look more closely at their figures on a regular basis, which means they've always got their finger on the pulse of what's happening. GST experiences in New Zealand tell us that in almost 100% of cases, this 'awareness factor' alone leads to profit growth.

A recent New Zealand research project "Smaller Businesses and Chartered Accountants Services", draws interesting parallels between business failure and lack of management information.

Business survival is higher among small firms with adequate accounting systems which provide frequent and relevant accounting reports. This reinforces the crucial importance of a professional accountant and accountancy to the survival rates of small business.

GST provides Australian businesses with the ideal platform from which to develop better record keeping, smarter accounting systems and vastly improved management reporting.

Technology such as BankLink will allow accountants to deliver such services professionally and efficiently. This ensures that the true winner of Tax Reform will be the client.

BANKLINK WORKSHOP REGISTRATION FORM
(Making the most of your Accountants Technology)

Please register us for the BankLink Workshop.

The investment is \$_____ for the first per person from you firm and \$_____ for each person after that.

Business Name: _____

Primary Delegate: _____

Additional Delegates(s): _____

Please tick which event you are attending:

- | | |
|--------------------------|-------------------------|
| <input type="checkbox"/> | 4. 00 p.m. – 6. 00 p.m. |
| <input type="checkbox"/> | 4. 00 p.m. – 6. 00 p.m. |
| <input type="checkbox"/> | 4. 00 p.m. – 6. 00 p.m. |
| <input type="checkbox"/> | 4. 00 p.m. – 6. 00 p.m. |

PAYMENT DETAILS

We are paying a total of \$ _____

Cheque (made payable to _____)

Credit Card:

Amex MasterCard Bankcard Visa Diners

Number: _____ Expiry Date: _____/_____

Name on Card: _____ Signature: _____

PLEASE FILL IN AND FAX TO (Name Name) AT (Firm Name) ON (Fax Number)

**-Firm Address-
-Firm Phone-**

FIRM NAME

If you have any questions please call (Name) on _____

BANKLINK SIGN-UP LETTER 1

Date

Salutation
Address
TOWN

Good Morning [name],

Nearly all the major Banks have recently introduced BankLink, a service that is available to all businesses right throughout the country.

This new service enables the Banks to supply your bank statement information directly to us as your Accountants, in electronic form.

Your bank statement information, which we used to collect from you and then process manually, can now be loaded directly into our computer system electronically.

We are sure you will appreciate the efficiencies this system offers.

We have decided to adopt this new system for all our clients, as we sincerely believe that it will allow us to provide you with better and more effective client care.

All you need to do is complete and sign the attached "Client Authority" form, authorising us to collect your bank data electronically. Remember that you will still get your own printed bank statement as usual.

We look forward to receiving the signed authorities by return mail. (Just pop them in the envelope provided).

Enclosed also is a detailed BankLink Information Pack. Please take the time to read its contents and if you do have any queries or concerns do give either myself or any one of the team a call.

Here at FIRM NAME, we look forward to delivering to you the tremendous benefits we know BankLink will provide.

Kind regards

BANKLINK SIGN UP LETTER 2

Date

Salutation
Address
TOWN

Good Morning [name],

Further to our recent presentation outlining the benefits of BANKLINK, please find enclosed “Client Authority” forms, authorising us to collect your bank data electronically.

We look forward to receiving the signed authorities by return mail. (Just pop them in the envelope provided).

If you do have any queries or concerns about BankLink, do give either myself or any one of the team a call.

Here at FIRM NAME, we all look forward to delivering the tremendous benefits we know BankLink will provide.

Kind regards

BANKLINK SIGN UP LETTER 3

Date

Salutation
Address
TOWN

Good Morning [name],

Nearly all the major banks have recently introduced BankLink, a service that is available to all businesses right throughout the country.

This new service enables the banks to supply your bank statement information directly to us as your Accountants, in electronic form.

Enclosed please find: -

- BankLink Information Pack
- Client Authority forms

All you need to do is complete and sign the attached "Client Authority" forms, authorising us to collect your bank data electronically. Remember that you will still get your own printed bank statement as usual.

We look forward to receiving the signed authorities by return mail. (Just pop them in the envelope provided).

If you have any queries or concerns about BankLink, do give either myself or any one of the team a call.

Here at FIRM NAME, we all look forward to delivering to you the tremendous benefits that we know BankLink will provide.

Kind regards

BANKLINK BATCH ADDITION LETTER

Date

Salutation
Address
TOWN

Good Morning [name]

Nearly all the major banks have recently introduced BankLink, a service that is available to all businesses right throughout the country.

This new service enables the banks to supply your bank statement information directly to us as your Accountants, in electronic form.

Enclosed please find: -

- BankLink Information Pack
- Client Authority forms

All you need to do is complete and sign the attached "Client Authority" forms, authorising us to collect your bank data electronically. Remember that you will still get your own printed bank statement as usual.

We look forward to receiving the signed authorities by return mail. (Just pop them in the envelope provided).

If you have any queries or concerns about BankLink, do give either myself or any one of the team a call.

Here at FIRM NAME, we all look forward to delivering to you the tremendous benefits that we know BankLink will provide.

Kind regards

BANKLINK BATCH DELETION LETTER

Date

BankLink Ltd
GPO Box 4608
SYDNEY

Attention:

Good Morning [name]

Please **delete** the following clients from our BankLink records: -

Client

Bank Account Number

This request is effective immediately.

Do call us immediately if you have any queries concerning the above request.

Yours faithfully

Firm Name etc.

BANKLINK TRAINING CHECKLIST - LEVEL ONE

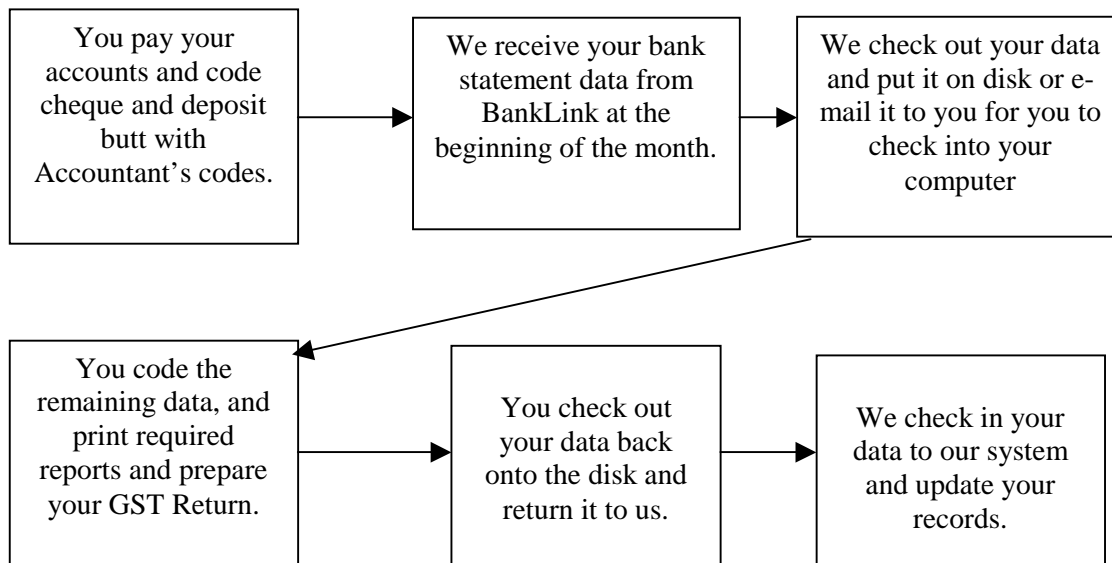
- 1. Bank Link Form Completed and Signed
- 2. Complete Overview of BankLink
- 3. Explain how to load BankLink Software
- 4. Review the coding process
- 5. Use of Analysis codes on cheque and deposit butts
- 6. Demonstrate BankLink to the client
 - Dissection of transactions
 - Memorisation
 - Entering comments
 - Entering quantities
 - The use of short cut keys
 - Looking up chart of accounts
- 7. Demonstrate BankLink Journals
 - GST
 - Accruals
 - Stock
- 8. Checking data in and out
- 9. BankLink Reporting
 - GST Report
 - Cashflow
 - Other Options
- 10. Data by e-mail (E) or Disk (D)

Client e-mail Address _____

<p>Other Comments</p> <p>Action Plan</p> <p>By Whom _____ By When _____</p>

BankLink Training Guide - Level One

Overview of BankLink



The BankLink software

You need to have BankLink software loaded into your computer system and we provide this software free of charge. It is Windows based and is Y2K compliant. We will provide you with a BankLink box set that includes software and a technical user manual. We will provide you with any future updates at no cost whatsoever.

To load the software by disk (CD)

1. Go to start on the windows main menu screen
2. Go to run. Put the CD in your CD Drive.
3. Type in D:\setup.exe or E:\setup.exe if your disk is identified as E Drive
4. The BankLink Software Set up program will start
5. When prompted select install to drive C (or another drive if you are on a network)
6. The Software will now be installed (Note: a shortcut to the desktop is installed automatically)

To update your new BankLink software to the latest BankLink version

The BankLink update file will be supplied on floppy disk or by e-mail

To Update:

1. Go to Windows Explorer and put the update disk in your A Drive
2. Click on the A Drive in Windows Explorer
3. Click on the Update file BK5win.exe
4. Right click your mouse and select copy
5. Click on the BK5 folder on your C Drive
6. Right click your mouse and select Paste
7. The file will now update and you will be asked "Do you want to replace existing file?"
8. Select "Yes"
9. Re-enter BankLink and check in the Help – About screen that the latest version number appears.

Your BankLink codes

We allocate numeric codes to each type of income and expense to produce your financial statements. If you use these codes during the year we only need to process information once. These codes are adapted to suit your particular business and are provided to you in your “BankLink Training Guide”. They are called the “Chart of Accounts Report” Some simple tips:

- Use only the codes provided.
- Select any new codes from the Chart of Accounts Report in your BankLink Guide.
- If you are unsure of what code to use, phone us and ask.
- If you wish to add a code, phone us and we will provide you with a new code to use.

The BankLink process

1. We receive your bank statement data from BankLink by the 3rd working day of each month.
2. We download this data to a floppy disk for you to take home, or we e-mail it to you.
3. You may process your data on a monthly basis. Many clients’ process their data according to their GST Return periods but it is advisable to process monthly. This keeps you in touch with your business results on a regular basis.
4. You load the BankLink data disk into your computer. This is called “Checking In” the data.
5. You code your remaining transactions. Memorised transactions will already be coded.
6. If you are preparing profitability reports, and you keep a perpetual stock inventory, then you will need to enter your journals for debtors, creditors, work in progress and inventory for the month.
7. If you have GST Return adjustments to make, then enter your GST journals.
8. Ring us with any difficult coding problems **before** you finalise your reports
9. and GST Returns.
10. Print your reports from BankLink (see the attached BankLink Reporting Guide)
11. Prepare your GST Return as you normally would.
12. Check out your data back onto the disk. See notes for “Checking Out Data”
13. Return the disk to us so we can update our system. You may return the data to us by e-mail.

To check in your data by disk

1. Enter your BankLink program.
2. Go to systems.
3. Check in clients.
7. Insert your disk and select OK.
8. Check in clients.
9. Press space bar to enter.

To receive your BankLink data by E-mail

We will have sent you an e-mail message with an attached BankLink file.

1. Put a blank floppy disk into your A drive.
2. Enter into the e-mail message from our office.
3. Highlight the attached BankLink file.
4. Right click the mouse and select “Save as”.
5. Save the file to disk. To do this save to A:\”file name”.
6. Once the file is on disk, you enter into the BankLink program and “Check In”.

To check out your data by disk

1. Enter your BankLink program.
2. Go to systems.
3. Insert your disk.
4. Select checkout.
5. Select OK.

To return your BankLink data by E-mail

1. Once you have “Checked out” your updated transactions to disk leave, the disk in the A: drive.
2. Exit out of the BankLink program and go into your e-mail program.
3. Type your message to this office.
4. Select “Attach a file”.
5. Select your BankLink file in the A drive.

Trouble shooting and support

Your BankLink support is with us. Call _____ with any problems or difficulties such as:

- Coding queries
- GST issues

BankLink reporting

BankLink has a range of reports for you to use in your business.

Coding report

When you have finished coding your bank transactions print a coding report to make sure the job is complete. Select:

- Reports
- Coding report
- Uncoded only
- From 01/01/XX o 31/01/XX
- Print Coding report

This will identify any uncoded or incorrectly coded transactions.

GST reports

To complete your GST returns select he following reports.

Specify the correct period, select payments or invoice basis, and then print:

- GST report (Copy these details to your GST Return form)
- GST report summary
- GST audit trail
- Bank reconciliation report (summarised)

Monthly cashflow reports

The following reports will give you a monthly summary of your business cashflow. Do not select the GST inclusive option if you are GST registered. Select:

- Reports
- Cashflow reports
- Print “Twelve months actual”

Budget reports

If your business has input budget figures into BankLink, you will find some budget reports of value. Select:

- Reports
- Cashflow reports
- Print “Actual budget and variance for the month”
- Print “Twelve months actual and budget”

Profitability reports

For profitability reporting. Select:

- Reports
- Profitability reports
- Monthly actual
- Twelve months actual

If you are running a budget you may wish to print profitability reports that make a comparison with budgeted figures. Select:

- Reports
- Profitability reports
- Actual and budget variances for the month
- Twelve months actual and budget

Graphs

Select the graphs that suit your particular business. A good starting point is the one page summary of the graphs available. Select:

- Graphs
- One page summary or
- One page summary (with budget included)

BANKLINK TRAINING CHECKLIST - LEVEL TWO

1. Bank Link Form completed and signed
2. Complete Overview of BankLink
3. Explain how to load BankLink Software
4. Review the coding process
5. Use of Analysis codes on cheque and deposit butts
6. Demonstrate BankLink to the client
 - Dissection of transactions
 - Memorisation
 - Entering comments
 - Entering quantities
 - The use of short cut keys
 - Looking up chart of accounts
7. Demonstrate BankLink Journals
 - GST
 - Accruals
 - Stock
8. Checking data in and out
9. BankLink Reporting
 - GST Report
 - Cashflow
 - Other Options
10. Data by e-mail (E) or Disk (D)

Client e-mail address _____

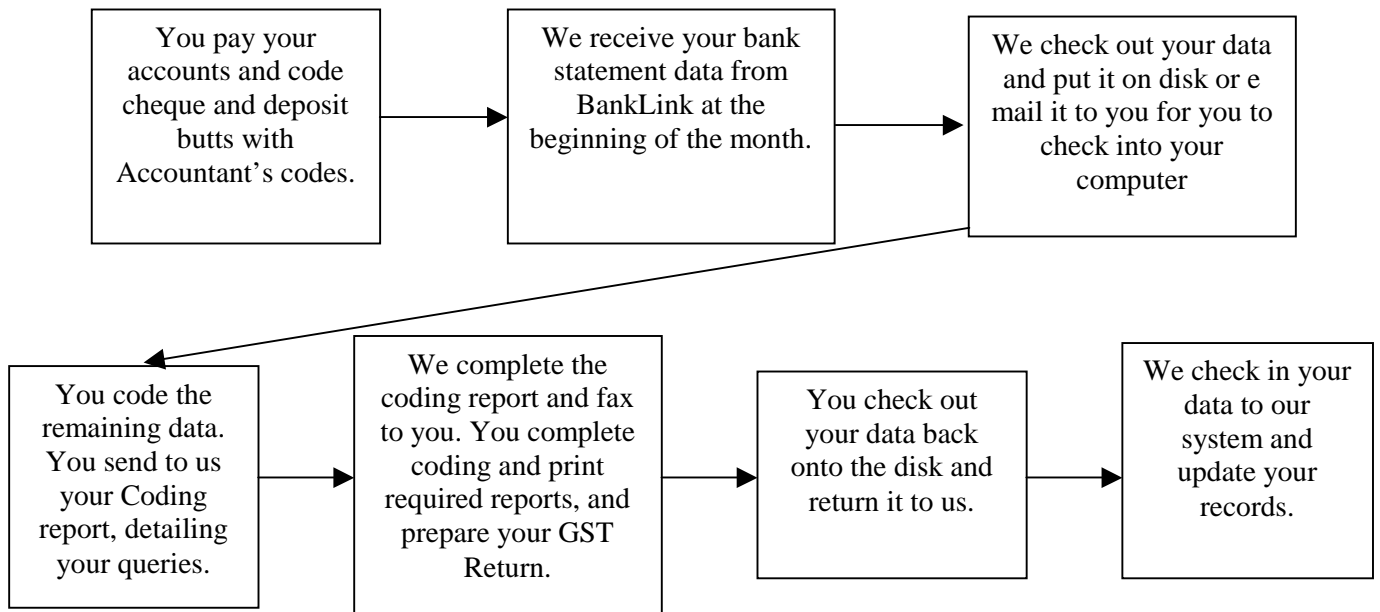
Other Comments

Action Plan

By Whom _____ By When _____

BankLink Training Guide - Level Two

Overview of BankLink



The BankLink software

You need to have BankLink software loaded into your computer system and we provide this software free of charge. It is Windows based and is Y2K compliant. We will provide you with a BankLink box set that includes software and a technical user manual. We will provide you with any future updates at no cost whatsoever.

To load the software by disk (CD)

1. Go to start on the windows main menu screen
2. Go to run. Put the CD in your CD Drive.
3. Type in D:\setup.exe or E:\setup.exe if your disk is identified as E Drive
4. The BankLink Software Set up program will start
5. When prompted select install to drive C (or another drive if you are on a network)
6. The Software will now be installed (Note: a shortcut to the desktop is installed automatically)

To update your new BankLink software to the latest BankLink version

The BankLink update file will be supplied on floppy disk or by e-mail
To Update:

1. Go to Windows Explorer and put the update disk in your A Drive
2. Click on the A Drive in Windows Explorer
3. Click on the Update file BK5win.exe
4. Right click your mouse and select copy
5. Click on the BK5 folder on your C Drive
6. Right click your mouse and select Paste
7. The file will now update and you will be asked "Do you want to replace existing file?"
8. Select "Yes"
9. Re-enter BankLink and check in the Help – About screen that the latest version number appears.

Your BankLink codes

We allocate numeric codes to each type of income and expense to produce your financial statements. If you use these codes during the year we only need to process information once. These codes are adapted to suit your particular business and are provided to you in your "BankLink Training Guide". They are called the "Chart of Accounts Report" Some simple tips:

- Use only the codes provided.
- Select any new codes from the Chart of Accounts Report in your BankLink Guide.
- If you are unsure of what code to use, phone us and ask.
- If you wish to add a code, phone us and we will provide you with a new code to use.

The BankLink process

1. You code your remaining transactions. Memorised transactions will already be coded.
2. You fax or post to us your coding report, listing any remaining transactions you are unable to code.
3. We complete the coding report and send/fax it back to you. You then complete transaction coding.
4. If you are preparing profitability reports, and you keep a perpetual stock inventory, then you will need to enter your journals for debtors, creditors, work in progress, and inventory for the month.
5. If you have GST Return adjustments to make, then enter your GST Journals.
6. Ring us with any difficult coding problems **before** you finalise your reports and GST Returns.
7. Print your reports from BankLink (see the attached BankLink Reporting Guide)
8. Prepare your GST Return as you normally would.
9. Check out your data back onto the disk. See notes for "Checking Out" data.
10. Return the disk to us so we can update our system. You may return the data to us by e-mail.

To check in your data by disk

1. Enter your BankLink program.
2. Go to systems.
3. Check in clients.
4. Insert your disk and select OK.
5. Check in clients.
6. Press space bar to enter.

To receive your BankLink data by E-mail

We will have sent you an e-mail message with an attached BankLink file.

1. Put a blank floppy disk into your A drive.
2. Enter into the e-mail message from our office.
3. Highlight the attached BankLink file.
4. Right click the mouse and select "Save as".
5. Save the file to disk. To do this save to A:\"file name".
6. Once the file is on disk, you enter into the BankLink program and "Check In".

To check out your data by disk

1. Enter your BankLink program.
2. Go to systems.
3. Insert your disk.
4. Select checkout.
5. Select OK.

To return your BankLink data by E-mail

1. Once you have "Checked Out" your updated transactions to disk leave, the disk in the A: Drive.
2. Exit out of the BankLink program and go into your e-mail program.
3. Type your message to this office.
4. Select "Attach a File".
5. Select your BankLink file in the A drive.

Trouble shooting and support

Your BankLink support is with us. Call _____ with any problems or difficulties such as:

- Coding queries
- GST issues

BankLink Reporting

BankLink has a range of reports for you to use in your business.

Coding report

When you have finished coding your bank transactions print a coding report to make sure the job is complete. Select:

- Reports
- Coding report
- Uncoded only
- From 01/01/XX to 31/01/XX
- Print Coding report

This will identify any uncoded or incorrectly coded transactions.

GST reports

To complete your GST returns select the following reports.

Specify the correct period, select payments or invoice basis, and then print:

- GST report (Copy these details to your GST Return form)
- GST report summary
- GST audit trail
- Bank reconciliation report (summarised)

Monthly cashflow reports

The following reports will give you a monthly summary of your business cashflow. Do not select the GST inclusive option if you are GST registered. Select:

- Reports
- Cashflow reports
- Print "Twelve months actual"

Budget reports

If your business has input budget figures into BankLink you will find some budget reports of value. Select:

- Reports
- Cashflow reports
- Print "Actual budget and variance for the month"
- Print "Twelve months actual and budget"

Profitability reports

For profitability reporting, select:

- Reports
- Profitability reports
- Monthly actual
- Twelve months actual

If you are running a budget you may wish to print profitability reports that make a comparison with budgeted figures. Select:

- Reports
- Profitability reports
- Actual and budget variances for the month
- Twelve months actual and budget

Graphs

Select the graphs that suit your particular business. A good starting point is the one page summary of the graphs available. Select:

- Graphs
- One page summary or
- One page summary (with budget included)

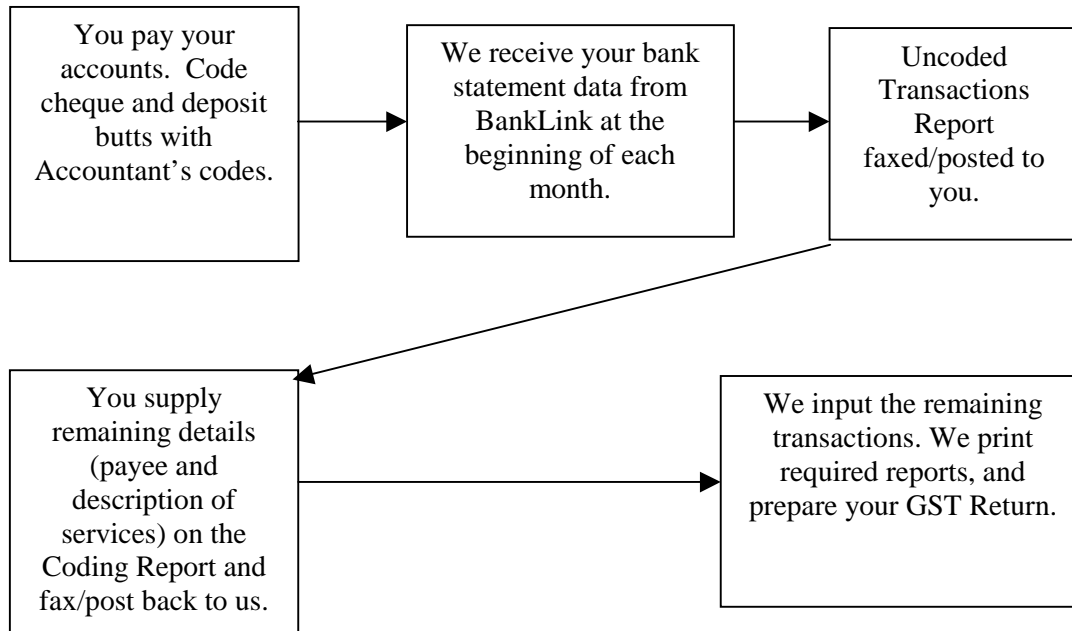
BANKLINK TRAINING CHECKLIST - LEVEL THREE

- 1. Bank Link Form Completed and Signed
- 2. Complete Overview of BankLink
- 3. Review the coding process
- 4. Use of Analysis codes on cheque and deposit butts
- 5. BankLink Reporting
 - Coding Items Reports
 - GST Report
 - Cashflow
 - Other Options

<p>Other Comments</p> <p>Action Plan</p> <p>By Whom _____ By When _____</p>

Client BankLink Training Guide

Overview of BankLink



Your BankLink codes

We allocate special four digit codes to each type of income and expense to produce your financial statements. If you use these codes during the year we only need to process information once. These codes are adapted to suit your particular business and are provided to you in your “BankLink Training Guide”. They are called the “Chart of Accounts Report” Some simple tips:

- Use only the codes provided.
- Select any new codes from the Chart of Accounts Report in your BankLink Guide.
- If you are unsure of what code to use, phone us and ask.
- If you wish to add a code, phone us and we will provide you with a new code to use.

The BankLink process

1. We receive your bank statement data from BankLink by the 3rd working day of each month.
2. We print a report of uncoded transactions and post or fax this to you.
3. You complete details of the uncoded transactions. We will need to know whom a payment was to and what it was for. Likewise with unknown deposits.
4. If a payment is a split transaction we will need a breakdown of that payment.
5. If you normally bring in your invoices each GST period continue to do so.
6. We will code any asset purchases or sales, or any land or business purchases or sales.

7. We will always need copies of invoices for asset purchases or sales, as well as sale and purchase agreements and solicitors settlement statements for property transactions. We also need copies of any hire purchase agreements.
8. If you have any business transactions that do not go through your bank account please let us know.
9. We will process your transactions and let you know what your GST payment or refund will be for the period. We will ensure that your GST payment reaches Inland Revenue by due date.
10. We will send out to you, your monthly management reports.

BankLink reporting

BankLink has a range of reports we can produce for you to use in your business.

Coding report

When we are coding your bank statements and completing your GST we may send you a Coding report. This lists the transactions that we need you to describe in more detail. Just note on the report what items a transaction was for and who it was made out to.

Monthly cashflow reports

Once we have processed your bank statements and completed your GST returns we will provide the following reports:

- **Bank Reconciliation Report** – If you have more than one bank account they will be combined on your cashflow report. A bank reconciliation shows you the opening and closing bank balances for each account for the period.
- **Cashflow Twelve Months Actual** – This will show your cashflow since the start of your financial year.

Budget reports

If you have provided us with budget figures for your business and asked us to put them into our BankLink program you will find some budget reports of value:

- **Actual Budget and Variance for the Month.**
- **Twelve Months Actual and Budget.**

Profitability reports

If you have an interest in profitability reporting the following reports can be provided:

- **Monthly Actual Profitability**
- **Twelve Months Actual Profitability**

Graphs

We can provide graphs that suit your particular business. A good starting point a one-page summary of the following graphs. These can compare annual figures with the previous year.

- Income
- Trading payments
- Trading results
- Closing bank balances