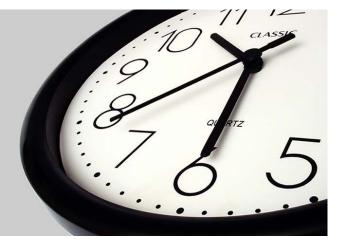
## Sound Decision

A time model for compilation engagements



How can accountants best apply optimization strategies to their practice and business operations?

By exploring specific areas where the more "mechanical aspects" of daily, weekly and monthly work activities take place, we examined where and how accountants can better utilize their professional time to focus attention on aspects of their practice that can deliver maximum value and benefits to their clients.

Getting "bogged down" with baseline accounting work not only is a major inhibitor to growth and progress but, in many cases, also contributed at hindering some of the more tangible elements of the business such as: reducing costs, maintaining staff morale, managing operational responsibilities and almost inevitably, heavily taxing one's personal time.

## **Our findings**

Based on available time and work volume, we illustrate the potential time benefits in applying an outsourcing strategy and extending this to some of the intangible impacts this can have within an accountant's practice:

1	We assumed annual available "work-time" (250 workdays @ 7.5 hrs. /day):		1,875 hours
2	We assumed the time required to process and the average compilation file:	11.75 hours	
3	We assumed an annual number of year-end files:	125 files	
4	The total annual time required to complete this work:		1,468.75 hours
5	The annual "work-time" * that is available (1,875-1,468):		406.25 hours

<sup>\*(</sup>practice management, client consultations, personal time etc.)

This simple time calculation demonstrated that compilation work and business responsibilities alone could, in theory, consume circa 80% of an accountant's annual available time. With an outsourcing strategy in place, an accountant could realize highly measurable benefits from having in place:

1	Concurrent file processing - dramatically reduces the overall time required to accomplish this work.	
2	Dedicated team of CPA resources - experienced accounting staff ensures completeness and accuracy	
3	Guaranteed service levels - timeliness with professional CPA managed Quality Assurance	

An accountant's actual file completion time (excluding final client review and sign-off) can be potentially reduced to less than 2 hours per file.

## Results

Annual work time available:	1,875 hours
Time required for file processing:	250 hours
Your net available free time*:	1,625 hours

<sup>\*(</sup>for practice management, client consultations, personal time etc)

For a confidential discussion on how an outsourcing strategy could benefit your practice or for more details please contact us at:

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