

# TAX TALKS

Australia's Tax News Podcast - The Podcast for Australian Tax Professionals

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## 258 | Tech Stack

Your tech stack can be a waste of money or can propel you to the next level. It all depends on how you built it to do what.

### Tech Stack

Some apps come with a free basic version, but most cost you at least \$100/month. This adds up very quickly so you need to choose carefully, but exactly that can be overwhelming, since there are so many apps.

To make it easier, let's look around and see what others are doing. Let's start with the tech stack of a small, award-winning accounting practice in Adelaide, All In Advisory.

The founder and director is Aly Garrett. Aly is a self-proclaimed cloud enthusiast and has won a long list of accounting and excellence awards, especially around cloud integrations. So let's ask Aly Garrett how she designed her tech stack.

Here is what we learned but please listen in as Aly Garrett explains all this much better than we ever could.

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### Tech Stack

All In Advisory manages a fee volume of \$800,000 (capacity for \$1m) with just six team members, including the founder and director Aly Garrett. That is a very lean structure.

When you think back to ep [199](#) and [200](#) where Ed Chan, non-executive chairman of Chan & Naylor, discusses team structures, the 'normal' team size for a capacity of \$1m is nine team members.

### 'Normal' Team Size

For a capacity of \$1m fee volume you ideally have nine team members.

The partner at the very top who oversees the entire thing but isn't on the tools. The client manager who is the client contact for most, supported by an assistant client manager who is the client contact for everybody else.

And then six grinders, who are on the tools. You have a production manager, who oversees the entire production pipeline. Then there is a bookkeeper. And then 4 more grinders who are the engine of the production pipeline.

So that is nine team members. And Aly runs her practice with six. How?

## Tech v Grinders

The answer is tech. Aly and her team replaced the three missing team members with tech. This tech stack costs about \$1,750 per month or \$21,000 per annum. That is a lot of money. But think about how much three grinders would cost you.

And it would be grinders, since ideally – based Ed Chan’s insights – grinders have little to no client contact. Partners, client managers and their assistants are client facing, so can’t be replaced with tech. But grinders can.

## Cost Comparison

If based in Australia, each grinder would cost you at least \$50,000 per year including super, so \$150,000 per year for three. If based in the Philippines (for example with TOA), each grinder would cost you around \$30,000 per year, so \$90,000 per year.

So spending around \$21,000 on tech is still a lot less than spending \$90,000 to \$150,000 on the team members you would need without this tech.

So let’s look at what Aly Garrett and her team spend the \$21,000 on.

## All In’s Tech Stack

It all starts with Xero and Xero XPM. This is the mothership everything else connects to.

Xero XPM might not be the best practice management tool around, but it is free once you reach a certain size on Xero, so very cost effective.

Clients usually have their Xero subscriptions to own their data, hence no cost for All In.

## Receipt Bank and Hubdoc

All of All In’s clients started on [Receipt Bank](#). The big ones stayed. The small ones have now moved to [Hubdoc](#) since included in a Xero subscription. All In offers training on both.

## Practice Ignition

All In manages all engagement and recurring payments through [Practice Ignition](#) – fans call it PI.

## IntegraPay

All one-off payments come through [IntegraPay](#), which covers BPay, credit card and direct debits. All In absorbs all credit card fees and doesn’t pass them on.

## SmartAR

For fee funding All In uses [SmartAR](#), which allows clients to defer payment and still have their tax returns lodged.

## Office360

Now you come to a fork in the road. All In went with [Office360](#), which is a Microsoft product.

## FYI Docs

[FYI Docs](#) only runs with Microsoft's OneDrive, so is only an option for you if you go with Office360.

All In tried [SuiteFiles](#) and [Box](#), which didn't work for them. Box is just document storage, not document management. And SuiteFiles didn't offer workflow automation to the extent that FYI Docs does.

### **Account Kit**

An Australian product founded in Adelaide, [Account Kit](#) is a powerful tool that All In uses extensively, for example for its Div 7A schedules, inter entity reconciliations, amortizations, loan repayment schedules, group structures and its professional development register.

### **Employment Hero**

All In started with [Employment Hero](#)'s free version, but has now upgraded to a paid version to be best practice.

### **BGL Simple Fund 360**

For SMSFs, you have two choices. You can go with Class who offers Australian-based phone support. Or you go with [BGL](#) who offers support similar to Xero, so no phone support but you lodge a support request and receive a response in writing, often a week later.

All In went with BGL since they liked the people and since their CAS 360 product is so strong.

### **BGL CAS 360**

[CAS 360](#) is BGL's corporate compliance software. You use it to manage all ASIC requirements. CAS 360 integrates with Xero as does NowInfinity.

SMSF and corporate compliance go together. You either choose Simple Fund 360 and CAS 360 together. Or you choose Class and NowInfinity.

### **Practice Protect**

All In started using [Practice Protect](#) before they signed up with TOA. To hire team members through TOA, you have to be on Practice Protect. But All In joined already well before that.

### **Others**

And then there are three other apps, [Asana](#), [Spotlight](#) and [DataDear](#).

All In uses Asana to manage its bookkeeping workflow. For everything else there is FYI Docs. Spotlight is used for cashflow forecasting.

And Datadear is used to connect Excel spreadsheets to Xero.

### **Summary**

So this is how All In manages a capacity of \$1m (current fee volume of \$800,000) with a team of six.

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