**Fee Structures**

There are different models of fee structure for accounting technicians and BAS agents, and all are valid. It is up to each individual to decide what is best for them and to assess over time if their pricing structure is appropriate to their practice and their clients.

You may choose to use one or more models. For example, you may utilise value-based pricing for most of your work but use prepaid hourly billing for historical clean-up work.

There will always be business owners who prefer one model over another and BAS agents who prefer one model over another; there is room for all models of fee structure in the industry and there is no single best solution.

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**Hourly Rates**

Hourly invoicing is a standard model and is easy to implement with technology to track time and convert to invoices.

Hourly billing is particularly appropriate for historical catch-up work where it is difficult to estimate the time it will take to complete a job.

Other applications for hourly billing could be training or consulting.

**Service Fees**

Service fees are based on the type of service being offered. This kind of pricing model is usually based on a detailed list of tasks involved in providing a particular service concerning the specifics of the business, for example, the number of bank accounts, transactions, invoices, bills and staff each month.

The client can customise the bookkeeping they need by choosing which services they require.

Initially, it helps if you track the time taken on the tasks to ensure you are charging accordingly. Still, once you know how much time it will take to provide services for specific business types and sizes, this can be an efficient way of charging because you no longer need to track the exact time.

**Fixed Fee Packages**

Package pricing is where several different services are bundled together as a package for a fixed fee.

Fixed fees can be customised per client engagement and the type of services needed. Some practices create a suite of packages based on typical requirements of different sizes or types of business.

**Value-Based Pricing**

Value pricing allows you to set a fee based on the value of services being provided without the cost necessarily being tied to time. Different business owners value services differently, so this model allows you to discuss the client’s needs and customise a package and fee appropriate to them. They can then consider the value you are offering rather than simply comparing the cost per hour of other BAS agents.

What problems do you solve? How highly does the client value the solutions you offer? You have the flexibility to set prices according to the client’s needs and the perceived value they will derive.

The benefit of this fee structure is that as your business becomes more efficient, you spend less time on a client’s accounts without losing fees. Profit is no longer connected solely to the amount of time that you work.

**Some Factors That May Influence Your Fees**

* Responsiveness to client queries or instructions.
* Specialisation of knowledge, for example, specific industries or technology.
* Client type, for example, simple sole trader professionals or big companies with complex payroll.
* Qualifications and experience.
* Complexity of tasks involved.
* Efficiency of your work.
* Level of customer interaction and customisation required.
* Automation and technology tools.
* Professional development and further education costs.
* Market rates.

There will be many other factors that influence your fees such as location, competitors, staff, business development plans and how many hours you can work in and on your business.

Being an accounting professional means having an understanding of all the factors that impact your fees, required income and working capacity.