



Institute of Certified Bookkeepers

Making you Count

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Bookkeepers helping Bookkeepers help Business

September 2015

[Click here for the online version](#)

News, views and things you need to know

Welcome to the ICB's September 2015 Newsletter.

Contents

Important News

- 3 ICB Conference 2016: A Life in the Day of a Bookkeeper - the Dates are in!
- 4 Why was this Year End so Frantic?
- 5 Defining Bookkeeping

Best Practice Bookkeeping

- 6 Warped Versions of GST

The BAS Agent World

- 8 Changes to SBR Enabled Software and AUSKey
- 9 ATO 2015 Roadmap of Change for Tax Professionals
- 9 BAS Service Examples Changed
- 10 SGC Payments to be PaidWhen

Continued Professional Education

- 11 This Month From the ICB CPE Page

ICB Network Meetings

- 12 Question for You to Discuss this Month - GST Registration??
- 12 August 2015 Question of the Month - ICB's Response
- 13 Upcoming Network Meetings

Other Things Happening in the World

- 14 Companies May No Longer Need a TFN
- 15 Calxa - Why Bookkeepers are Valuable
- 16 Intuit Guide to Cloud Accounting and Product Updates
- 17 ICB Reports on Reckon Conference 2015
- 18 Reckon's Free app for Invoicing

This Month From the ICB

- 19 6 Reasons Smart Australian Bookkeepers Love the ICB
- 19 What's New this Month
- 20 September 2015 eBrief - Business Newsletter

From the ATO

- 20 Making it Easier to Take on an Employee
- 21 ATO Takes Action - Don't Blame the ATO
- 21 Notes from BAS Agents Association Group Meeting
- 22 ATO Answers the Phone Quickly
- 22 Upcoming ATO Portal Maintenance

ICB Membership Statistics

ICB Supporters and Sponsors

In this month's [Members Newsletter](#) you will find the following additional information:

Important News for you

- Can you be found on ICB's Find a Bookkeeper?
- How the ICB CPE Log Works

Best Practice Bookkeeping

- Business Information Sheet - Authority to Make Payments
- Are You Taking Care of Credit Card Security?
- Private Ride-Sharing (Uber) and GST
- Charge Rates City vs Regional

Continued Professional Education

- ICB Technical Webinar: Developing Your Bookkeeping Business - #1 Understanding Your Costs
- Upcoming Student Webinar
- Q & A from the ICB Technical Webinar - All Things Subcontractors

Other Things Happening in the World

- Understanding Community Service Leave

This Month From the ICB

- September 2015 eBrief - Client Newsletter, Customisable eNewsletter for your Clients

Important News for You

ICB Conference 2016: A Life in the Day of a Bookkeeper - the Dates are in!



Agenda (TBC)

- Providing you with a working kit of techniques and tools to assist you each day
- Debit Loan accounts - why you can't just post to a Directors Loan or Drawings Account
- Materiality - a bookkeeper's approach to making "Materiality" judgements - when should we worry about the little amounts
- Practical guide to providing essential business services (Procedures and tools to collect your business debts)
- FairWork: Techniques and Resources to help clients meet their minimum legal obligations (David Bates from Workforce Guardian)

Pricing

Membership Level	Price
Full Members (<i>Early Bird Price until Wednesday 20th January, 2016</i>)	\$253.00
Full Members (<i>From Thursday 21st January, 2016</i>)	\$297.00
Students / Educators (<i>Registrations open Thursday 21st January, 2016</i>)	\$297.00
Non Member (<i>Registrations open Thursday 21st January, 2016</i>)	\$396.00

Register

Hobart Tuesday 1 March, 2016 Wrest Point Hobart 410 Sandy Bay Road, Hobart	Melbourne Wednesday 2 March, 2016 Melbourne Park Function Centre Batman Avenue, Melbourne	Adelaide Thursday 3 March, 2016 Adelaide Convention Centre North Terrace, Adelaide
Sydney Friday 4 March, 2016 Sofitel Sydney Wentworth 61-101 Phillip Street, Sydney	Canberra Wednesday 9 March, 2016 Hyatt Hotel Canberra 120 Commonwealth Avenue, Canberra	Perth Thursday 10 March, 2016 Hyatt Regency Perth 99 Adelaide Terrace, Perth
Brisbane Tuesday 22 March, 2016 Royal International Convention Centre 600 Gregory Terrace, Bowen Hills	Cairns Wednesday 23 March, 2016 Pullman Cairns International 17 Abbott Street, Cairns	Darwin Thursday 24 March, 2016 Doubletree by Hilton The Esplanade, Darwin

For further details, [click here](#).

[RETURN TO TOP](#) ↑

Why was this Year End so Frantic?

"I have had an unusual degree of craziness this year" has been reported to ICB regularly over the last few months.

So, what is it that has made this year that little bit more crazy (in some cases a lot more) than previous?

Scenario 1 – We took on more clients

- Is it that we have taken more clients on because the software said we should
- Is it because working remotely means more clients can be managed throughout the year
- Is it because more of the "processing" of bank feeds has been automated

This means we are seeing a shift that impacts our work pattern, it is taking less time to do the regular work, we take on more clients to fill the gap.....And then June year end happens!

What have we done?

Scenario 2 – The business did their own payroll.....

Also reported to us: "We found that many new clients had not engaged a bookkeeper to look after the regular payroll, so at the end of the year we had to do a review of the whole year before issuing payment summaries and found many problems"

With the marketing of software meaning that more business have adopted software and just done whatever has led to situations where several people report "I have basically spent the first two weeks of July dealing only with fixing payroll issues, so we were unable to look at June BAS until after that date. "

Scenario 3 – New clients late in the year

There were quite a few members who had taken on new clients late in the financial year who then had major issues to sort out, thus affecting the amount of time they had available for their regular clients.

Summary

People agreed that while the day-to-day transactions were becoming quicker and easier, through automation, the end of year process is still huge and requires a great deal of review in order to verify everything for June BAS and end of year for the accountant. Particularly for the clients taken on through the year, the first end-of-year for that client is always bigger because nothing has been verified throughout the year.

Observation

With an increased advertising by the software companies appealing directly to the business owners: Business are starting their own subscription, doing data entry, coding bank feeds etc, in response to the marketing message that Software makes it all easy. Then later the business realises that actually they need professional help, then the Bookkeeper/BAS agent comes in to tidy everything up before the end of year, finding all kinds of problems.

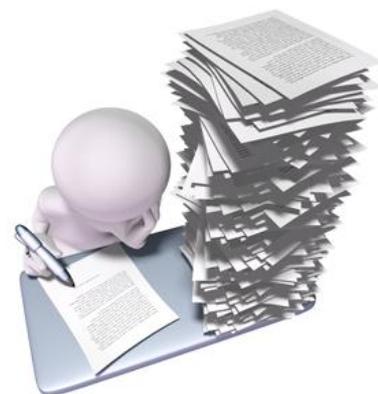
Particular problems are payroll reconciliation and bank reconciliation: business owners do not realise that allocating everything and getting a green tick doesn't mean that it is actually reconciled to a bank statement.

Conclusion

ICB observes that the major software companies have each recently stated that they know their software works better when a bookkeeper is involved. Each of them has enhanced their Partner Directories and have either; already or promised, enhancements to create a deliberate link between new sales and us as their software partners.

For us bookkeepers we need to;

1. Control how many clients we take on
2. Value price the services you are offering, increase your charge rate
3. Plan to do the "Certainty" work for different clients at different times, schedule different times for intense review work



*Value price services

The move towards "Value Priced Services" with integrity and with you being convinced that it is right includes recognition of:

1. You have been on the journey of understanding the developments of technology.
2. You have adopted those improvements and implemented them into Businesses.
3. You are more efficient using more efficient technology
4. It has cost you training time, software, knowledge acquisition
5. You are delivering more Value to the business for each moment of your time or task you perform.

The result you are producing is at least the same as before, you should be charging at least the same amount for the result even if the technology is helping.

Your level of expertise is increasing!

[RETURN TO TOP](#) ↑

Defining Bookkeeping

Bookkeeping is...

Once again I am sick of people saying that technology is removing the need for a bookkeeper.



What is bookkeeping?

It starts from the very basics

- What paperwork exists in this business
- Record the transactions from the paperwork into the accounting system
- Verify and reconcile the transactions to independent documents (bank statements, supplier statements, etc.)
- Provide reports

It moves into

- What paperwork **should** exist in this business
- How to do the paperwork more efficiently
- How to keep the records properly
- Providing reports from the system

And in today's world, Bookkeeping is still to be explained as:

- Assessing what the business does
- Advising on and providing the business system to do the record keeping and processing required
- Working with and integrating different systems if required
- Providing data entry and record keeping services, or oversight
- Verifying and reconciling the transactions
- Verifying that the business systems are processing as they should
- Reporting, understanding and providing information from the business systems
- Providing compliance services – BAS, GST, payroll, etc.



So world, commentators, those that think we aren't needed: Who is going to do all of the above? A bookkeeper!

- We are closer to the actual operations of the business than many.
- We don't just read a management book and apply that one methodology to every business.
- We don't just go to a business coaching two day course and then charge enormous fees for applying a predefined system to a business that we don't understand
- We work with the business owner and adjust our services and systems to the owner's needs.

Data entry should be automated; the revolution of digital disruption to bookkeeping is changing data entry techniques... and it is about time!

Now we can get on and spend more time doing what needs to be done!

[RETURN TO TOP](#) ↑

Warped Versions of GST

Wouldn't it be great if GST applied equally to all goods and services? Here are some examples of where the rules are different.



Taxi Drivers, Chauffers and other “Ride-Sourcing” Providers

If you provide “ride sourcing or sharing services” (taxi etc) then you MUST register for GST. No \$75k threshold – you are in!

- [ATO - Ride Sourcing and GST](#)

Pre-Establishment Costs (before the company exists)

Any costs that a person incurs before setting up the legal company may include GST. You can claim that GST back (in the company) after registering the company for GST once it is registered.

- [ATO - Special Rules for Pre-Establishment Costs](#)

Second Hand Goods

Perhaps it's not fair to call it warped because to me it sort of makes sense. If you buy second hand goods to then on-sell, you can (in effect) claim back GST on the purchase even if the person you bought them off didn't charge you GST.

- [ATO - Second Hand Goods](#)

Grants

If you are registered for GST and another entity is registered for GST and they “grant” you funds then there is no GST on that transaction if you do not supply anything to the giver.

- [ATO - Grants and Sponsorship](#)

Insurance Settlements

If you are able to claim GST credits for the item of insurance you are now being paid for, i.e., it was all related to your GST turnover business activities, and you have informed the insurer that you are able to claim GST credits THEN you DO NOT have to pay GST on the amount of the insurance settlement

- [ATO - Insurance Settlements](#)

Car Insurance Settlements/Payments

It depends on who the insurer pays and whether the insurer has a contract with the repairer. Generally, no GST is claimable for payments the insurer makes directly to the repairer when they have a contract with that provider, as the policy holder has not made any payment. BUT if the insurer pays a provider on your behalf, then you can claim GST.

- [ATO - Car Insurance Settlements](#)

GST Groups

If your entities are in a GST group then transactions between them do not have GST on them

- [ATO - GST Groups](#)

Non-profit Sub-Entities

A non-profit entity can have one set of GST registrations and set up a GST sub-entity which is NOT treated the same for GST. That is, the sub-entity might choose not to be registered and therefore NOT charge GST.

- [ATO - NFP Sub-Entities](#)



Concessional GST for Commercial Accommodation

If an individual stays 28 days or more in eligible commercial accommodation, they pay 5% GST instead of 10%.

- [ATO - GST and Property](#)

Restaurant Tips

Voluntary tips do not attract GST if the tips are passed on to the staff...if they are not paid to the staff, then GST must be declared. Non-voluntary tips do attract GST.

- [ATO - GST and Restaurant Tips](#)

Water and Bread Sold in Restaurant or Venue

Water and bread are normally GST free items, but if sold in a restaurant they attract GST. In fact, all food that is normally GST free attracts GST if it is consumed in the place of purchase. BUT if the place of sale is a not-for-profit entity involved in fundraising or similar activities, GST does not need to be charged.

- [ATO - GST and Food](#)

GST Free Food Delivered

Similarly, retail food that is normally GST free if it is delivered with prepared food attracts GST. The whole supply is considered to be catering and therefore the whole order attracts GST. This does not apply to wholesale deliveries, where mixed supply may be delivered.

- [ATO - GST and Food](#)

Voluntary Withholding for Contractors

If the contractor is registered for GST, then whether they charge GST or not is governed by whether or not the paying business is entitled to a GST credit. If the business IS entitled to a GST credit then the contractor should NOT charge GST.

- [ATO - PAYGW Voluntary Agreements](#)

Property Bought Before GST

If you are selling property that was bought before 1 July 2000, GST applies, even though it didn't when you bought it. What's more, there are two different methods you can choose between in calculating the GST amount.

- [ATO - Margin Scheme](#)

Expenses On-Charged to Client or Reimbursed

Financial supplies, property water and rates are generally GST free, but may have GST added if another entity pays for these services. Office supplies, contractors, materials and travel costs may already have GST in the price, and may have GST added again on top if it is deemed that a service has been supplied. BUT is it a reimbursement or is it an oncost? Have you paid for something on behalf of another (reimbursement), or have you provided a service, (oncost)? Often the decision will come down to the agreement between the parties.

- [ATO - Principal and Agent](#)

Agents Charging for Performing Artists

Even though a performing artist may engage an agent to bill on their behalf, the artist is still the entity who is making the supply to the end user and can therefore charge and claim GST if registered, assuming the supply is not subject to PAYG withholding. If PAYG withholding applies then GST does not apply. BUT the name on and ABN on the tax invoice to the customer can be either the agent's or the artist's.

- [ATO - Performing Artists](#)

Simplified Accounting Method

The simplified accounting method (SAM) for food retailers is meant to be simple...but we are not so sure. There are five methods to choose from, based on an average percentage, "snapshot" sample of business, or standardised percentages ("business norms"). But you have to know whether you are a "reseller" or a "converter" or both. What's more, the SAM can only be used for the food part of the business, so if the business has other aspects to it then GST must be calculated as usual; SAM does not apply. Whichever method you choose, you must stick to it for a year, so if it turns out you pay more GST too bad.

- [ATO - Simplified Accounting Methods for Food Retailers](#)

[RETURN TO TOP](#) ↑

The BAS Agent World

Changes to SBR Enabled Software and AUSKey

The ATO are bringing in changes to the way registered agents interact with the ATO via SBR providers.

The key change you need to know is that you will no longer use your own AUSKey to communicate with the ATO, you will use the software provider's AUSKey.



SBR enabled software providers have already started to make changes, and must complete these changes by 31 December 2015. New clients after this date will need to use the provider's AUSKey, and existing clients will have to transition by 31 March 2016.

This will affect practice management software such as GovReports. It will not affect interaction with the BAS portal or other AUSKey enabled products.

SBR providers will contact existing clients to notify them of changes. Alternatively, you can nominate which provider you want to use to interact with the ATO, via Access Manger in your BAS portal.

How to Nominate Your SBR Provider in Access manager

This only needs to be done once, but you can add others or remove providers any time.

- Select **My nominated software providers** from the left hand menu
- Select **Nominate a provider**
- Search for your provider in the list of online software providers, or search by entering the ABN or name of the software provider
- Select the ABN link to accept the software provider
- Enter the software ID provided to you by the software provider and select **Next**
- Select **Confirm** to accept the declaration
- The message '**Your changes have been saved successfully**' will appear on the next screen to confirm nomination.

What does this mean for BAS agents?

- You can wait for your software and SBR providers to contract you regarding these changes; you do not need to do anything yet.
- If you prefer, follow the instructions above to nominate a provider.
- You will retain your AUSKey for other services such as:
 - ATO BAS portal
 - Australian Business Register (ABR)
 - Australian Securities and Investments Commission (ASIC)
 - Department of Human Services (DHS) for paid parental leave
 - State revenue offices

Related References

- [ICB - Standard Business Reporting](#)
- [ICB - SBR Update March 2015](#)
- [SBR - Products Register](#)
- [ATO - Cloud Software Authentication](#)

[RETURN TO TOP](#) ↑

ATO 2015 Roadmap of Change for Tax Professionals

Executive summary and key points

- The ATO's environment is going through significant change, impacting tax professionals and the tax and super system.
- The ATO are working in partnership with you, your professional associations and software developers to support you during these changes.
- In 2015–16 the ATO are laying the foundations to enable significant digital changes for 2016 and beyond.
- The ATO will continue to offer portal services. The ATO recognise that they were built on an older technology platform that has limited the ATO's ability to build new functionality to be accessed through the portals. This has also caused instability and slowness. The ATO are progressively building the portals onto a more reliable platform. The ATO will maintain current functionality.
- Throughout 2015–16, the ATO are working with software developers to improve and make changes to your practice management software. The Tax Time 2016 software upgrade is a very important upgrade. In early 2016, the ATO recommend that you check with your software provider to see if there is any additional preparation that you will need to make.
- Over the next six months the ATO will be working with you, professional associations and software developers to develop and agree on a program of work for 2016–17, to support you, the ATO's partners and your clients through the upcoming changes.
- Your role as a tax professional will continue to be essential, but will change. This is an opportunity for you to identify any changes that you will need to make to ensure you are adequately prepared for the future.



[RETURN TO TOP](#) ↑

BAS Service Examples Changed

BAS Services examples from the TPB have changed.

The TPB have recently reviewed the examples provided around how they describe what is and isn't a BAS Service.



We believe this recognises reality and provides greater clarity on the distinction of what could be a Bookkeeping Service that is not a BAS Service.

Examples of BAS services

This table includes an n-exhaustive list of the types of services that may and may not constitute a BAS service under the TASA.

Service	BAS service	Not a Tax Agent service or BAS service
Installing computer accounting software without determining default GST and other codes tailored to the client.		X
Coding transactions, tax invoices and transferring data onto a computer program for clients through processes that require the interpretation or application of a BAS provision.	X	
Coding transactions, tax invoices and transferring data onto a computer program for clients through processes that do not require the interpretation or application of a BAS provision.		X
Confirming figures to be included on a client's activity statement.	X	
Completing activity statements on behalf of an entity or instructing the entity which figures to include.	X	
General training in relation to the use of computerised accounting software not related to client's particular circumstances.		X
Preparing bank reconciliations.		X
Entering data without involvement in or calculation of figures to be included on a client's activity statement.		X
Confirming the withholding tax obligations for the employees of a client.	X	
Services declared to be a BAS service by way of a legislative instrument issued by the TPB.	X	
Preparation and provision of a payment summary that may include reportable fringe benefits amounts and the reportable employer superannuation contributions.	X	
Registering or providing advice on registration for GST or PAYG withholding.	X	

Partnerships and companies must have a sufficient number of registered individual BAS or Tax Agents to provide BAS services to a competent standard and to carry out supervisory arrangements. This means that if you register as a partnership or company BAS Agent you may also need to register separately as an individual BAS or Tax Agent.

[RETURN TO TOP](#) ↑

SGC Payments to be Paid...When

SGC payments for 30 September Quarter

Please ensure you get your SGC payments to your Super Payment Gateway / Clearing House by their required date.

The SGC requirement is that the actual **fund** has received payment before the 28th October.

The ATO Small Business Super Clearing House is able to receive funds as late as the 28th and it is deemed acceptable

MYOB have advised their SuperPay requires payments by 15th October

Check with your Super Clearing House

For full details on SGC, [click here](#).



[RETURN TO TOP](#) ↑

This Month from the ICB Continued Professional Education Webpage

ICB Events and Webinars

[ICB Network Meetings](#)
Nationally, Monthly

[Developing your Bookkeeping Business Series 1 - Understanding Your Costs](#)
Online
20th October, 2015

[Developing your Bookkeeping Business Series 2 – Working with Clients and Understanding Debt](#)
Online
17th November, 2015

[Developing your Bookkeeping Business Series 3 – Progressing Your Business](#)
Online
15th December, 2015

[ICB Student Webinar - October 2015](#)
Online
29th October, 2015



Classroom

[Payroll Administration](#)
Classroom, Perth, WA
Various Dates

[Certificate in MYOB Bookkeeping](#)
Classroom, Perth, WA
Various Dates

[Calxa Club Invitation](#)
Various Locations
Various Dates

[Reckon Conference 2015](#)
Various Locations
Various Dates

[Start your own Bookkeeping Business](#)
Classroom, Balcatta, WA
15th October, 2015

[ATO Community Conversations](#)
Various Locations
Various Dates

[Introduction to Xero Workshops](#)
Classroom, Brisbane, QLD
Various Dates

[QBO QuickStart](#)
Classroom, Philip, ACT
Various Dates

[Xero Certification](#)
Various Locations
Various Dates

[Excel - Format and Produce Spreadsheets](#)
Classroom, Balcatta, WA
Various Dates

[Reckon Accounts Certificate for Bookkeepers](#)
Various Locations
Various Dates

[Foundations of Payroll](#)
Various Locations
Various Dates

[Reckon Accounts - Certificate](#)
Various Locations
Various Dates

[Xero Intermediate Payroll and BAS](#)
Classroom, Balcatta, WA
Various Dates

Online

[Xero Tips and Tricks](#)
Online
Various Dates

[Webinars: Master Series](#)
Online
Various Dates

[Reckon Accounts and Lunix Software Webinar](#)
Online
Various Dates

[Why Xero for your Practice and Clients Webinar](#)
Online
Various Dates

[SuperStream using MYOB](#)
Online
Various Dates

[Reckon One Training Webinars](#)
Online
Various Dates

[Xero Certification](#)
Online
Various Dates

[Xero - Payroll Specialist Training](#)
Online
Various Dates

[Reckon Worktools Webinar Series](#)
Online
Various Dates

[Reckon Accounts Webinars](#)
Online
Various Dates

[Xero SuperStream](#)
Online
Various Dates

[GovReports Transition Webinar](#)
Online
Various Dates

BAS and Company Reporting using
Reckon Accounts
Various Locations
Various Dates

Reckon Accounts - Advanced
Certificate
Various Locations
Various Dates

Terminations
Various Locations
Various Dates



[RETURN TO TOP](#)

ICB Network Meetings



Question for You to Discuss This Month - GST Registration

This month's question for you all to debate at your network meeting is:

A client has just registered for GST, but instead of registering from the start of the quarter, she has registered from 1st May. How do I treat the mid-quarter registration for the first BAS, should I include all of April's transactions in the BAS?

Let us know your thoughts and solutions by posting your comments on the Q & A Space.



[Let us know your thoughts here](#)

Last month we asked you:

My client hired an employee who had a HELP debt, but did not set up the employee's tax table correctly in the payroll system, and so he had only the usual amount of tax withheld; no extra tax was withheld for the HELP debt. The employee has done his tax return and now has a substantial debt to the ATO. The employee has said that he has spoken to the ATO and they have told him that the employer is liable for a penalty for failing to withhold the required amount.

He wants the employer to pay the outstanding tax debt. Is the employer liable for the employee's tax debt because of a mistake on their part?

ICB's Response:

There is definitely an obligation to correctly withhold from employees – but mistakes happen, that's just life.

It is up to the ATO to determine whether or not they are going to penalise an employer for incorrect withholding. If the employer does not have a history of non-compliance, then just because the ATO could charge a penalty doesn't mean they will. It is unlikely they would if it is a simple and honest clerical error, which has since been rectified.

And even if they are charged a penalty by the ATO, that won't be applied against the employee's HELP bill – the employee still has responsibility for that.

Ultimately it is up to the employee to ensure they are having enough withheld to meet their tax obligations. There is nothing to demonstrate the employer has any legal requirement to pay the HELP bill for the employee – and if they do choose to pay it, then they will incur a fringe benefit tax liability (as an expense payment fringe benefit).

The employer should get his own independent advice from his registered tax agent before agreeing to any arrangement with the employee regarding the payment of this debt on their behalf.

The employee has effectively been overpaid their net pay by having their PAYG/HELP under withheld.

In an overpayment situation, the employer and employee can enter into an arrangement to have the amount of overpayment deducted over time via payroll. The employer could suggest this solution for this situation—they pay the outstanding PAYGW/HELP, and then recover the amount of over payment from the employee over time, via payroll deductions. If the employee does not agree to this arrangement, then it will be up to the individual to sort out an arrangement with the ATO for their tax bill.

- [FairWork - Deductions and Overpayments](#)

[RETURN TO TOP](#)

Upcoming Network Meetings

Join a network meeting this month, not just to share, but to also network and keep informed.

All ICB Network Facilitators volunteer their time to assist ICB in keeping you up to date and informed and without the help of these fantastic people these valuable meetings would not happen.

If you are unable to attend your local meeting due to time restraints or there isn't a meeting in your area, why not join us via webinar on the 2nd week of each month.

Webinars			
Online 9th October, 2015 - 12pm	Online 12th October, 2015 - 5pm		
Queensland			
Brisbane North 13th October, 2015	Brisbane South 20th October, 2015	Bundaberg 20th October, 2015	Burpengary 14th October, 2015
Cairns TBA	Dalby TBA	Gold Coast - AM 13th October, 2015	Gold Coast - PM 13th October, 2015
Hervey Bay 13th October, 2015	Ipswich 13th October, 2015	Logan 21st October, 2015	Moreton Bay 12th October, 2015
North Sunshine Coast 9th October, 2015	South Sunshine Coast 15th October, 2015	Toowoomba 16th October, 2015	Townsville 9th October, 2015
New South Wales			
Ballina 9th October, 2015	Balmain 19th October, 2015	Bathurst 17th November, 2015	Bellingen 12th October, 2015
Blue Mountains 7th October, 2015	Brookvale 12th October, 2015	Central Coast 30th September, 2015	Dubbo 3rd December, 2015
Hornsby 8th October, 2015	Moorebank 14th October, 2015	Newcastle 19th October, 2015	Newport 9th November, 2015
Orange 19th November, 2015	Port Macquarie 13th October, 2015	Randwick - Bondi 13th October, 2015	Shoalhaven 28th September, 2015
Southern Highlands 19th October, 2015	Sutherland 21st October, 2015	Wollongong 13th October, 2015	
ACT			
Canberra - Northside 21st October, 2015	Canberra - Phillip 13th October, 2015		
Victoria			
Bulleen 13th October, 2015	Burwood 7th October, 2015	Chadstone 12th October, 2015	Cobram TBA
Docklands TBA	Echuca TBA	Frankston 8th October, 2015	Geelong 27th October, 2015
Lilydale 25th September, 2015	Macedon Ranges 20th October, 2015	Mordialloc 13th October, 2015	Mt Waverley 6th October, 2015

Narre Warren TBA	Northern Suburbs 13th October, 2015	Point Cook 9th October, 2015	Sale 8th October, 2015
Yarra Valley 9th October, 2015	Burwood Bookkeepers End of Year Lunch 4th November, 2015		
Western Australia			
Balcatta 22nd October, 2015	Broome 14th October, 2015	Bunbury 27th October, 2015	Busselton 25th September, 2015
Cockburn Central 21st October, 2015	Joondalup 19th October, 2015	Kalgoorlie 15th October, 2015	Melville 14th October, 2015
Noranda 13th October, 2015	Welshpool 20th October, 2015		
South Australia			
Adelaide West 16th October, 2015	Mt Barker 13th October, 2015	Para Hills 21st October, 2015	South Adelaide 1st October, 2015
Unley 22nd October, 2015			
Tasmania			Northern Territory
Hobart 2nd October, 2015			Darwin 12th October, 2015

These meetings are conducted in a relaxed and informal environment to promote discussion amongst those attending the meetings.

No meeting in your area?

We are always on the lookout for facilitators to run meetings in their local area so if you are interested please contact Rick Van Dyk at rick@icb.org.au



ICB Network Meetings are proudly supported by MYOB

[RETURN TO TOP](#) ↑

Other Things Happening in the World

Companies May No Longer Need a TFN

Legislation simplification in process.

Exposure draft and draft explanatory material has been released and covers proposed amendments relating to superannuation, corporations and taxation.

The amendments are part of the Government's commitment to the deregulation agenda.

The community's views are sought on these amendments.

Part of the deregulation agenda of government has a consolidation of the roles of the ASIC and the ABR. A company will be able to have only one identifier, being the ABN.

For any comment to Government before 28 September 2015, [click here](#).

[RETURN TO TOP](#) ↑

Calxa - Why Bookkeepers are Valuable

The role of bookkeepers and accountants appears to be converging into similar territory with boundaries becoming blurred, as the industry adopts emerging technologies and increased automation occurs. Accountants are moving into the traditional bookkeeping space and bookkeepers are moving into the traditional accounting space. With the time-savings becoming more transparent, the traditional billing method based on 'time' becomes a model that is more difficult to justify to clients.



Some things will never change though. Accountants and bookkeepers provide specialist skills and services in servicing their clients, as well as being the trusted advisor to the small business owner. There are boundaries as to what type of advice can be given. Obviously, bookkeepers cannot provide advice on things that are specific to the accounting profession, such as tax law and the like. But, in many ways, the bookkeeper can provide guidance and much needed support to the small business owner based on a much closer relationship they nurture.

Intimacy is Key when Looking into Future

We see bookkeepers becoming an invaluable resource to the small business owner when guidance as to what may be laying ahead in the future is needed. Identifying storm clouds on the horizon is an important part of forecasting. The intimate knowledge of what has happened in the past is the key to laying the foundation for a solid budget or cashflow forecast.

And with bookkeepers engaging with the client quite often on a monthly or more frequent basis, they are in a very good position to identify the cyclical or seasonal trends of a business. Overseeing or managing tasks such as finalising bank reconciliations, understanding the position of outstanding debtors and creditors and locking closed periods, makes the starting point for creating a budget a lot more concrete and creates a firm foundation for this task.

In comparison, this cannot be said for the accountant who only meets with the client maybe once or twice a year and won't have the same level of familiarity resulting in more uninformed assumptions.

Bookkeepers are Gatekeepers

The Calxa Partner community is extensively made up of bookkeepers from around the country. Not only are they the specialist in keeping the books but they are the gatekeepers alarming their clients on upcoming 'hot spots' averting possible disaster.

Utilising tools such as [Calxa](#) which seamlessly integrates to mainstream accounting packages, takes away the concerns of data integrity, as all of the forecast numbers can be easily populated based on historical ledger information. And, as the bookkeeper has been overseeing the data entry process, they can be assured that the historical information is accurate and up to date, which ensures that the projection produced is as accurate as possible. In this setting the bookkeeper becomes invaluable contributing significantly to the sustainability of the small business community.



This becomes even more pertinent when the bookkeeper is a member of an association such as ICB, as they have demonstrated their competencies, attained accreditation, and have an intimate knowledge of the bookkeeping process.

Delicate Conversations

The other factor that works in the bookkeepers favour is that the client may be more open to discussing sensitive issues. If, for example, the client is drawing more money out of the business than can be afforded or they have an idea that taking on more debt will solve their cashflow problems.... this may be where the bookkeeper sometimes has that frank conversation. Providing simple, maybe visual, reports may help the client understand that things may need to change, moving forward. This can be a subtle way of steering the client in the direction of acknowledging their own behaviour resulting in sensible decisions to avert a catastrophe down the track.

Starting the Conversation

It may be as simple as being able to tell the client what their expected BAS payments may be for the next six months. Or, showing them the bottom line that tells them that they can't afford that new car they have been talking about.

Forecasting doesn't have to be about producing a 5 year business plan. It is about looking out for the client. Having that close affiliation, bookkeepers want the best for their clients.

Ensuring that they are compliant with the ATO and paying their bills on time is one thing, steering the client in the right direction with some guidance can lead to even stronger and more rewarding relationships between bookkeepers and their clients. And this has been never more important, as the industry becomes more commoditised through technology and automation. It can set the bookkeeper apart from the competitor down the road. Keeping Clients For Life – that's what it's all about.

Calxa have an active Partner Program consisting of bookkeepers and accounting professionals. With more than 130 partners in Australia and abroad, Calxa supports them with one-on-one mentoring to ensure that they have the confidence and tools to provide additional and relevant client services. If you would like to enquire about their Partner Program, contact Calxa's Partner Relations Manager at tellmemore@calxa.com.

Check out the [ICB Website](#) for more information and to get the special ICB member discount on Calxa products.

[RETURN TO TOP](#) ↑

Intuit Guide to Cloud Accounting and Product Updates

Having an Informed Cloud Accounting Conversation with your Clients

A new financial year represents a great time to upgrade your small business clients to cloud accounting. But moving to the cloud means a significant change for many, and change normally comes with questions.



To help you have an informed conversation with your clients about cloud accounting, Intuit has prepared this (free) guide to use. It covers key questions around what it is, what benefits it provides, security and more. It's a great resource to download and provide clients.

- [Download Intuit Guide to Cloud Accounting](#)

QuickBooks Online Product Update

Lauretta Finis, member of the Intuit Trainer Writer Network, business owner of Quick Bizness Bookkeeping Solutions and Fellow member of the Institute of Certified Bookkeepers (ICB) explores new features rolled out in the August QuickBooks Online Product Update like customer notes, improved inventory, TPAR enhancements, BAS rounding, invoice template enhancements.

- [Find out more](#)

QuickBooks Online Reports for Bookkeepers

QuickBooks Online has a wide variety of built-in reports to show your clients where their business stands. The Plus version has over 65 reports, once you start to customise these reports the number is limitless.

Your clients do not have access to the Accountant Reports Feature. You will see this when logged in through your QuickBooks Online Accountant on the right hand side of the Reports Page.

- [Read more](#)

How to Lodge BAS using QuickBooks Online

If you're registered for GST you are required to lodge your Business Activity Statement (BAS) either monthly, quarterly or annually. Leanne Davis, owner operator of Sort It Out – Office Assist and member of Intuit's Trainer Writer Network, has put together some simple steps on how to lodge a BAS using QuickBooks Online.

- [Read more](#)

[RETURN TO TOP](#) ↑

This year held at Grand Hyatt Melbourne, with 600 registered attendees.

The plenary address was given by Sam Allert, MD of Reckon: The Reckon Journey.

Disruption is the trending word of the day. It is happening everywhere in many industries. (It is another word for change or adaptation). Technology will always disrupt and change the world. In our profession we also have compliance and law changes, SBR, client expectations. Reckon itself is being disrupted, as are all of us in the industry — but it is to be embraced not feared, and Reckon says “we are in this together”.



600,000 small businesses in Australia use Reckon products. Around 6,000 accountant practices use Reckon products.

The Reckon Journey connects the small/medium business with Reckon Docs, accounting software and advisors, who can manage their entire practice with Reckon practice software. The business owner and advisor can collaborate via the online “virtual cabinet”, a portal that both parties can access for document exchange and digital signing. Digital signing via Virtual Cabinet has bank level security.

Sam gave a live demo of a start-up business invoicing by smart phone, using the free app for smartphone, Reckon Invoices. As the business grows, the owner then looks for an advisor, and Reckon Accredited Partners and Professional Partners can be seen on a locality map; they can then connect online straight away. The business connects with an advisor, who starts her legal entity using Reckon Docs. The owner gets a physical folder of all legal documents and free legal advice on the setup of that entity. (1 in 7 businesses created in Australia used Reckon Docs to do so). This then gives the owner access to free Reckon accounting software for a year.

Reckon are introducing a new partner level called Cloud Advisor—must pass an online test using Reckon One and have 5 clients on Reckon One, then can be listed with Reckon as a Cloud Advisor.

Short-term Roadmap

- More APIs
- Better partner provisioning
- Practice IQ on tablet
- Web/timesheet mobile options
- SyncDirect integrating back with source file
- Reckon One invoice customisation
- Pay Now mobile payment gateway
- Payroll changes

Technology changes can empower the advisor to work more efficiently with the business owner to provide more and better data in a connected economy. Reckon would like to see the advisors working more closely with owners in the future.

Grow Your Bookkeeping Firm

Panel discussion hosted by Shaun Locke and Daniel Rabie from Reckon

Stuart Norman, AAT

Leanne Lewis, ABN

Noel Tufino, My Accounts

Clayton Oates, QA business

Matthew Addison, ICB

A highlight of the conference for bookkeepers was this panel discussion session.

Various questions were put to the panel, including:

- What are the opportunities and challenges in our industry today?
- What is the impact of technology, automation and bookkeeping?
- What critical legislation should we be capitalising upon?
- What are the service offerings of the modern bookkeeping firm?
- What should we focus on for business development and marketing?
- Where will the industry be in 5 years' time?

This was a valuable discussion covering a lot of ground in the hour, with many questions from the audience. Inevitably there was discussion around fixed fees vs hourly rates, which included valuing your knowledge and expertise differently.

Technological changes were also discussed, with automation being one of the biggest factors to affect our industry. As one of the panellists said, it is here, there is no point resisting it. However, it is now imperative that we bookkeepers keep up with technological developments as a part of our working life. This changes the way we work and what we can offer clients.

Several spoke about the importance of working with the business owner's accountant in a "triangular engagement" for maximum transparency and efficiency.

Matthew Addison spoke about the critical legislation that will impact our profession, including business identification numbers, changes to the superannuation guarantee, single touch payroll and technological changes within the ATO that we will see in the future.

For the full report of the discussion, [see here](#).

Other sessions of interest

- Technology trends affecting our industry
- Client collaboration with Virtual Cabinet
- SyncDirect cloud enabled data collection
- Reckon One developments and improvements
- Digital marketing
- Reducing your debtor days

For the full two day conference report, [see here](#).

[RETURN TO TOP](#) ↑

Reckon's Free app for Invoicing

Reckon brings invoicing freedom to iPhone and Android with new FREE app

Australian accounting software provider Reckon has released Reckon Invoices, a free app for all businesses who want to manage their invoices on the go. Reckon Invoices allows users to manage their invoicing straight from their smartphone. The free standalone app gives business owners the freedom to create and send invoices, see who owes them money, and record payments, wherever and whenever they choose.



Sam Allert, Managing Director Australian and New Zealand for Reckon has said "Reckon invoices is a product that delivers on simplicity and affordability, as well as mobility. It's particularly useful for microbusinesses and start-ups who want a standalone product that gives them the ability to manage their invoicing while on the move."

The app contains features that you generally would not find in a free application. Users are able to add their own company logo and access a dashboard that summarises their draft invoices, paid invoices and outstanding invoices.

For businesses that trade internationally, the app also supports different currencies such as the Euro and Pound and allows the setup international address details for customers.

Features of Reckon Invoices include:

- Free (easily downloaded from the app store on your mobile device)
- Send unlimited invoices
- Save an unlimited number of contacts/clients
- Track receipts, organise paid and unpaid invoices
- Personalise invoices with your own logo;

The app is available now for free download on iTunes and Google play.

For more information visit the [Reckon Invoices website](#).

[RETURN TO TOP](#) ↑

6 Reasons Smart Australian Bookkeepers Love the ICB

An Article by Heather Smith, the full article, along with the six reasons, [is available to read here](#).

Within a complex tax environment and with the number of small businesses growing exponentially, chartered accountant Matthew Addison recognised the need for a professional bookkeeping organisation in Australia, to both support and promote bookkeeping as an integral part of the finance profession. The Institute of Certified Bookkeepers (Australia) was established in 2002 and Matthew's energy, along with a team of passionate bookkeeper advocates, has seen its membership numbers continue to grow.

I often hear people who are just entering the bookkeeping industry ask whether they should join this organisation or that organisation. So I thought I should have a pitter-patter at the keyboard and share the six reasons I think the ICB is a smart investment. For those outside of Australia, it's likely you have a similar nation-wide organisation, so it's worth investigating to see if they offer similar benefits to what I outline below.

I'd first like to note that I'm a chartered certified accountant with a commerce degree. I'm a Fellow of the ICB, and a facilitator of the Brisbane South meetings. My endorsement of ICB Australia is in no way a negative reflection on any other organisation.

This [article originally](#) appeared on the WorkflowMax blog. [WorkflowMax](#) is job management software that takes care of quotes, time tracking, lead management, invoices and integrates seamlessly with Xero. Discover how the WorkflowMax Partner program can help you boost your bookkeeping business.



[RETURN TO TOP](#) ↑



What's New This Month?

Recent Resources, New and Updated

- [ICB Guide to Assets and Depreciation - 2015](#)
- [September 2015 Bookkeeping eBrief for your Clients](#)
- [September 2015 Network Meeting Webinar](#)
- [August 2015 Members Newsletter Podcast](#)
- [Global Bookkeeping Week](#)

News Items

- [Global Bookkeeping Week Selfie Competition](#)
- [Global Bookkeeping Week Webinar](#)
- [Global Bookkeeping Week](#)
- [ATO webinar for Tax Professionals](#)
- [Superstream Problems](#)
- [Cash and Hidden Economy](#)
- [Single Touch Payroll ATO Updates](#)

ICB Q & A Space News

This month on the ICB Q and A Space there appears to be a bit of a trend, everyone is taking a well earned slow down. We do, however, have a high interest in [Invoice Terms and Conditions](#), what, if any, do you put on yours??

How to read an Award?? In these ever changing times, with so many amendments and updates where would you even start, or can you assist our members and help show them the way [you can let Members know here](#).

Cash & Hidden Economy - Does the ATO do Anything? (Noting that "Cash economy" refers to "Hidden" or "under the table" ie not declared to the ATO.) Do you think any of your clients might dabble in the dark side and how would you deal with this if they do? [You can have your say here](#).

You can check out all the [latest threads](#) here.

Feel free to ask your questions regarding any issue you June be having or if you require clarification, we are here to help.



The Latest Updates lists all the topics in order of replies

[RETURN TO TOP](#) ↑

September 2015 eBrief Newsletter for Your Business

The September 2015 Bookkeeping eBRIEF is now available for you to download.

- [September 2015 Bookkeeping eBRIEF Newsletter - PDF](#)

[Back copies are available here.](#)

"The best bookkeepers using the best resources".

[RETURN TO TOP](#) ↑

From the ATO

Making it Easier to Take on an Employee

Taking on an Employee

The recent ATO Small Business Fix-it Squad on "Making it easier to take on an Employee" was finalised in July. The ATO are now developing a strategy to progress the following priority recommendations:

- A whole of government checklist covering the regulation requirements that apply when taking on an employee will be developed. It will provide links to related agency reference material to make it easier and quicker for employers to find supporting content. It will be hosted on www.business.gov.au
- Improvements to awards are underway, the Fair Work Ombudsman has recently released the Pay and Conditions tool - [PACT](#) - which replaced the previous PayCheck Plus tool. The tool assists users in determining awards, classifications, rates of pay (including penalty rates/overtime etc), leave and termination entitlements. Further refinements will be made to help differentiate awards and the right classification.
- Improvements will be made to the ATO's employee/contractor decision tool to improve usability and support employers wanting to understand if they are required to make Pay-as-You-Go Withholding payments and/or Super Guarantee payments for their worker.
- Improvements will be made to the way the ATO presents information on how to treat specific employee entitlements (whether Pay as You Go withholding or Super Guarantee charge is to be applied to the entitlement).

The ATO summary document that explains in more detail can be [reviewed here](#).

ICB have requested these recommendations be made known to the teams developing the Single Touch Payroll program.

[RETURN TO TOP](#) ↑

ATO Takes Action - Don't Blame the ATO

The ATO are taking a bit of a hammering in the media for winding up business.

They wouldn't be winding them up if the business had paid their debts.

It seems there are many businesses that don't pay their PAYG W (tax from employees' pay).

It also seems those employers and many more have a problem paying the required.

Superannuation Guarantee Contributions obligations.

Then others decide that GST is optional.

ICB members have endorsed our view that:

1. We are very happy for the ATO to chase the crooks and shut them down. Why should we, or the businesses we work with, have to fight to comply, fight the cashflow to pay the obligations, while the competitors are left alone and don't pay.
2. ATO does not display the debts well enough. The ATO still does **not** make it clear enough to a business when their debts are due and how much they owe. Unless a business goes looking it is all too hard. The ATO is not the most important factor in the success of a business.
Included here is that when we enter a debt repayment plan it remains too hard to know where we are up to. How can it be reasonable for the ATO to NOT display on the portal etc where our payment plan is up to.
3. ATO seems to be getting better at being prepared to listen to our circumstances and consider a workable option when we make contact about delaying payments. It isn't always the case! When we ring the ATO, we ask that all ATO people be prepared to listen and consider when we say we can't make a payment in the first 7 days, then we probably mean it, no point getting stroppy, work with us.
4. We like being able to apply for debt payment plans online and over the phone.
5. We think there is merit in reminder systems to those businesses that are perpetually late. (ATO evidence is that SMS reminders to lodge and pay BAS is having a drastic improvement on the behaviour of otherwise slack taxpayers).

In summary: ATO feel free to chase the crooks.

Related References

- [ICB - ATO Payments and Debt Management](#)

[RETURN TO TOP](#) ↑

Notes from BAS Agents Association Group Meeting

ICB represent you into the ATO through the BAS Agents Advisory Group (BASAAG).

[See here](#) for the ATO notes from the recent meeting.

Other areas of discussion have been covered in other articles and information provided to you.

[RETURN TO TOP](#) ↑

ATO Answers the Phone Quickly

ATO Telephony service standard performance as at COB 8 September, 2015

From 1 July 2015 ATO has received approximately 332,555 inbound calls to tax practitioner queues and 2,327,725 to general queues and achieved service commitments of:

- Tax practitioner calls – 97% of calls answered within 2 minutes
- General taxpayer calls – 94% of calls answered within 5 minutes

The average wait time was 26 seconds for tax practitioners and 71 seconds for general taxpayers.

[RETURN TO TOP](#) ↑

Portal Maintenance - Scheduled Downtimes

See [this link for the full guide](#) to system maintenance and issues.

The portals will be unavailable at the following times for scheduled system maintenance.

Upcoming scheduled portal system maintenance:

Scheduled Start Time	Scheduled End Time
Saturday 3rd October 8.00pm AEST	Sunday 4th October 8am AEST
Saturday 7th November 9.00pm AEDST	Sunday 8th November 9.00am AEDST

For more details regarding portal maintenance [visit this link](#).

[RETURN TO TOP](#) ↑

ICB Membership Statistics as at 31st August, 2015

5,045

3,048 Members maintain Fellow, Member, Associate, Affiliate and Educator membership.

ICB also has 21 Accredited Training Provider Members and 1,976 Student Members.

[RETURN TO TOP](#) ↑

ICB Supporters and Sponsors



[RETURN TO TOP](#) ↑

Please note that, in between newsletter issues, articles maybe published straight to the *Latest News* section of the website.

The Institute of Certified Bookkeepers complies with the Spam Act 2003 and we have a documented [Spam Policy](#) on our website. You can unsubscribe from ICB newsletters and updates [here](#).

ICB's Newsletter contains news articles, links and regular sections that we feel will be of interest. If there is anything that you would like to see, whether a regular feature or a one-off, please let us know. Email your ideas to admin@icb.org.au

The monthly Newsletter for members of the Institute of Certified Bookkeepers.

A selection of those articles listed are accessible by ICB Members ONLY - ICB Members, you will need to be logged onto the ICB website to view all the articles in full.

The newsletter of ICB is designed as information and resources for Bookkeepers with clients and also bookkeepers in employment.

The content of the newsletter maybe relevant in part or in whole to other publications or other purposes.

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