



# Institute of Certified Bookkeepers

## Making you Count

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## Bookkeepers helping Bookkeepers help Business



March 2016

News, views and things you need to know.  
Welcome to the ICB's March 2016 Newsletter for Bookkeepers.

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

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## Best Practice Bookkeeping

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- [ICB Webinar - How to Determine Materiality](#)
- [March 2016 eBrief for your Clients](#)

# Important News for You

## Questions from ICB Conference

During the conference the ICB team receive many questions asked by attendees--here we have listed a few of the questions and answers but you can find all the questions from conference [here](#).

### How do we access the client correspondence list in the BAS agent portal?

Although the technical help page does make reference to BAS Agent and Tax Agent portal being able to access this now, BAS Agents do not yet have this facility available. It is scheduled to become available later in March—we will issue this in the newsletter once it is available.

- [ATO – Portal Technical Information Client Correspondence](#)
- [ICB – How to Use the BAS Agent Portal](#)
- [ATO – Client Correspondence in Portal News](#)

### For those employers with less than 15 employees, if their employee employment contract says they are entitled to a redundancy, does the employer still have to pay a redundancy?

In this case, the obligation to make redundancy payments has been created by the contract and is not underpinned by statute (although, it is important to note that there are a small number of Modern Awards and Enterprise Agreements which do in fact impose redundancy payment obligations on small business employers).

Where the obligation on a small business employer to make redundancy payments comes only from a contract, the employer is under a contractual - and not a statutory - obligation to make the payments when redundancies occur. This means that if they fail to do so, employees would need to take legal action to enforce the contract. This is because the Fair Work Ombudsman (FWO) will only assist employees to enforce *statutory* (not contractual) entitlements.

Ultimately, the answer is yes: if the small business employer has voluntarily chosen to unnecessarily impose this obligation upon themselves, they must comply with the terms of the contract.

- [ICB – Termination Pays](#)
- [ICB – Sale or Purchase of a Business](#)

### What if employees are given notice that the business is going to close in say 4 to 6 weeks?

The required period of notice depends on the length of service and age of each employee, and may also be addressed in an industrial instrument. For most employees, 6 weeks' notice would be enough—but you would have to check the relevant instrument, period of service and age. If for example, an employee was required to be given 6 weeks' notice but only received 4 weeks' notice, then the other two weeks' notice would be pay in lieu of notice and thus be treated as an ETP.

- [ICB – Termination Pays](#)
- [ICB – Sale or Purchase of a Business](#)

# Business Support Program Launched

ICB is about Bookkeepers helping Bookkeepers helping business

The vision of the Institute is:

'To provide bookkeepers with the co-operative forum to be the best they can be. We're about bookkeepers: Recognition and Education'.

'To provide business with awareness of Certified Bookkeepers and BAS Agents, to provide support for those doing the bookkeeping for business.'

We are also about:

'Bookkeepers helping Bookkeepers help Business'



ICB's Business Support Program is to provide business who do the books themselves with level one email support, resources and assistance. It provides priority access to ICB Certified Bookkeepers who can further assist business when required.

It is ideal for those in their own business, not for profit organisations or sporting clubs.

Joining the ICB Business Support Program provides help and assurance about keeping your books right.

**Benefits:**

- Access to practical, useable, everyday resources
- Email Support
- Updates and news
- ICB generated and monitored education and training
- Products and solutions for Bookkeepers and Business
- ICB designed and provided webinars
- ICB Newsletters
- ICBenefits... and much more!

For further information please visit the [Business Support Program](#) webpage as well as [Program Benefits and Application](#) or contact Member services on 1300 856 181.

# Best Practice Bookkeeping

## What can you Expect an Auditor to do? (And Not Do!)



Many Not-For-Profit (NFP) entities must have their accounts formally audited and reported to ASIC. Many organisations are required by law or by their constitution to be formally audited.

The audit is conducted by an external independent registered auditor in order to provide a true and accurate presentation of the financial position and performance.

Often a bookkeeper will be engaged by the NFP entity to look after their accounts, and the bookkeeper reports to a board of directors or a committee or the treasurer. Some or all of these roles may be held in a voluntary capacity, not necessarily by people with good knowledge of bookkeeping, accounting or financial management. Often there is no tax agent involved in looking after the NFP entity and the bookkeeper is relied on to a great degree.



It is common that the bookkeeper may need guidance on some matters, which the treasurer or committee cannot provide. If there is no tax agent to guide them, the bookkeepers will often assume that “the auditor will fix it”.

This is not necessarily the case!

### What is the Main Role of an Auditor?

Auditors are hired by companies to provide ‘limited’ assurance to the directors, management or other stakeholders, (for example banks), that their financial statements are reliable and true and not materially mis-stated.

‘Limited’ assurance means that auditors do not perform 100% testing of transactions. The auditor will obtain audit evidence on a sample basis to ensure that overall the figures are reliable and accurate. If the entity wants the auditor to perform 100% testing on a particular section or balance, this would be an amendment to the engagement and the audit opinion would reflect the additional work performed.

Auditors test each line on the balance sheet and income statement that may be significant. They also consider the key internal controls within the entity that are designed to prevent and detect errors.

An important distinction to note is that an auditor’s role is not to test, look for or detect fraud.

As part of the audit process the audit will consider the potential that the accounts may be mis-stated as a result of fraud, but their scope is limited to this. Fraud detection may be better performed by the bookkeeper or in serious cases, forensic accounting.

### Minimum Requirements for an Auditor to Prepare their Reports

As a minimum, the auditor would need access to an entity’s accounting system; this may be “read only” access. From this they are able to access the trial balance, relevant reconciliations such as bank, inventory, payroll, debtors and creditors sub-ledger, and the fixed asset register. They also require access to the

entity's accounting records such as bank statements, invoices, receipts, remittances, payroll records, employee files, board minutes and any supporting documentation that could be used to verify a general ledger balance.

## Who Must Have Their Accounts Audited?

Entities subject to the Corporations Act 2001 are required to conduct an annual audit. Audit requirements differ according to the level of turnover and type of organisation.

ASIC Form 388 Copy of Financial Statements and Reports should be completed and lodged with the required documents:

- Statement of financial position
- Statement of comprehensive income
- Statement of cashflow
- Statement of changes in equity
- Consolidated financial statements
- Notes to financial statements
- Directors' declaration Directors' report
- Auditor's report and independence declaration

The Form 388 and associated documents generally needs to be lodged within 4 months of the end of financial year; most NFPs operate on a financial year ending 31st December, therefore the ASIC statement is due 30th April.

## Who Can Conduct an Audit?

An auditor must be registered with ASIC. A company required to be audited must appoint an auditor, and this auditor will hold office until they formally resign through ASIC, the auditor is removed, or otherwise becomes ineligible to continue as the appointed auditor.

Auditors may need to be qualified as a 'registered company auditor' or Certified Public Accountant (CPA) or Chartered Accountant (CA) in certain circumstances. This often depends on the company's constitution or applicable laws and regulations such as Corporations Act 2001 or Incorporated Association Reform Act 2012.

Bookkeepers and BAS agents may **not** conduct a formal audit.

## The Difference Between an Audit and a Review

An organisation may not be required to complete a formal audit on an annual basis, but may choose to have a bookkeeper conduct a statement of review. For some entities, this is all that the constitution requires to be issued.

A bookkeeper or BAS agent with the relevant knowledge and experience could consider performing this work and issuing this statement, so long as they are not giving the impression that it is a formal audit or that it is a replacement for an audit process.

A statement of review is just that - a review and report of the financials. It is for the information of the organisation only, it is not required to be reported to ASIC or the ATO.

A review may provide certainty to the directors or committee that their accounts are in order, and/or it may provide insight into areas of the organisation's accounts that need attention.

## How can a Bookkeeper Best Assist the Auditor?

A bookkeeper can best assist the auditor by ensuring that the accounting records are accurate, up to date and reconciled to the general ledger. Having a clear audit trail and consistent record keeping process helps to enable a smooth audit. This requires keeping appropriate supporting documentation.

### Supporting documents that may be required by the auditor:

- Original documents for all substantial purchases
- Original documents for RCTI arrangements
- Payroll records, including payment summaries issued
- Long service leave entitlement calculations
- Workcover documents
- Point of sale system reports—any variance between POS system reports and bank reconciliations should be explained
- Asset register—this should agree back to the general ledger opening and closing values, written down values and depreciation expense calculation
- Stocktake
- Petty cash reconciliation
- Minutes of director or committee meetings
- List of members as at end of financial audit period
- Contracts or agreements with suppliers, contractors, strategic partners, sponsors and so on
- Bank statements
- Policy documents, for example, how cash is handled or how employee reimbursements are managed
- Lodged activity statements and ATO integrated client account showing balance as at the end of the financial audit period
- Remittances and/or receipts for income received through grants and donations
- Details of fundraising activities undertaken through the year

Records should be filed in chronological order where possible. Bank reconciliations should be attached to bank statements where there are reconciling items. If debtors are reviewed for 'doubtful debts' evidence of this review should be filed. Support for non-recurrent or complex journals should be filed.

All sub-ledgers should agree to the general ledger. Debtors should be regularly reviewed and explanations available or provided for any old debts.

## Fundraising and Cash

For entities that conduct fundraising activities that involve a lot of cash, there should be a secure process in place for handling, recording and banking the cash to minimise theft or fraud. Ideally this would involve two or more separate people or processes to check the cash received, recorded and banked. Note that the auditor may have a qualification paragraph in their report that states their audit is limited to cash amounts as they are reported.

## What to do When the Organisation has no Tax Agent

Bookkeepers who look after an entity without a tax agent to guide them should not be pressured into giving advice on matters that are outside their scope of qualification and experience, particularly if that crosses the line into tax advice territory.

If the NFP refuses to engage a tax agent when it really is necessary, the bookkeeper should keep detailed notes about matters they require guidance on, and allocate to a “Query” account or similar and address these matters with the auditor.

The auditor may or may not be able to give advice - depending on whether they are also a tax agent. If the auditor is not a tax agent they will most likely recommend the ATO website or private ruling if required, or they will advise if the services of a tax agent are required before they can complete their audit.

There are organisations that can advise on matters for NFPs, particularly for payroll setup such as salary packaging. If you are looking for detailed guidance or training, contact Our Community, an organisation designed to help NFP organisations.

ICB Technical Support may be able to offer guidance for an entity without a tax agent. However, there also many circumstances which will need specific guidance by a tax agent who is familiar with the tax law and concessions relevant to the type of NFP entity. If this is the case, the bookkeeper should encourage the director or committee to whom they report to engage the services of a tax agent to review their work on a monthly or quarterly basis.

## What is the Difference Between a Tax Agent and an Auditor?

A tax agent may be an auditor and an auditor may be a tax agent—but they are not the same thing. Their experience may be very different, and the two roles are very different for a business.

Tax agents are registered with the TPB to give advice, (for a fee), on tax matters such as planning, tax structuring for companies, fringe benefits tax, etc. They prepare and lodge tax returns and BAS returns. Tax agents generally do accounting work as well.

An auditor **does not perform any accounting work**. They cannot enter or edit transactions in an entity’s accounting system. They can make recommendations on how to enter a journal or what accounting policy should be applied, for example whether property, plant and equipment should be depreciated using prime cost or diminishing value.

Auditors audit the trial balance and test balances to ensure they are valid, accurate, complete and correctly recorded. They also audit the financial statements to ensure that the financials are prepared in accordance with the relevant accounting standards. They do not generally prepare the financial statements, but may assist in the presentation of the final financial statements.

## Final Report and Management Letter

When the financial statements have been finalised, the auditor is required to report on the statements, confirming their independence and their opinion regarding the accuracy and relevance to required reporting standards.

A management letter is provided to the directors at the end of the audit process, which outlines any matters that have arisen through the process, and that the auditors feel should be brought to the attention of the directors. This may cover matters that do not have a direct effect on the financial reports, but are matters of governance, best practice, internal procedures and records.

These matters are brought to the attention of the directors in order to encourage them to attend to these matters in order to continuously improve their organisation's management and reporting.

The management letter may also report on improvements to the processes, procedures, records and so on that have been noted by the auditor.

## Unadjusted Items

The auditor may include a section in their report on "unadjusted items". These are items the auditor has noted that could be or should be entered differently to what has been entered in the accounts. In discussion with the organisation, it has been deemed acceptable that they are not material enough to warrant an adjustment, nor a qualification to the audit report.

## What Can You Expect an Auditor to Do (and Not Do)?

### The auditor will:

- Inspect reports and source documents
- Inspect supporting documentation
- Test the validity and accuracy of all balance sheet and income statement figures reported by the entity
- Ensure financial reports are relevant to required reporting standards for that entity
- Advise on presentation of reports if necessary
- Make recommendations relevant to the policies, procedures and governance of the entity to prevent errors
- Report on any matters that have arisen during the audit process that require the attention of the directors

### The auditor will not:

- Inspect tax codes on specific transactions
- Advise on tax matters (unless specifically engaged to do so)
- Reconcile anything
- Check activity statements lodged
- Look at ABN registration of suppliers
- Prepare financial reports - the auditor is engaged to **verify** reports prepared by the reporting entity (Note that an auditor may be engaged to prepare financials by some businesses but generally the auditors do not prepare, as it is better the organisation understands the financials by preparing their own)
- Advise on awards or FairWork compliance matters
- Check accuracy of payment summaries
- Advise on effective salary sacrifice arrangements

If you have concerns about what an auditor is doing or not doing, and would like to clarify what you can expect of them, contact ASIC.

With thanks to Rebecca Rosario (Audit Manager) from [McPhail & Partners](#) from McPhail & Partners for

assistance in preparing this information.

## Related References

- [ASIC – Registering for NFP](#)
- [ASIC – Financial Reports](#)
- [ATO – Non Profit](#)
- [ICB – NFP Resources](#)
- [ICB – Introduction to NFP Organisations](#)
- [ICB – Audit or Statement of Review](#)
- [ICB – Cash Transaction Reporting](#)
- [McPhail & Partners Accountants Auditors Advisors](#)
- [ACNC](#)
- [Our Community](#)

## Quoting and Packaging for Different Services

### Concepts of Bookkeeping

#### Different Services

There are many bookkeepers whose business model is to work with a business to understand, explain, design and implement a system. The business people conduct all of the business processes in the software. The bookkeeper returns to then do the monthly or quarterly review, test the system, look for anomalies, and report to the owner and so on.

There are some bookkeepers whose role is to do “everything” for the business. All record keeping, all processing and all compliance activity.

There are many organisations that use the accounting system as their day-to-day business system. The accounting entries are ‘accidentally’ happening (by design) in the system while the business is being conducted. This is what we have termed “proactive bookkeeping”. Proactive bookkeeping lends itself to the external bookkeeper helping to set up, train the staff and then review what has gone on.

The organisations that create their accounting records only after the business event we refer to as “historic bookkeeping”. Bank feeds have been of great assistance to this form of data creation.

#### Quoting and Packaging

Price your service appropriately.

A service of manually processing historical transactions into a system would now be considered the baseline of performing bookkeeping. If you were an employee bookkeeper under the Clerical Award this starts at an hourly rate of about \$26.

For a contract bookkeeper, when considering all the oncosts of employing someone at the above rate, then it is equivalent to \$45 per hour at **cost**. We consider that a base charge rate for that employee’s time would be at least \$55per hour.

When providing a quote or a package of processing services to a business for the performance of this manual bookkeeping, you would estimate the time to process based on transactions or knowledge of the time likely to be taken. Always allow for variations to a quote or package to be discussed.

A similar concept is that an inexperienced bookkeeper or 'system follower' that only processes data is charged at a lower rate. This service can also be quoted or packaged. An experienced bookkeeper should charge more. A supervising bookkeeper should also charge an enhanced rate.

## Advanced Historic Bookkeeping

A bookkeeper using advanced techniques, for example, Optical Character Recognition (OCR) software to decipher purchase invoices and turn them into data, or using bank feeds to bulk capture and allocate what happened in the bank account, would charge a higher rate due to the enhanced experience and expertise required to operate these systems effectively.

Such advanced techniques require expert knowledge and superior software skills which results in far quicker processing, (most of the time). The charge rate for performing this advanced historic bookkeeping could be as high as double the base rate, say \$110 per hour.

## Proactive Bookkeeping

The first setup of the system could be a quoted or packaged set of outcomes. This service is an expert's implementation of the best solutions to ensure improved and efficient processes in the future.

This expertise should come at an appropriate price, say in excess of the \$110 per hour.

The monthly review is another set of outcomes with its own quote or package. This should be charged at a similar hourly rate as the expert setup.

Many bookkeepers do "quote" for specific projects, special reviews or even quarterly reviews. Whether you quote or provide a packaged fixed fee or a service fee, we emphasise that communication to the business is required. If a package or quote is not going to cover the extent of the work required, ensure that you discuss variations with the business at the earliest point of detection.

Consider at the building and construction industry: a quote is provided, but how often is the final price exactly as quoted? They make provisions for variations to the job - and we can do this also. We do not have to lose money because we quoted on a job that turned out to be very different from initial impression.

It is okay to charge by the hour—but don't be afraid to investigate packages, fixed fees and quotes.

## Related References

- [ICB – Charge Rates and Fixed Fees](#)
- [ICB – Charge Rate Calculator Spreadsheet](#)
- [ICB – Fixed Fee Package Template](#)
- [ICB – Service Template](#)

## Where is the Boundary for Tax Advice?

### BAS Agent Fined for Giving Tax Advice

One would think it was pretty easy to know if you had crossed that line from being a BAS Agent to doing the work of a Tax Agent. It is.

In the case now being reported by the [TPB](#), it was pretty clear – a BAS agent company was advertising the preparation of tax returns and then also doing them. The federal court imposed a penalty of \$81,500 for unlawfully providing and advertising tax agent services over a period of several years.

For those of us who don't deliberately overstep the line, where is that line?



### The Grey Area of the BAS: PAYG I

BAS Agents can be involved in the PAYG Instalment "payment" that is included on an activity statement.

#### The ICB View

- You **cannot** advise a business about what their PAYG Instalment amount should be varied to, or what their PAYG Instalment rate should be varied to. Variations of these must be in conjunction with the Tax Agent of the business or as directed by the business owner. It would be wrong for a business to be relying on a BAS agent for the purposes of determining a variation to PAYGI.
- You **can** determine the value of T1, (taxable income), to be entered on the BAS for the calculation of T1 by the rate in order to work out the amount for the quarter. IF you calculate T1 based on information from the Tax Agent or the system prescribed by the Tax Agent, typically you would work from the revenue disclosed on the reconciled and verified profit and loss statement and make any adjustments to that revenue only as directed.
- Be careful of the owner directed reduction in T1 simply to reduce this quarter's instalment amount. It is not a BAS agent's decision, nor is it up to a BAS agent to advise on changes to the calculation of T1; obtain in writing any directions to vary amounts from the business owner.

### The Grey Area of Claiming GST on Expenses

BAS agents are typically relied on for the system and the compliance around each business' claiming of GST. One of the conditions is that you cannot claim back GST on non-deductible expenses. This is the strongest link between income tax matters and GST or BAS matters.

You should base your claiming of GST on expenses by reviewing:

1. Previous profit and loss expenses
2. Any adjustments the Tax Agent has made in the tax return, (if you have access to this)

Anything you are considering "disallowing" because you doubt whether it is tax deductible, you should question and/or advise the tax agent.

We note that in relation to private expenses, it is permitted by law to claim back the GST during the year and make a one-off adjustment based on the tax return being completed. Work closely in conjunction with the tax agent.

## The Black and White Line

It is **not** up to BAS agents to advise on income tax matters. It is totally appropriate for BAS agents to ask questions about private or unknown expenses and seek direction.

The FBT law complicates the issue of many private expenses, because through the use of salary packages and applying the FBT provisions, otherwise private and non-deductible expenses may become deductible. Therefore GST amounts that were not able to be claimed back, may now be claimed back. FBT matters must be advised by a tax agent.

BAS agents **cannot** prepare income tax returns. BAS agents should **not** advertise that they can prepare tax returns.

## Related References

- [TPB – Penalty for Providing and Advertising Tax Agent Services](#)

## BAS Agent Portal Wishlist

### The ATO is redesigning the portal

A new portal in a new program with a new interface that will be established beside the existing portal. They have promised not to break the old portal while they develop a brand new one.

The top list of functions to be developed first in the new environment is:

- Manage clients, their details and how we communicate with you about them
- Improved management of communication delivery preferences
- Manage your workflows, due dates and program performance
- Prepare and lodge
- View historical account information including ITR's
- Visibility of our processing and any issues
- More digital interactions, no more paper forms
- Better information and support services
- Practice management services through your software

We are also going to request rapid improvement to:

1. The Tax Agent / BAS Agent access issue to a client's BAS records
2. Access to a list of all lodgements for each client regardless of whether lodged through the portal or

SBR software i.e., a list of whether the Payment Summaries have been lodged for the employers, access to TPAR lodgements and so on.

What else do you want and how important is it compared to the above list?

Any ideas for what is NOT on the portal now that you would like to see?

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



Let us know your thoughts here

## Fuel Tax Credits Rate Change

Fuel tax credit rates increased from 1 February 2016.

Rates are indexed twice a year in line with the consumer price index (CPI) – in February and August. Check the current fuel tax credit rates online before completing your BAS.

You can also use the fuel tax credit calculator to help get your claim right. The calculator helps you work out:

- Your fuel tax credits for fuel you acquire for use in your business
- Adjustments for fuel tax credits from a previous BAS

### References

- [ATO - Fuel Tax Credits Rates](#)

## Continued Professional Education

### This Month From the ICB Continued Professional Education Webpage

ICB Events and Webinars	Classroom	Online
<a href="#">Preparing for End Of Year 2016 Webinar, 5th April, 2016</a>	<a href="#">Sage One Bookkeeper Bootcamp</a> Multi-Locations, Multi-Dates	<a href="#">MYOB News Channel Webinar, Multi-Dates</a>
<a href="#">ICB Webinar - SuperStream begins, are you and your clients ready? Webinar, 19th April, 2016</a>	<a href="#">GST &amp; BAS</a> Perth, Multi-Dates	<a href="#">SuperStream using MYOB Webinar, Multi-Dates</a>  <a href="#">Setup and operate Xero</a>

ICB Technical Webinar - How to Determine Materiality  
Webinar, 26th April, 2016

ICB June End of Year Workshop  
Multi-Locations, May/June 2016

ICB June End of Year Workshop  
- Students and New Bookkeepers  
Multi-Locations, May/June 2016

Understanding Financial Reports  
- including Non-Reporting entities  
Balcatta WA, Multi-Dates

Budgets and Cashflow Management  
Balcatta WA, Multi-Dates

2016 Reckon Roadshow  
Multi-Locations, Multi-Dates

Salary Packaging  
Perth, Multi-Dates

ATO Open Forums 2016  
Multi-Locations, Multi-Dates

accounting online  
Webinar, Multi-Dates



## ICB Network Meetings

### Question For You to Discuss This Month - Rounding Payroll to Whole Dollars

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

I have a client who processes payroll in such a way that the net pay is rounded to whole dollars. The rounding is allocated to PAYG Withheld. One of the employees has calculated that we owe him \$8.95 over the last quarter, which should have been paid to him in his net pay, but has been reported as PAYGW. Are we obliged to pay this money back? Is it wrong to process payroll this way?

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



Let us know your thoughts here

## Last month we asked you:

An employee has resigned and has a negative leave balance of 38 hours. Also he did not return to work after resigning, although he was expected to work the notice period out.

Can the employer withhold the equivalent of the leave owing? And can the employer also withhold 2 weeks' pay because of him not wanting to work the notice period?

## ICB's Response:

The two elements of the query both have the same answer: you can only withhold pay if the award expressly allows it. Some awards do make specific provision for negative leave balances and failing to work out a notice period, and do allow the employer to withhold the relevant amounts from the final termination pay.

However, there are also awards where no specific provision is made for these scenarios, in which case the employer may not withhold any amounts. If the employer did withhold without specific provision, it would be classified as an unauthorised deduction and the employee could take this to FairWork.

The employee can take leave during the notice period if he has enough, although this would usually be negotiated with the employer beforehand—however, it may be worth checking with the employer before processing the final pay if this is an option.

If the employee is one of the few who is not actually covered by an award or agreement, then the employer must not recover the money from the final pay.

Remember that allowable deductions are meant to be primarily for the employee's benefit—this is overridden when the deduction is allowed by the award or other industrial instrument. So if there is no provision for the deduction, it could be argued that withholding in this scenario is primarily for the employer's benefit, and therefore not allowable.

The employer may seek to negotiate a deduction arrangement with the employee—even if the employee agrees in writing, it is still not allowable unless the employee's governing industrial instrument allows it.

If the employer is allowed to withhold leave and notice payments from the final pay, and the total amount of deduction is greater than the amount owed to the worker, the employer must forfeit the balance. The employee is not required to repay the employer in this situation. In that case, the net pay will be zero.

## Related References

- [ICB – Pay Deductions and Cashing Out Leave](#)
- [ICB – Termination Pays](#)
- [ICB – WorkForce Guardian Payroll Deductions Factsheet](#)
- [FairWork – Deducting Pay and Overpayments](#)

## Upcoming Network Meetings

Join a network meeting, 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 8th April, 2016	Online 11th April, 2016			
ACT				
Canberra - Northside 20th April, 2016	Canberra - Phillip 12th April, 2016			
New South Wales				
Albury 1st April, 2016	Ballina 15th April, 2016	Balmain 18th April, 2016	Bathurst 17th May, 2016	Bellingen 18th April, 2016
Blue Mountains 6th April, 2016	Brookvale 11th April, 2016	Central Coast TBA	Dubbo TBA	Hawkesbury Region 22nd March, 2016
Hornsby 14th April, 2016	Moorebank 13th April, 2016	Newcastle TBA	Newport TBA	Orange TBC
Hills Region (Rouse Hill) 6th April, 2016	Port Macquarie 11th April, 2016	Randwick - Bondi 12th April, 2016	Shoalhaven 4th April, 2016	Southern Highlands 18th April, 2016
Sutherland 23rd March, 2016	Wollongong 13th April, 2016			
Queensland				
Atherton Tablelands 4th April, 2016	Brisbane North 12th April 2016	Brisbane South 19th April, 2016	Bundaberg 19th April, 2016	Burpengary 13th April, 2016
Cairns 8th April, 2016	Dalby 28th April, 2016	Gold Coast - AM 12th April, 2016	Gold Coast - PM 12th April, 2016	Hervey Bay 12th April, 2016
Ipswich 12th April, 2016	Logan 20th April, 2016	Moreton Bay 11th April, 2016	North Sunshine Coast 8th April, 2016	South Sunshine Coast 14th April, 2016
Toowoomba 15th April, 2016	Townsville 8th April, 2016			
South Australia				
Adelaide West 15th April, 2016	Mt Barker TBA	Para Hills 13th April, 2016	South Adelaide 7th April, 2016	Unley 14th April, 2016
Victoria				
Bulleen 12th April, 2016	Burwood 6th April, 2016	Chadstone 11th April, 2016	Craigieburn TBA	Docklands 15th April, 2016
Echuca 29th April, 2016	Frankston 14th April, 2016	Geelong 12th April, 2016	Lilydale 1st April, 2016	Macedon Ranges 19th April, 2016
Mordialloc	Mt Waverley	Narre Warren	Point Cook	Sale

12th April, 2016	TBC	5th April, 2016	TBA	14th April, 2016
<a href="#">Warragul</a> 13th April, 2016	<a href="#">Yarra Valley</a> 8th April, 2016			
<b>Western Australia</b>				
<a href="#">Broome</a> TBC	<a href="#">Bunbury</a> 5th April, 2016	<a href="#">Busselton</a> 8th April, 2016	<a href="#">Cockburn Central</a> 27th April, 2016	<a href="#">Joondalup</a> 18th April, 2016
<a href="#">Kalgoorlie</a> 21st April, 2016	<a href="#">Melville</a> 13th April, 2016	<a href="#">Noranda</a> 13th April, 2016	<a href="#">Welshpool</a> 19th April, 2016	
<b>Tasmania</b>			<b>Northern Territory</b>	
<a href="#">Hobart</a> 22nd April, 2016			<a href="#">Darwin</a> 14th April, 2016	

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](mailto:rick@icb.org.au)



ICB Network Meetings are proudly supported by MYOB

## Other Things Happening in the World

### What is eInvoicing?

#### What is eInvoicing?



“Enhanced electronic interaction of invoices”.

The Digital Business Council (of which ICB is a council member) has launched the public consultation around the eInvoicing draft framework.

eInvoicing is being considered a critical next step in Australia’s move to a streamlined, integrated and productive digital economy providing a significant opportunity for improvement in business efficiency.

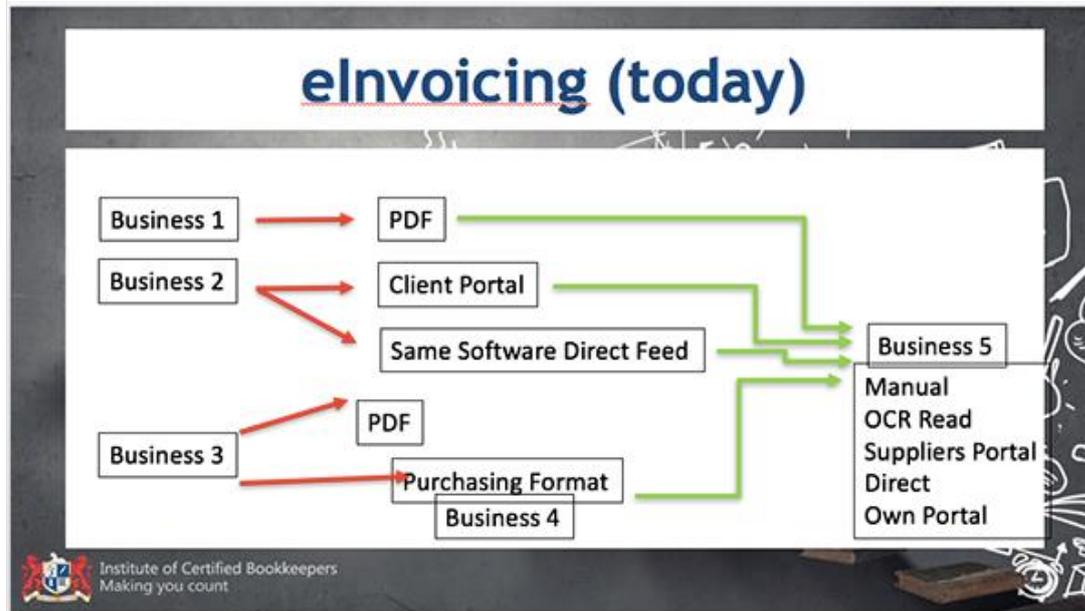
To begin the standardisation of an eInvoicing system in Australia, the Digital Business Council has established the eInvoicing framework. See Digital Business Council eInvoicing Interoperability Framework for detail.

#### The ICB Explanation

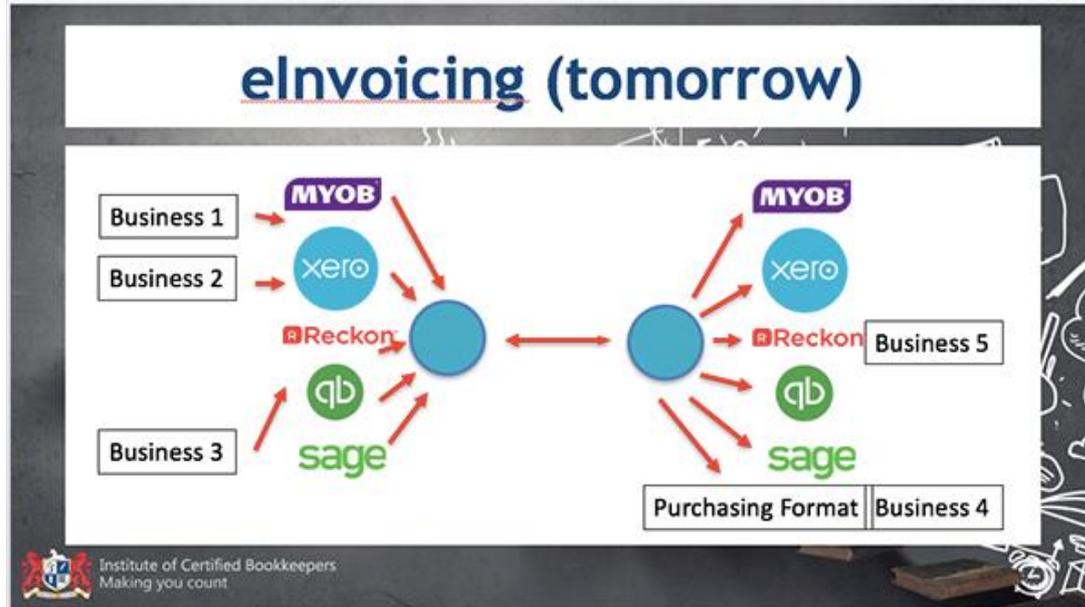
eInvoicing captures the electronic invoicing journey that many businesses are already on and where our

commercially available accounting software is taking us.

Today we have different businesses using different types of eInvoicing to produce electronic invoices.



The aim is that through the establishment of a common standard of interchange that all businesses, irrespective of which software they use, will be able to create an invoice that is translated into transmittable data. That data will be sent to the recipient's software and turned into a purchase order ready for acceptance and/or processing.



Read the full Interoperability document and have your input direct to the Council or provide your comments to ICB for inclusion in our future work with the Council.

## References

- [eInvoicing Interoperability Report](#)
- [eInvoicing Public Consultation](#)

## This Month From the ICB

### What's New This Month?



[Click here](#) to view the latest news for the month.

### ICB Q & A Space News

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

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



[The Latest Updates](#) lists all the topics in order of replies

## From the ATO

### ATO Nomination of SBR Software Services



#### Changes to SBR Enabled Software and Auskey

The ATO have brought 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.

From 1 January 2016, new users of online software will not be required to share their AUSkey with their software provider. By March 31 2016, existing users will need to notify the ATO of their hosted SBR online software service.

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.

The changes will provide an online solution that:

- ensures compliant, secure and streamlined transactions – online anytime from any device
- eliminates the need for businesses or registered agents using SBR-enabled online software to register for, upload or maintain an AUSkey to secure transmissions when interacting with the ATO
- enables businesses or registered agents to notify the ATO of their hosted SBR software provider's dedicated device AUSkey to secure transmissions with us made via online software
- co-exists with existing online software solutions

## Check Your SBR Provider

If you want to confirm whether your hosted SBR software provider is certified for this new solution, you can do so by visiting SBR Products Register.

## How to Nominate Your Hosted SBR Software Service in Access Manager (via BAS Portal)

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

- Select **My hosted SBR software services** from the left hand menu
- Select **Notify the ATO of your hosted service**
- Search for a hosted SBR software service provider in the list, or search by entering the ABN or name
- Select the **ABN link** of a hosted SBR software service provider
- Enter the software ID provided to you by the software provider and select **Next**
- Read the **Notification** statement then select **Save**
- A green success message will appear on the next screen to confirm your notification

**Note:** The entered software ID must match what was provided by your software service provider; otherwise your transmissions using the software provider's hosted services will not be successful.

Access Manager Links

Home

My business

Access and permissions

Business appointments

Who has access to my business

Whose business I can access

My nominated software providers

External Links

ato.gov.au

Business Portal

Tax Agent Portal

BAS Agent Portal

Australian Business Register

You are here: [Home](#) » My nominated software providers

### My nominated software providers

< [Home](#) [Nominate a software provider to secure online \(cloud\) transmissions](#) >

✔ Your changes have been saved successfully.

📌 Nominated software providers are only responsible for securing transmissions (for example: lodgments and prefill) that your business/entity chooses to make via the SBR channel through online software.

#### Software providers nominated to secure my online (cloud) transmissions

ABN	Online software provider	Nomination status
<a href="#">77 097 643 699</a>	GovReports	Active

Displaying 1 to 1 of 1 records found

[Nominate a provider](#)

Software Nomination done

## Notify us of additional hosted SBR software services

If required, you can notify us of additional software providers you have by repeating the above steps.

## Remove a notification to us for your hosted SBR software service

- Select **My hosted SBR software services** from the left hand menu
- Your current hosted SBR software service providers will be displayed
- Select the **ABN link** of the software service provider to modify or remove the notification

- Select **Remove notification**
- Select **Save**
- A green success message will appear on the next screen confirming the removal

Note: This will remove both the software service provider notification and all software IDs.

## Adding or removing a software ID

You can add additional Software IDs for other users in your business or remove a Software ID which is no longer used or is invalid. To do this:

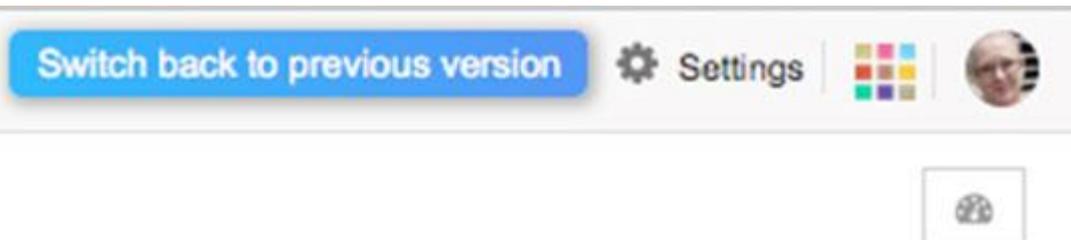
- Select **My hosted SBR software services** from the left hand menu
- Your current hosted SBR software service providers will be displayed
- Select the **ABN link** of a hosted SBR software service provider to modify or remove the notification
- Enter new or corrected Software IDs in the **Add Software ID's** fields
- Remove unwanted Software IDs by selecting them under the **Remove** heading
- Select **Next** to review your changes
- Select **Save**
- A green success message will appear on the next screen confirming the changes

## Difficulties managing your hosted SBR software service notifications

If you are having difficulty completing or managing your notifications, call us on **1300 85 22 32**.

## GovReports and ATO Nomination

Go to Main Dashboard (Birds View)



## To Nominate GovReports as Software Provider

- Go to settings then ATO nomination
- Generate software ID, (this is individual for each account)
- Copy ID number
- Go to ATO Portal
- Go To Access Manager and nominate software provider
- Nominate GovReports and enter ID (see screen shot above)
- Go back to GovReports and activate
- You will get confirmation that activation was successful

## How to Nominate Your Hosted SBR Software Service via Phone

Ring the ATO on 1300 85 22 32. Normal proof of record ownership will apply when you call, i.e., you will need to identify yourself with TFN, DOB, address and recent ATO notice. You will need to have the following information ready:

- your ABN (registered agents can also use their RAN)
- the ABN or name of the software provider (your software provider will supply this information to you)
- your unique software ID (this is provided to you by your software provider).
- Note: You will need to explain to the telephone operator that the Access Manager needs to be changed, otherwise they will only nominate for your business not your client list

## Do you need your own AUSKey?

You will retain your own AUSKey for other services such as:

- ATO BAS portal—this will still be required for direct login to the 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 – How to Use Access Manager](#)

## Upcoming Portal Maintenance

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

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

Scheduled Start Time	Scheduled End Time
Saturday 7 May 2016 8:00pm EST	Sunday 8 May 2016 6:00pm EST

For more details regarding portal maintenance, [click here](#).

## ICB Membership Statistics as at 29th February, 2016

5,728

3,265 Members maintain Fellow, Member, Associate, Affiliate and Educator membership.

ICB also has 21 Accredited Training Provider members and 2,442 Student Members.

## ICB Supporters and Sponsors



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](mailto: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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Kind regards,

ICB Newsletter Team

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