



Institute of Certified Bookkeepers

Making you Count

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Bookkeepers helping Bookkeepers helping Business

October 2017

Welcome to ICB's October 2017 Newsletter.



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

Important News

- ICB Conference – Bookkeeping 2018 – Dates Confirmed
- How to Get Balance

Best Practice Bookkeeping

- Annual Shut-Down Guide – Part 1
- Young Workers
- Authorisations and Declarations in a STP World

The BAS Agent World

- Use of Software ATO Practice Note
- Offshoring According to the TPB
- BAS Agents and Fair Work Advice

Other Things Happening in the World

- Fair Work Breaches and Court Cases

From the ICB

- Cyber Security Working Group
- October 2017 eBrief for your Clients and Business

Products and Solutions

- MYOB Partner Conference Update
- Close the Networked Printer Loophole to Prevent Data Breaches
- XeroCon 2017

Increasing the Effectiveness and Impact of ICB Australia

In recent months the community of bookkeepers in ICB Australia have enabled expansion of the level of service and effectiveness that the organisation provides to members. We now have the capacity to ensure that the Support team can cover the time when people are on leave or taking workshops. We also have the capacity to provide additional time in Member Services to ensure continuity of your access to ICB. We have also increased resources for conducting our network meetings following increases in their number and frequency.

The Terminations Workshops, as first of their kind, with the ICB Support and Resource Team brings you exercise-based training in the area that we provide the most support to the bookkeeping community. Already the feedback has requested more of this style of hands-on training.

Governance and Management

The ICB Conference in March 2017 announced our goal to develop the management and governance around ICB.

1. Operational Management

We have recognised in recent months that Matthew's role needs to be split into two in order to retain the effectiveness of his CEO duties, while maintaining our access to and impact on Government policy and implementation.

We are very pleased to announce that as of 1st November 2017 Amanda Linton will be formally joining the Executive Management team, sharing (taking over progressively) the CEO duties.

Amanda is well known to the ICB community as a Director of ICB Australia for 7 years, and has been involved with ICB since its formation – including as a presenter at ICB Conferences and Workshops. She has worked as a bookkeeper for many years, developing bookkeeping businesses in a number of states.

The vision is for Amanda to be in this role full-time. Amanda has committed to ICB for the future and is looking forward to developing her role and the ICB Bookkeeping community. Amanda commences in a part-time basis while ICB grows its capacity to fund the position. She will still retain some of her bookkeeping business.

Matthew remains at the forefront of ICB – Chairing the Board of Directors, representing the ICB Bookkeepers and small business community with Government... especially the ATO. To quote Matthew: *"I am not going anywhere, we simply have too much to do and bringing Amanda into this role means we can do so much more"*



2. Ongoing Development

ICB continues to spend time and resources developing what we do and how we do it. Rick Van Dyk has formally embraced the role of Chief Development Officer, working with ICB Australia and ICB Global on the infrastructure of how we do things. As a result, the New Zealand Bookkeepers Association has formally joined the ICB Global network. ICB has moved much of its internal operating infrastructure to the Google suite, and our involvement in the Government's education review of the Financial Services Sector qualifications and also our relationship with Strategic Partners continues to consume significant development time.

3. Organisational Review

As initiated in March 2017, it is our aim to enhance the Board of Directors and realign our Constitution with the way we actually do things, for ratification at the March 2018 conference (member meeting) series.

ICB Australia has a foundation principle of meeting the needs of its members. The Objectives of ICB Australia as prescribed in the “Policy and Philosophy” document have been developed by the ICB Membership over the previous 11 years. These were again ratified by all members in March 2017.

It is in the early stages of development, and we will go through a formal process with members that the following Governance structure is appropriate:

- 6 member Elected Directors
 - ▶ 3 year terms with 2 directors retiring each year
 - ▶ re-election is permitted
- 2 co-opted Director positions
 - ▶ up to 2 additional directors may be co-opted by the elected directors to meet additional skill needs
- CEO has a vote at Board level

Nomination of Board members includes that any nominee must

- Be Nominated and Seconded by Members
- Consents to enforce the Constitution and the Policy and Philosophy statement of ICB Australia

The purpose of the Board of Directors is to:

- Manage the Vision / Purpose / Policy and Philosophy / By-Laws
- Make recommendation to Members for any Policy and Philosophy changes
- Ensure the management is meeting the objectives of ICB Australia
- Provide input and representation to ICB Global
- Approve the budget
- Meet 3 or 4 times per year face-to-face and by webinar as required (probably monthly)

Members

- Have voting control over the Directors and any changes to constitution and similar documents
- Abide by the code of conduct
- Are subject to the agreed disciplinary guidelines
- Remain financial members of the organisation

Any further thoughts or suggestions that should be brought to this formalisation of the governance review are most welcome: matthew@icb.org.au

Artificial Intelligence and Robotics / Outsourcing to Offshore

“These changes may be brought about by the application of new developments in artificial intelligence and robotics to perform tasks previously conducted by humans, resulting in a reduction in costs and the need for outsourcing to offshore entities.”

This comment again raises the issue about the regulation and accreditation of providers of “artificial intelligence and robotics”. Who is going to check whether the way the AI and Robotics have been programmed is correct for the tax system? Who is going to provide assurance to a taxpayer or TP if they are using such tools, that the results can be relied upon? Who is the ATO going to challenge if incorrect tax outcomes are being provided?

The cost of understanding how to effectively use AI tools, let alone the cost of acquiring (subscribing to) those tools is a reallocation of the resources, not a reduction.

There is evidence that the improved technology is providing enhanced tools and solutions that assist with data entry, including the automation and creation of digital data. This is extending to automated data

analysis, trend analysis, anomaly reporting (yet to be delivered in a productive form), verification and validation techniques.

The improved tools are permitting a change in workflow practices of businesses and TP. There is a reduction in time, and therefore cost, invested in data creation tasks. This alteration in practices permits a shift of that investment to allow greater assurance and certainty. The improved tools require a change in approach, training in the new technology and new techniques.

The improvement in data creation tools allows the production of the same results in a quicker timeframe, which we agree, results in less need to consider shifting such tasks to a lower cost offshore outsourcing solution.

Noting that the improved communication technologies permit a global service approach to the provision of any professional service. Improved collaboration tools, project management, data transfer, automation tools, remote access; all enable a disparate, multilocation approach to provision of TP services.

The improved technology of interaction and interoperability between applications (including API-based technology) decreases the manually performed mechanical processes, resulting in less time on such tasks.

We challenge part of the concept provided in the following:

“Whilst technology, when appropriately utilised, can deliver significant benefits, there are challenges that need to be addressed such as certain functions becoming redundant or significantly diminished and how the affected parties, such as sole tax practitioners and in-house corporate tax specialists, may need to adapt to the new environment.”

The concept that “technology” provided to TP in their role as TP, will in some way make “certain functions... redundant or significantly diminished” is yet to be proven. TP’s provide interpretative advice about the application of the tax law to each respective set of business or taxpayer circumstances. We are yet to see any technology that is able to provide the interpretive processes of the tax laws as well as being able to interpret the business circumstances.

We are observing technology improving the automation of processes that informs the role of a TP: Bank Feeds, eInvoicing, and auto-coding are technology-provided solutions using the improved, contemporary abilities developed into software to enable faster processing of data. This technology does not yet provide interpretation which considers the circumstances of the taxpayer. The Software providers may argue that their automation is intuitive, but a true analysis shows that current and [at least in the short-term] future services are still an application of the software providers’ interpretation of how all things have to be as long as everyone does business the way the software provider wants or requires them to.

The current and envisaged software solutions are being built on a premise of a “standard” chart of accounts and a “standard” approach to all business processes. This “standard” or “common” premise is not realistic and does not allow initiative and entrepreneurship. It does not recognize the reality – that every business is run by a human with their own personalities and approach – resulting in unique processes in each business. The role of a TP is to apply interpretive knowledge about how business works, how the law applies and what technology to use in each different business circumstance.

To limit the advice and effect of a TP to a set of knowledge applied in a common manner to a standard set of business circumstances is to not recognize the reality of a positive Australian business environment.

The role of a TP is far more than the data creation and analysis of data.

Australian Government policy and approach is to create a digitally enabled economy. This is to be encouraged. TP’s must adapt to a far more digitally enabled environment and use the contemporary tools in the delivery of their services.

The impact of this current application of technology on the TP is that the TP must still play a very important role in the setup of each technology-provided service to apply tax law in the context of that taxpayer’s circumstance. The future (if not the current) TP is the interpreter of not only tax law but the application of technology.

Global Bookkeeping Week Review

Bookkeepers around the world came together between October 16–20 to celebrate Global Bookkeeping Week. Social Media became a hive of activity as Bookkeepers, Businesses and Software Companies showed their support online and raised a cup to the Bookkeeping profession. ICB would like to thank everyone that helped celebrate Global Bookkeeping Week throughout the week. A special thanks to Insurance Made Easy, for their generous contributions across social media, network meetings and the global webinar.



Raise a Cup Competition Winners

Thank you to everyone for taking the time out of your busy schedules to raise a cup to Bookkeepers! During Global Bookkeeping Week ICB ran a series of competitions to encourage Members to [#RaiseACup](#) on social media.

We can happily announce that the Darwin Network Group has taken the prize for the group photo competition. Congratulations, we will be in contact with your Network Facilitator shortly to arrange your prize.



For the individual photo competition, we can announce that Janine Smith of Yarra Valley Bookkeeping has won a \$50 Gift Voucher! Congratulations, please contact socialmedia@icb.org.au so we can arrange your prize.



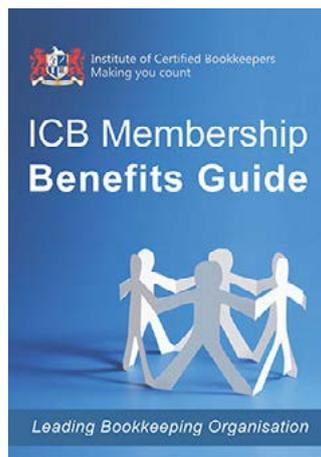
Global Bookkeeping Week Webinar

On Friday 20 October, ICB Australia ran a global webinar with ICB UK and the New Zealand Bookkeepers Association. Between 9:00am – 7:00pm, various ICB partners joined in this global webinar to share their appreciation for bookkeepers and run through various tools and programs to help support bookkeepers in their day-to-day tasks.

The Global Bookkeeping Week Webinar sessions are now available to ICB Members in the [Webinar Library](#).

Membership Benefits Guide released

The ICB Membership Benefits Guide is now available to [download here](#)



Best Practice Bookkeeping

Use Today's Technology: A Bookkeeper's Necessity

Contemporary Use of Software



Introduction

Business in Australia today is enabled by the use of technology.

The best business practice in Australia is to embrace the best technology. It is implementing and effectively using digital processes and connected applications to efficiently drive the initiative that it takes to be run a business.

It is being empowered digitally; it is having instant Business to Business (B2B) interaction, and it is record keeping and bookkeeping being the result. This concept enhances the importance of today's certified bookkeeper in staying abreast of the top technology and the top technological developments.

Through the recording of business activities for the clients, it provides the avenue to embark on assessing and advising the enhance technology that may be available to them.

We should also be expecting our software suppliers to provide the latest options on automation, and effective delivery of processes.

Business Cycle

Certified Bookkeepers (and other Advisors) should be evaluating each component of the business cycle and considering the processes and procedures that could be improved through better technology.

An evaluation of the **Purchase Processes** should consider embracing the following digital solutions:

- Online Ordering
- Auto Purchase Prompting
- Auto Confirmation
- Online Payments
- Auto Reporting
- Electronic Catalogue Access

Future Artificial Intelligence services should supply:

- Supplier Watch
- Price Watch

Evaluating the Sales Processes:

- Website
- Online Shop / Ordering
- Auto Confirmation
- Delivery Tracking Systems
- Online Payments
- Auto Reporting

Future Artificial Intelligence should Provide:

- Customer Watch
 - ▶ Credit Issues
 - ▶ Payment Timing
 - ▶ Sales Behaviour Changes
- Potential Customer Watch
- Product Watch
- Competitor Watch



Payroll

Businesses must now be considering the computerisation of Payroll in order to enable the preparation of Single Touch Payroll.

All aspects of the payroll process should be considered for automation to the furthest extent possible

- Digital Time & Costs Tracking
- Auto Travel Tracking
- Employee Portals
- Digital Payslips
- Auto Payment Gateways
- Authorisation Process
- Auto reporting

Every aspect of the **Banking Processes** should be incorporated into the Business Software (removing the need to access internet banking)

- Integrated
- Direct Bank Feeds
- Payment Gateway
- Receipt Gateway (Auto Matching)
- Authorisation Processes
- Finance Access
- Auto Reporting
- Cash flow Prediction

End of Month / Year / BAS period processes should be improved with:

- Embedded Checklists / Processes
- Anomaly Reporting
- Exception Reporting
- Communication Portals
- Status Portal/Reporting
- Auto Batch Reporting

Detailed Explanations

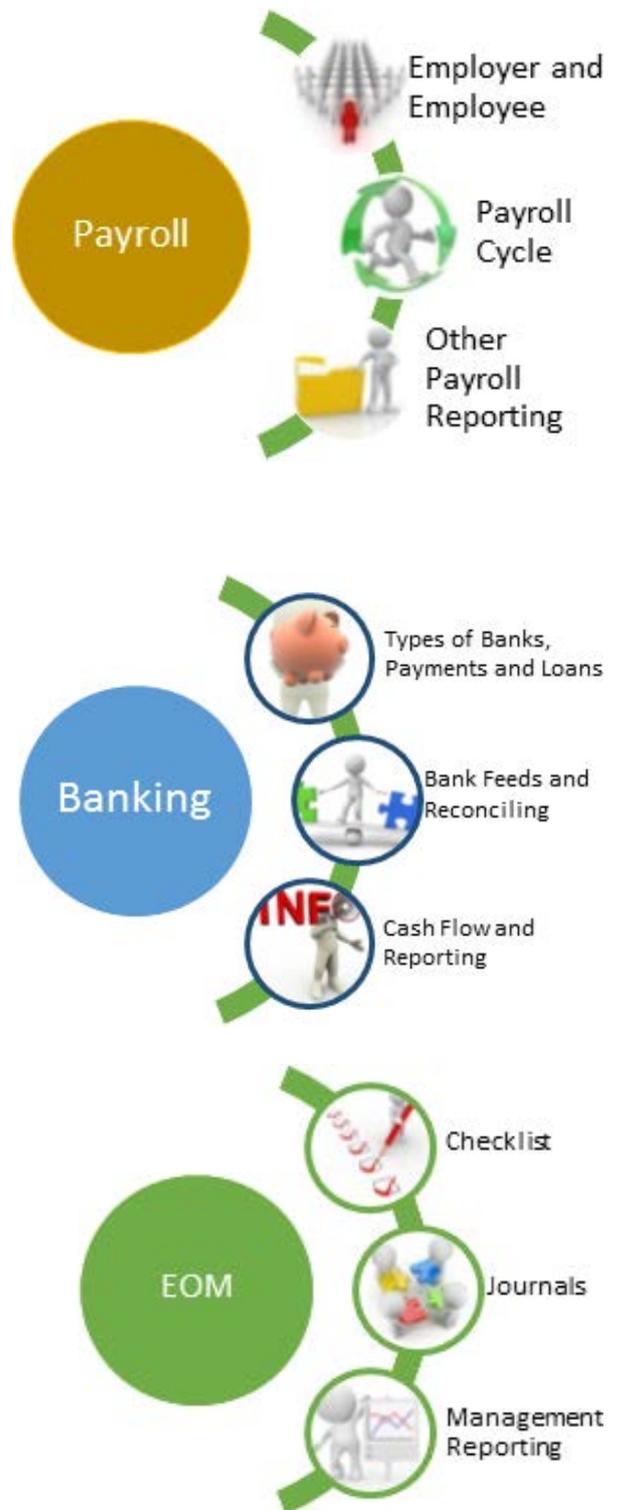
Purchases

- Electronic catalogue access:

This is a process whereby your software is connected to the online catalogue/shop/ordering system of your suppliers. The system should automatically update the current price for purchasing and provide a notifying system for price changes, special pricing opportunities and also be watching for notifications of supply issues.

- Online Ordering:

This allows connected interoperability between you generating of an order enquiry, supplier provision of a quote and response to the enquiry, you placing the order, then the invoice and delivery information - your software interacting with the supplier's software, digitally. The software MUST provide notification, authorisation and approval processes.



- Online Payments:

Software has for years provided the ability to batch supplier payments and create an interaction with the bank through ABA files or other payment gateways. There is a growing ability to connect the payment process directly into effective connected software, removing the need for separate bank processing.

- Auto Reporting:

The software using what is being called 'artificial intelligence' i.e. access to more data, machine learning of behaviour, connected via the internet to more information and each other. The aim is for reporting of the trends, the impact of this behaviour on the business activity and the effect to the status of the business and future business activity.

It should be reporting information on the suppliers and alternate suppliers, products and alternate products. Software should be watching employees, division ordering behaviour and reporting anomalies.

Sales

- Similar concepts to the Purchases discussion
- Online Payments should be enabled so that your business software and invoicing system connects the customer with an ability to pay you either through your preferred gateway, which provides you with the payment and allocation information, or when they use their payment system the information is provided in such a form that the same payment and allocation information is provided. The receipt of payment is notified and auto matched to the invoice.

eInvoicing (Purchases and Sales Interacting Digitally)

- The Digital Business Council (of which The Institute of Certified Bookkeepers is a member and Deputy Chair), has worked with the ATO to establish the eInvoicing Interoperability framework for Australia. This system creates the standard for the effective exchange of invoices (as well as enabling the full documentation swap of each part of the Procure to Pay cycle).

Payroll

- Software should be providing Employee Portal access enabling the Employee to interact with the business payroll administration digitally. Preferably, also mobile supported for processes such as timesheet submission, leave application, other communication activities, and administration of the employees profile, including payment information.
- Digital Payslips should be provided by the secure Employee Portal and preferably, with a notification system. Increasingly we should be moving away from email as the form of communication and we envisage "App" style notification and communication systems.
- Authorisation processes need to be enhanced within software:
- Providing the business owner and their payroll personnel effective communication, reporting, approval and authorisation processes. This informs the business owner/management and also protects the bookkeeper (especially contract bookkeepers)

Banking

- The future should be our software embedding a banking interface, removing the need to use internet banking.
- For Bookkeepers, you may wish to consider a banking interface that interacts directly with the different banks for each of your clients.
- Increasingly third tier lending, or cash flow lending services, are being provided by add-on technology products. The lending assessment is automated providing quick response. We are looking for first tier lending to also adopt this integrated assessment process, providing business with access to the best suited finance options.
- Integrated payment gateways for receipting and for paying should be utilised by business.

References

- ICB – Contemporary Technology Recording ([Part 1](#) | [Part 2](#))

Multi-factor Sign-in Will be Compulsory

Sometimes called two-factor, sometimes multi-factor, sometimes sign-in, sometimes login, sometimes authentication...

Whatever the name, you should be using it!

A professional bookkeeper (especially external or contract), and any other advisor who has access to client data **must** have multi-factor authentication turned on for login and significant transactions, in our view.

This is to put you as the professional one more step towards the safety of not being the point of attack or risk for a business, and to not be the point of attack for scammers.

It is also our view that it will become compulsory very soon. The ATO are working on their “Operational Framework” – which is their renewed assessment of how technology can enable enhanced interaction between Registered Agents and the ATO and the Business. This framework is looking at all aspects of the security of technology interaction, and includes a view that multi-factor security will be required. We agree; it is now about how and when to require the separate authentication step in each process.

As the multi-factor authentication feature is made available to you, you need to adopt it.

Multi-factor Login to Relevant Applications

We have our common accounting programs (with MYOB, Inuit QBO and Xero promoting their services quite heavily) implementing this level of security at the point of access to the “file”. In our view you **must** turn this currently optional service **on** for you and your respective businesses, and for all users.

In our view, you are now at legal risk if you do not turn this on when it is available. If your credentials are falsely used by another person to illegally change details which enables theft of some manner, and you did not have this multi-factor login turned on, we believe the case against you is considerably stronger. Your only out would be if the client or your employer had instructed you to leave the multi-factor requirement off, explicitly in writing. We still do not believe this to be acceptable behaviour for a professional.

MYOB and Xero have also implemented an option that your two-factor authentication on login on each device can be “enabled” for 30 days; i.e. using a particular device, you login and authenticate using a second factor, and that device is permitted to use that authentication for the next 30 days. This removes the annoying step of constantly performing two-factor every time you login, but would only remain secure **if** you also have good security on logging into the device.

The Risk you are Removing

The evidence is that the crooks are obtaining usernames and logins from any one of many sources. Many users utilise the same password for multiple applications. The crooks then use what is known as a “credential stuffing” technique; i.e. they throw many usernames and passwords at the login for a machine or application (especially cloud) to gain access. Multi-factor removes this access.

Some programs are providing a notification to you, separately to the program console, that your username has been used from an unusual location to access the program. We like this.

Some programs are providing a notification to you, separately from the program console that bank account details have been added or changed. We like this too.

Multi-factor for Significant Transactions

We also like the use of multi-factor login that some programs have implemented at the time of performing some transactions. A separate, distinct authentication should be obtained as part of the process of lodging or banking processes.

If a program is facilitating the debiting of amounts from the bank then multi-factor **must** be in place. A username and password is **no longer** considered sufficient security.

Typically the accounting program is creating an ABA file, and an authorised user is logging into the internet banking service and uploading the file. This internet banking should require more than just a

username and password, however if the bank permits less then so be it... as long as the person logging in is actually using **their own identity**. It is **not acceptable** for a professional bookkeeper to be logging into internet banking sites using someone else's credentials. Increasingly the bank is requiring a second form of security token provided by a dongle, device, SMS or authentication app. We believe this should be in place.

Superannuation payment systems, which seem to be effectively incorporated into our accounting programs, are already requiring an effective process of separate authentication. For example: MYOB Superannuation Payment requires a separate login and second factor via SMS to authorise the lodgement and payment.

Multi-factor Login to Your Device

In some respects, you and your data and your access could be protected if we had an effective system of multi-factor authentication at the point of logging in to your device. Because you have used multi-factor at the point of device entry, then the theory would be that you are covered for all programs on the device. We don't think this type of effective security management has been implemented. It exists on accessing some devices, but not then relaying the security to the programs you may access. This could also become very annoying, and just become another default version of a generic pin and password access.

When we have a system that can acknowledge that multi-factor was used at the point of device login, and that is relayed to each program you then access, we see that this could be effective.

Security and Identification Must be Enhanced

It is already law under the Tax Administration Act and the Tax Agent Services Act that only authorised persons can lodge, communicate and interact with the ATO. Before lodging an Approved Form with the ATO, a declaration **must** be obtained and stored by the person facilitating the lodgment. Not all of our software has been providing the process for you to obtain and store this declaration. This is changing, and the ATO are beginning to require it as part of any approved software.

Electronic authorisation and digital signatures are permitted.

The recently designed Single Touch Payroll requirements incorporate fields that identify who has made the required declarations. It is no longer just the "technical" AUSKey that software needs to use, but also identify the person.

The government, primarily through the Digital Transformation Agency but also led by the ATO, are developing what is called the "Trusted Digital Identify Framework". This TDIF will provide a digital system whereby once you are authenticated into the framework, you would be able to use multi-factor including biometric systems (fingerprint, voice recognition, and now they are also talking facial recognition) to ensure it is the authorised person themselves that is performing the function.

Conclusion

- Software should provide the process for correct authentication of the authorised individual.
- Software **must** require multi-factor authentication.
- Software should be enabling the process to obtain the legally required declarations.
- Digital Signatures are acceptable.

Professional bookkeepers **must** adopt current security processes, including multi-factor authentication.

Do not use any other person's login or identity for any function at all ever.

Do not login to banking software using another person's identity.

Implementing Multifactor

- [MYOB – Two-factor Authentication](#)
- [Intuit QBO – Multi-factor Authentication](#)
- [Xero – Two-step Authentication](#)

ICB Meets With the ATO at BASAAG

BAS Agent Association Group

August 2017

Cash Flow Management was a topic that was recently covered in the BASAAG meeting.

It is a pilot program that was undertaken by the ATO that was completed in March earlier this year, with 452 small businesses participating. The pilot sought to test the Cash Flow Coaching Kit for businesses and intermediaries.

Some of the findings included:

- More than 90% of small businesses found the coaching kit engaging and easy to understand.
- 93% of small businesses indicated they are planning to make changes to improve their cash flow.
- 75% of small business owners said they have improved confidence in managing their cash flow.
- The coaching kit worked well in practice for both tax professionals and small businesses.

The feedback received by BAS Agents who used this kit advised that they liked the flexible delivery options that made it easier to present to their clients. It could be integrated with existing services. The kit also provided the framework to reinforce conversations that were being had with clients.

The kit also won the “Good Design Award” and there are discussions planning implementation with all tax professional associations. The plan is for the implementation to be tailored and based on the individual value proposition and mutual benefits.

ICB are now working with the ATO on a rollout of this program to all ICB members.

Consulting on activity statement changes

Significant improvement with online services is the plan from the ATO including portal functionality.

The Commissioner of Taxation confirmed his commitment for the ATO to provide “better online services for agents”. The transitioning of these plans will deliver the foundation for improvements and a better, more personalised client experience as well as seamless navigation.

Some of the feedback received included what some of the improvements could be, the issues that had been encountered and the positive parts of the new look for the BAS. The ATO intend to continue to consult and communicate with the tax professional community regarding the existing portal services as well as the design for the new portal.

Continued Professional Education

Continuing Professional Education

ICB Events and Webinars	Classroom	Online
<p>ICB Termination Workshops Multi-locations, Multi-date</p> <p>ICB Technical Webinar - All Things Employment - Pay Cycle Online, 16th November, 2017</p> <p>ICB Technical Webinar - All Things Employment - Unusual Pays Online, 21st November, 2017</p> <p>ICB Technical Webinar - All Things Employment - Ending Employment Online, 5th December, 2017</p> <p>ICB Technical Webinar - Terminations Workshop Online Online, 7th December, 2017</p> <p>Note: Webinars are recorded and available for members to listen to in your own time in the ICB Webinar Library</p> 	<p>Understanding Financial Reports - including Non Reporting entities Perth, Multi-dates</p> <p>Learn Calxa in a Day Multi-locations, Multi-dates</p> <p>Budgets and Cashflow Management Perth, Multi-dates</p> <p>Xero Accounting & Xero Payroll Multi-locations, Multi-dates</p> <p>MYOB Bookkeeping Multi-locations, Multi-dates</p> <p>TASA Course VIC, Multi-dates</p> <p>Reckon One Certification Training, Multi-locations, Multi-dates</p> <p>Xero Training Course VIC, Multi-dates</p> 	<p>Excel Training Courses Excel Courses, Multi-dates</p> <p>MYOB Training Courses MYOB Courses, Multi-dates</p> <p>Xero Training Courses Xero Courses, Multi-dates</p> <p>ACNC Webinars Webinar, Online, Multi-date</p> 

ICB Network Meetings

Upcoming Network Meetings

Webinars				
Online 10th November, 2017	Online 13th November, 2017			
ACT				
Canberra - Northside 15th November, 2017	Canberra - Phillip 14th November, 2017			
NSW				
Albury 10th November, 2017	Ballina 8th December, 2017	Balmain 4th December, 2017	Bathurst 14th November, 2017	Bella Vista 16th November, 2017
Bellingen 21st November, 2017	Blue Mountains 13th November, 2017	Brookvale 11th December, 2017	Central Coast 22nd November, 2017	Dubbo 4th December, 2017
Hawkesbury Region 28th November, 2017	Hills Districts 8th November, 2017	Hornsby 9th November, 2017	Lower North Shore 20th November, 2017	Moorebank 1st November, 2017
Newcastle 13th November, 2017	Newport 12th December, 2017	Orange 17th November, 2017	Port Macquarie 14th November, 2017	Randwick - Bondi 29th November, 2017
Southern Highlands 13th November, 2017	Shoalhaven 4th December, 2017	Sutherland 15th November, 2017	Tweed Coast 8th November, 2017	Wollongong 21st November, 2017
NT				
Darwin 13th November, 2017				
Queensland				
Atherton Tablelands 22nd November, 2017	Brisbane Central 16th November, 2017	Brisbane North 14th November, 2017	Brisbane South 21st November, 2017	Bundaberg TBC
Burpengary 8th November, 2017	Cairns 17th November, 2017	Dalby 23rd November, 2017	Gold Coast - AM 14th November, 2017	Gold Coast - PM 14th November, 2017
Hervey Bay 21st November, 2017	Ipswich 14th November, 2017	Logan 15th November, 2017	Moreton Bay 13th November, 2017	North Sunshine Coast 10th November, 2017
Port Douglas 15th November, 2017	South Sunshine Coast 9th November, 2017	Toowoomba 17th November, 2017	Townsville 10th November, 2017	
South Australia				
Adelaide West 17th November, 2017	Mt Barker 21st November, 2017	Para Hills 22nd November, 2017	South Adelaide 9th November, 2017	Unley 16th November, 2017
Tasmania				
Hobart TBC	Launceston 15th November, 2017			
Victoria				
Brunswick 21st November, 2017	Bulleen 14th November, 2017	Burwood 1st November, 2017	Chadstone 13th November, 2017	Cobram TBC
Craigieburn 14th November, 2017	Docklands 8th December, 2017	Echuca 17th November, 2017	Frankston 2nd November, 2017	Geelong 14th November, 2017
Lilydale 24th November, 2017	Macedon Ranges 21st November, 2017	Melbourne CBD TBC	Mordialloc 14th November, 2017	Mornington 24th November, 2017
Mt Waverley 14th November, 2017	Narre Warren 21st November, 2017	Point Cook 10th November, 2017	Sale 9th November, 2017	Warragul 20th November, 2017
Yarra Valley 10th November, 2017				
Western Australia				
Broome 17th November, 2017	Bunbury TBC	Busselton TBC	Cockburn Central 22nd November, 2017	Geraldton 17th November, 2017
Joondalup 23th November, 2017	Kalgoorlie TBC	Melville 8th November, 2017	Noranda 8th November, 2017	Northam 27th November, 2017
Welshpool 21st November, 2017				

October 2017 Question of the Month: Casual to Part-Time

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

Does a Casual employee have to change to a Part-Time employment if it has been offered to them and they do not want to?



Let us know your thoughts here

September 2017 Answer of the Month: Completing a BAS for a Not-For-Profit as a volunteer

Last Month we Asked You:

What are the implications of completing a BAS for a NFP organisation as a volunteer? Is this allowed?

ICB's Response:

To complete a BAS, the person would be required to be a BAS Agent as this is now the legal requirement. Commonly, a BAS Agent is engaged to undertake this work through the exchange of pay for service.

A volunteer is not classified as an employee as there was no intent to create legal relations and employment law would not be applicable. There is however, the expectation of duty of care in any duties that are undertaken by the volunteer.

There are only two types that can complete and lodge the BAS for a NFP. This is the Primary Contact and/or the Authorised Contact. Either of these parties must be formally recorded as the point of contact for such matters for the NFP.

Typically, the primary contact can be the president, vice president, treasurer or secretary. This person must be: over 18 years old, an Australian resident and capable of understanding the nature of the person's appointment and responsibilities of the role.

The authorised contact can be a person on the management committee or a representative, such as a BAS agent. This person must be: formally authorised by the primary contact or entity representative to act on their behalf in relation to some or all of the entity's tax obligations.

This becomes complicated should the volunteer be a registered BAS Agent and is noted as the authorised contact. In this situation, then yes the BAS can be completed without legal implications.

It is said *"if you are **not** a BAS or registered tax agent, **you must not charge a fee, or receive money or some other compensation, if you provide a service which you know, or should know, is a BAS service.**"*

Further to the above, yes, this can be undertaken, however, keep in mind that you are not legally supposed to do this and as a duty of care to the NFP, this should be taken into consideration.

References

- [ICB – BAS Lodgement for NFP Entities](#)
- [ATO – Primary and Authorised Contacts](#)
- [How to Become a Registered BAS Agent](#)

STP Small Business Pilot Report Released

ICB Response to STP Small Business Pilot Report

September 29, 2017

Matthew Addison participated in the ATO STP Small Business Pilot Working Group on behalf of ICB and the bookkeeping community. ICB's input has hopefully influenced the report to the Minister.

However, please note the following comments in relation to the report:

Key Findings

"Most small businesses will find they can implement Single Touch Payroll with a relatively modest amount of effort and cost"

ICB Response: This will only be the case if software companies deliver an effective and efficient business process.

"...the change will bring major improvements to system integrity and transparency"

ICB Response: We agree. STP will/should result in the ATO having information to 'catch the crooks'. Legitimate compliant small businesses want the guy down the road who doesn't pay super and the PAYGW to be caught, and caught early.

"Employee will gain new transparency over their... PAYG withholding position and super contributions as reported by employers each payday"

ICB Response: This is not technically correct as "Super Contributions" will not be reported each payday, the amount of super calculated and accrued will be. It also doesn't acknowledge that employers by law, must supply employees with payslips each and every payday, and much of the STP information is visible to the employee on their payslip.

"The pilot identified a series of potential barriers to implementation... in the current 'no software' group."

ICB Response: We have presented to the ATO that the disconnected employer already has to prepare a BAS or at least an IAS each quarter. We see a very viable model of STP being that the disconnected employer will continue to utilise the services of agents to lodge their BAS once per quarter and that the agent would be able to lodge an STP report, once per quarter. The STP design allows for this concession.

"There are a range of strategies and tools which the ATO can use, in concert with stakeholders, to bridge the capability and confidence gap these employers face. Intermediaries, such as bookkeepers for example, will play a very important role in advising employers in this segment and assisting with the introduction of Single Touch Payroll solutions."

"it is reasonable to expect that not all small business will be able to make the transition to Single Touch Payroll by mid 2020"

ICB Response: We agree

"The ATO will encourage small step change even where micro businesses (less than 5 employees) face significant hurdles and try to create avenues for this to be a prelude to a more fulsome move toward digital, payday reporting. Where needed, limited relief in the form of temporary extensions"

ICB Response: This is appropriate and we are in the design discussions

"A final group of employers pose a different challenge. They are small businesses with consistently poor compliance history, continuing bad debt performance or fraudulent claims. With the introduction of a small business mandate for Single Touch Payroll, they would come under changed arrangements and should be required to conform at the earliest possible date with regular, pay-day based reporting in the approved digital channel. More regular payment terms could also be considered. This will help address the 'level playing field' issue up front, rather than allowing it to undermine confidence in the rationale for improved transparency and timeliness of reporting."

ICB Response: Acknowledged and we look to support this concept

“A well-staged, properly supported implementation, with the close collaboration of solution providers and intermediaries, is achievable but only with clear deadlines, transition plans and ultimately, clarity on sanctions for non-compliance.”

ICB Response: Acknowledged and we look to support this concept

Recommendations

1. Legislative mandate... Small employees by 1 July, 2019... transition period for 12 months **and** non-flexible start date of 1 July, 2019... (if) repeated history of poor compliance
2. ATO deliver proactive, well targeted communications, help and support
3. Ensure a range of low-cost/no-cost solutions
4. 1 July, 2020 assess and report on strategies for any small business not yet engaged
5. ATO assuring a positive client experience if they do the right thing
6. To partially offset costs of implementation... a targeted incentive for less than 5 employees
7. All STP solutions should be certified for compliance

ICB Response: *We agree!*

References

- [ATO – Single Touch Payroll Small Business Pilot Report](#)
- [ATO – Single Touch Payroll](#)
- [ICB – Single Touch Payroll](#)

NFP Cash Left With Government

Does the Not-for-Profit you work with have additional accounts that have gone unnoticed?

Some 30 charities found “lost money” that had been seized by the state and federal government under the unclaimed money laws.

This occurred by bank accounts being set up by third party groups wanting to donate the money to the charities, however, never actually being transferred across. Some of these accounts had been set up some seven years prior.

Amongst them, that the Salvation Army had lost the largest amount from 100 accounts containing \$96,000. Red Cross and St John Ambulance were the other two included that made up 40% of uncovered amounts adding up to \$547,700.

There is much speculation as to why the money was never received however; all efforts are going to be made to get the money back as it was intended. ASIC provides a free unclaimed money search on its [MoneySmart website](#) but the decision is going to be up to the banks on whether the funds can be released.

With 54,000 charities registered there is a high possibility that there is a lot more than \$1 million dollars that has been left unclaimed.

Whether it is a reflection of financial mismanagement, running out of motivated members to transfer the money across or not following through on charity fund raisers; knowing that this is possible and has happened means that money may be reclaimed.

It is good practice for all not-for-profits to check regularly of any potential new accounts that have been set up, so that the donations are received in the way that they were intended.

References

- [ABC News – Charities Lose Unclaimed Donations](#)
- [ICB – Not-for-Profit Resource](#)
- [MoneySmart – Find Unclaimed Money](#)
- [SMH – Donations Left Forgotten](#)

From the ICB

Your ICB Support Team

ICB Technical Support

Feedback We Love to Share:

“A big shout out to the technical support team at ICB. I have been hearing back great things from ICB members of how much they appreciate the care and support provided by Chris McComb and her team”

Quick Tip:

ICB Technical Support is always here to guide you with the resources and knowledge that we have available. However, have you had a chance to check our elaborate [Resources](#) section on our website? It is highly probable that your question has been explained on here and it is a quick way to access valuable information.

Select from the areas of:

- [BAS Agents](#)
- [Bookkeeping](#)
- [Business Matters](#)
- [End of Year](#)
- [GST & BAS](#)
- [Payroll](#)
- [Software](#)
- [Your Bookkeeping Business](#)
- [Templates and Checklists](#)

We suggest making ICB a bookmark on your internet browser to keep the information you need easily accessible as you need.

ICB in the Media

ICB has been busy spreading important news across the media. Have a read below: (via accountantsdaily.com.au)

- [New Single Touch Payroll for Small Business has ‘Significant Ramifications’](#)
- [Accessorial Liability in the Spotlight, Warns ICB](#)
- [Imminent e-Invoicing a ‘Very Different World of Bookkeeping’](#)

What’s New this Month from ICB

New and updated resources for October 2017

- [Bookkeeping for Airbnb](#)

Other news for September 2017

- [Single Touch Payroll now for everyone](#)
- [Calxa Club](#)
- [eInvoicing - The Next Step is Here!](#)
- [Link4 eInvoicing Webinar with Matthew Addison](#)

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

[ICB Q&A Space](#) – 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.



Leadership Change at Receipt Bank

Vicky Skipp takes over from Sophie Hossack as Leader of Receipt Bank's Australian Team

After five years growing Receipt Bank's presence in the APAC region, Sophie Hossack is returning to the UK for the role of Director of Strategic Partnerships. Sophie has been invaluable in establishing our bond with ICB, and she will continue to foster that bond in the UK. Her shoes—and they are big shoes to fill—won't be left vacant, however.

Vicky Skipp is stepping in with a wealth of experience in sales and sales leadership for big names, such as McAfee, Adobe and LinkedIn. She plans on bringing that experience, along with a healthy dose of enthusiasm, to her new role at Receipt Bank.

"The passion associated with transformation and innovation at Receipt Bank is incredible," says Vicky. "This drives our deep desire to deliver excellence in our effortless bookkeeping mission."

"Helping bookkeepers and their clients move to the cloud has been transformative and yet, we're only just scratching the surface of what's possible," she continues. "The goal has always been—and will continue to be—developing tools that help accountants and bookkeepers work more efficiently and provide more value for clients. True to the company's spirit, this involves investing in innovation to stay ahead."

And invest in innovation we have!

After receiving \$50 million in Series B funding this June, we have been thinking long and hard on how to spend it. Ultimately 20 million of those dollars are being spent on product development, which means a better Receipt Bank for you.

We are rolling out a number of great new features over the next few months, which all received a very warm reception at Xerocon, and in their beta testing phase. Thus, without much further ado, here are some of our new features:

- Sales invoice extraction, which comes after high demand from our partners
- Fetch, which syncs with your clients suppliers and fetches invoices automatically
- Sweep, which identifies receipts and invoices in your email inbox and automatically posts them to Receipt Bank.

There are many more on the way and we cannot wait to share them all with you.

In the meantime, we hope those of you who were able to make it to ATSA enjoyed Sophie's talk. Alongside ICB's Rick Van Dyk, she discussed the process of digitizing your invoices and the benefits it can bring to your bookkeeping.

Lastly, how could we forget the wonderful Tea Party Webinar we held exclusively for ICB members last week! We've had so much incredible feedback and lots of people on the #RaiseACup2017 hashtag, so watch this space for Global Bookkeeping Week 2018...



How to Drive Business Success in a Digital World

Sam Allert, Reckon Managing Director, Australia & NZ

It's a very exciting time to be a bookkeeper. Clients are more engaged than ever; they are reaping the benefits of moving to the cloud and are now looking for strengthened collaboration and advisory services from their bookkeeper. This poses a tremendous opportunity for professionals to harness the power of technology and to support customer needs in 2017.

Innovation is happening all around us at a remarkable speed, and this year shows no sign of slowing down; for example, artificial intelligence and machine learning is poised to disrupt industries across multiple sectors, and the accounting sector is a prime candidate to take full advantage of the automation offered by intelligent learning systems.

But bookkeepers and technology is not a new subject. It's now front and centre of our industry, so it's vital professionals see technology as a key survival skill and opportunity to grow their business.

Every day technology is having more of an impact, and those embracing the changes are reaping the benefits. For example, automation is delivering:

- More free time to provide an advanced experience for clients, like identifying who you need to speak to when and why;
- Opportunity to speak with clients more frequently and provide value add services, for example; succession planning. Baby boomer SME owners will begin retiring in ever-increasing numbers over the coming years, and too few are planning ahead now for the changes that will inevitably come.

It's important to understand that automation won't replace the role of the bookkeeper – it's a tool to assist with tasks that accountants are already doing. Business moves quickly, and those in charge want to have financial oversight – especially in the world of the SME where cash is king. Mobile data and cloud accounting tools also allow for the client to take on a more active role in the accounting process, like checking real-time updates and processing invoices on the go.

With automation there are no rule books to follow. Bookkeepers need to be prepared to fly fast, fail fast, and quickly learn from this process. It also helps to partner with people who can help navigate your journey.

What does the bookkeeping business of the future look like?

It's connected – firms will need to adapt to change easily and leverage the latest technologies which will result in more mobile communication and a strengthened connection to clients.

It's collaborative – the ability to work with staff and clients anywhere, anytime provides enormous time-saving benefits to your business and the capability to maximise knowledge sharing, use agile communication tools, and utilise the latest technologies for staff development.

It's client focused – understanding client needs are crucial to providing the best services to match. Bookkeepers have always been the trusted business advisor, and to continue in that role firms will need to offer specialised advice and essentially be a one-stop-shop to succeed in 2017.

Digital disruption is a given – your digital transformation is what matters. So drive the change... Don't be driven by it!

About Sam Allert

Sam Allert is passionate about Accounting. He has helped Practices implement IT strategies to improve their businesses since 1999 when he joined Advanced Professional Solutions, now Reckon APS, as one of the first 6 employees of the company. Sam was appointed to his current role as Managing Director for Australia & New Zealand at Reckon in 2015 and uses his vast experience to lead the way in today's fast moving industry of disruptive and changing technology.

From the ATO

ATO Stats on Scams

Recent stats from the ATO	
Scam reports during 2016/17	100,907
No of people who paid scammers (reported)	389
Amount paid to scammers	\$2.8 million

Recent stats from the ATO

No of websites takes down by the ATO	594
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Given how frequent and inventive some of these scams are, it is important to be aware of what is happening and what you have in place to help you.

How the scam payments were made

To a bank account	93 cases of \$1.4 million
Gift Cards	232 cases for \$1.2 million

How the scammer made the approach

Phone	75%
Email	24%

The types and amount of scams can be convincing however, the more information you have the more equipped you are to recognise and report a scam.

How to Report to the ATO

Suspect a scam?

- Call: 1800 008 540
- Email: [Report Email Fraud](#)

References

- [ATO – Verify a Scam](#)
- [ICB – Current Scams](#)
- [News.com.au – Don't fall for this tax time phone scam](#)

ATO Portal Maintenance

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

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

Planned System Maintenance

Start Time	End Time
Saturday 4 November 2017 – 9.00pm EDT	Sunday 5 November 2017 – 9.00am EDT
Saturday 11 November 2017 – 11.00pm EDT	Monday 13 November 2017 – 7.00am EDT
Saturday 2 December 2017 – 9.00pm EDT	Sunday 3 December 2017 – 9.00am EDT
Friday 8 December 2017 – 10.30pm EDT	Monday 11 December 2017 – 7.00am EDT

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

ICB Membership Statistics

5,440 Members at 30 September 2017

3,865 Members maintain Fellow, Member, Associate, Affiliate and Educator Membership. ICB also has 18 Accredited Training Provider Members and 1,557 Student Members.

ICB Supporters and Sponsors



Please note that, in between newsletter issues, articles may be 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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Kind regards,
ICB Newsletter Team

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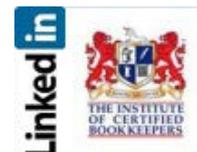
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