

Bookkeepers helping Bookkeepers help Business

October 2012

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News, views and things you need to know

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Important News for You

- Marketing - Steps to winning new business

Best Practice Bookkeeping

- Best Practice Bookkeeping - Cash Transaction Reporting
- Diary of an MYOB AR Install

Other things happening in the world

- Legal Health Check for your business

Notable Quote

A NOTABLE QUOTE

“I think we would rather buy a programme and not have to pay every month to use one.”

It is so interesting given the trend of all software providers – what is your view?

[Answer our 15 second and four questions quick survey - click here and let us know](#)

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Flexibility arrangements for employees

How to Save Your Clients Money with IFAs

Individual Flexibility Arrangements ('IFAs' for short) have been an important – but greatly underutilised – feature of Australia's workplace relations laws since the Fair Work Act took effect back in 2009. Implementing IFAs to your clients may help save them thousands of dollars in employment-related expenses, so this month we will explain everything you need to know. It's important to note at the outset that IFAs can only be offered by your clients to an employee who is covered either by a Modern Award or by an Enterprise Agreement. Remember, Modern Awards apply to most Australian employees!

Modern Awards set out minimum terms and conditions of employment for particular industries or occupations. Enterprise Agreements, on the other hand, are collective employment agreement made between your clients and their employees. These used to be known as Enterprise Bargaining Agreements (EBAs) or Certified Agreements. (ICB question: Does anybody see EA's in SME land?) IFAs are individual agreements made directly between your client and one of his or her employees. They allow your client and that employee to agree to certain variations of the minimum employment entitlements set out in an applicable Modern Award or Enterprise Agreement so that your client's employee is 'better off overall'. Note that an employee does not need to be financially better off – just better off overall.

For example, let's say your client has an employee who takes every Tuesday afternoon off work to study part-time at TAFE. Your client and this employee might have agreed that the employee can 'make-up' this missed time by coming in at 6am on Wednesday mornings. Unfortunately, the Award or Enterprise Agreement that applies to this employee imposes a 'penalty rate' of 25% on work performed before 8am. As a result, your client's wages bill has gone up quite a bit.

The good news is an IFA can help. Your client could draft an IFA with the employee that varies – or even removes – the penalty rate that is being paid for the work done before 6am. This is achieved by officially recording that, in exchange for being given every Tuesday afternoon off, the employer is exempted from having to pay the applicable penalty rate for the work on Wednesday mornings. This saves your client money while also ensuring the employee is left 'better off overall' because they can continue their afternoon studies.

The Fair Work Act 2009 imposes a number of restrictions on the use of IFAs, in particular:

- IFAs cannot be offered as a 'precondition' of employment. They can only be offered to existing employees
- They must be carefully drafted and both parties must be able to unilaterally cancel the IFA by providing a minimum period of notice in writing, and

- Generally, the IFA can only be used to vary terms relating to hours of work, overtime rates, penalty rates, allowances and leave loading

Lastly, remember that the IFA must result in the employee being left 'better off overall' as a result. If you or your clients are still unsure, don't hesitate to contact the experts at Workforce Guardian and subscribe to our suite of cost-effective ER/HR services. We're here to help.

Thanks and have a great month!

David Bates
Managing Director – Workforce Guardian



Workforce Guardian provided this article as a free support to ICB and its members

[For more details regarding Workforce Guardian, click here](#)

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2012 / 2013 Members Guide is on its way.....



The 64 page ICB Annual Members Guide is in the post to full Members.

2012 was the first and based on the feedback we kept it going. So watch your mailbox for this template, precedent, forms packed day to day resource to assist full ICB Members.

NOT ONLY THAT BUT

The “Definitive Guide for BAS Agents – How to apply the Code of Conduct” is also printed and on its way to all full ICB Members.

Both these manuals should be received by full members before the 5th November.

New resource for members added to the guide includes:

Information tables on the facets of the Software Partner Programs for:

- [MYOB](#)
- [XERO](#)
- [Reckon](#)
- [SAASU](#)

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Portal Changes mean the TAX Agent and YOU can work on the BAS

Portal changes mean the TAX AGENT & BAS Agents can both work on the BAS.

Portal changes on the Tax Agent side have given them a complete view of the activity statement, even when they DO NOT HAVE the “Activity Statement” role.

When a BAS Agent “Adds” a client to your Portal, you are automatically assigned the “Activity Statement” role. This means that the Tax Agent no longer has that role assigned to them in the ATO

system.

In the RECENT PAST: If the Tax Agent wanted to review or see the BAS's lodged they would take back that "Activity Statement" role thereby removing you.

Based on our review: The recent changes have meant that although you have the "Role" the Tax Agent Portal has opened up the screen to those agents with the Income Tax Role to still be able to see the "Activity Statement List"

We recommend that you let the Accountants you work with know.

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Everybody says our world needs to change

The Federal Government has named former Victorian small business commissioner Mark Brennan as the country's inaugural federal Small Business Commissioner, saying his experience in building the first state-based role of this kind will help create a similar role at the national level.

Brennan told SmartCompany in a face-to-face meeting this morning he'll be bringing a significant amount of experience from his time as the Victorian commissioner – along with a strong emphasis on alternative dispute resolution and advocating for businesses to "lift their game".

"Every participant in the business community needs to look at the way it conducts business," he said.

ICB comment: We are very pleased to have some more emphasis put into "small" business in Australia. We support every business looking at the way it does business, in fact we believe that is a significant part of what a bookkeepers does; they work with a business in terms of their processes, their money and the way they do business. Effective bookkeeping means an effective business as "bookkeeping" is the recording of the business "as it happens".

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Best Practice Bookkeeping



Questions to consider from your software provider (especially Cloud)

Things to ask your software provider (Cloud)?

- Where is our data hosted/kept?
- Who is the provider of the server?
 - Who is the infrastructure provider ie: is it on Rackspace servers in the USA or Microsoft provided servers on the Azure platform?
- Is there an Australian server?
 - This is to understand that if the international internet connection is broken that you will or won't have access to your data.
 - It may also be your preference as to hosting locally rather than overseas, however please note that hosting in Australia is rare.
- What backup procedures do you use to protect customer data?
 - Is there a duplication of the server to ensure a corrupt server won't cause data loss. Is it on

different hardware at a different location?

- What security measures (i.e. encryption, security audits) do you take to protect customer data?
 - The answer will typically be the same as the banks but endeavour to understand that as well. Some smaller players may be on their own servers without adequate hardware or firewall protection.
- Does your software comply with any security or regulatory standards?
 - There are some industry code practices but nothing much more to our knowledge – it is worth getting them to let you know what they consider as ethical behaviour of their service
- What redundancy measures do you take to keep the application running?
 - Similar to the above but all alluding to if one server or location crashes that they can be back up and running with current data very quickly while they fix the first servers issue.
- What level of support do you offer if there are problems with the application? Does your application connect to a cloud integrator such as Onesaas.com (it connects to many other cloud apps)? What does that mean to me? See if they can explain it?
 - We are finding that web-based only support exists and isn't always acceptable to solving your problem. Email interchange troubleshooting is also a long process especially with overseas based providers.
- Who has access to my data? Do you use my data for any reason?
 - There are different policies in place by different companies about access to and use of the data sitting on their server. Some will declare total privacy and no access to the data at all. Most will be accessing user times, upload and download data, data size in managing and monitoring their servers as well as for detection of issues, especially speed. Some declare that they will use the data in various ways. Are you happy with all the above?
- How do I get a local backup / copy of my data to use?
 - Most cloud only apps will require you to export or print/PDF reports in order to obtain a local copy of your business records.
- If I stop paying you what happens to my data?
 - We are concerned about business records that are made in the cloud and the business has an obligation to retain them for 7 years after the transaction.
- If there is a billing problem what happens to my data? Am I locked out? What is the process and time lag for us to “fix” a technical reason for me being locked out of my data, if it is your system error?
 - Automatic billing systems/ recurring systems are fine until a card expires or there is a hiccup and all of a sudden you don't have access. How much warning do they give before you lose your access? We don't believe instant lockout is acceptable. We might understand read only access for a period.
- What is the communication to me if you are about to block my access? (for a computer reason, a server reason, a payment issue)
- How do I keep my required business records? (7 years after you cease business)
- In respect to Bankfeeds: how secure is that information? How do you access my accounts? How do I provide you with authorisation? How do I cease your access?

ICB perspective on best practice cloud software:

- Hopefully all providers will happily disclose their policies and behaviour in relation to the above. It might be in the fine print but it is worth investigating.

Over ensuing months we will endeavour to provide you with the answers and perspectives of the significant “cloud” based providers in our space. We know some of the answers already but a complete picture is better than a part picture.

Advanced Warning - ATO says more information on payslips

Recent information from the ATO website says the following:

“To give their employees more information about their super, your employer clients will also be required to report on employee payslips the amount of super contributions paid into their account and the date the contribution was made (subject to further consultation with industry).”

We are seeking specific clarification and verification of what, when and how. We have given up asking why! Yet another measure that will affect every compliant business and create red tape and a burden in a measure to police the non-compliant.

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ATO Super Handout for new employees

Give new starters a helping hand

The ATO have got a new product that can help new employees understand superannuation, and explain some of the paperwork they're faced with when they start a job.

- Download [Super - your money, your future](#) (PDF, 675KB), and either print it out and give it to them, or show it to them on-screen as part of your induction training.
- Point them to www.ato.gov.au/yourfuture where they can download this PDF themselves, and pick up a few other tips too.
- It's also available through the ATO [online ordering service](#). Log-in and search for 'NAT 74373'.

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Keeping records for Capital Gains Tax

Record keeping for small business Capital Gains Tax

Your clients should keep all relevant records for working out if they are eligible to apply the small business concessions to a capital gains tax (CGT) event.

Keeping important records

Your clients should keep: Financial statements prepared just before the CGT event and evidence of the market value of all relevant assets at that time, to show eligibility for the \$6 million maximum net asset value test evidence of carrying on a business and calculation of turnover to demonstrate eligibility for the small business entity test records supporting how any capital losses have been calculated and carried forward to later years. establish the cost of the asset when they dispose of it

This information should be recorded at the time of a CGT event. Penalties can apply for not keeping records for at least five years after the relevant CGT event has occurred.

For more information, refer to Guide to capital gains tax concessions for small business 2011-12
<http://www.ato.gov.au/businesses/content.aspx?menuid=0&doc=/content/00316545.htm&page=3&H3>

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PAYGW on terminations

Changes to employment termination payments

If you are making an employment termination payment, you should be aware that from 1 July 2012, changes have been made to the way certain types of payments are taxed. You can use the latest version of the Tax table for employment termination payments (NAT 70980) to work out the correct amount to withhold from the payment.

<http://www.ato.gov.au/content/00319263.htm>

You should use the updated PAYG payment summary – employment termination payment (NAT 70868) to report employment termination payments.

<http://www.ato.gov.au/content/00324230.htm>

For more information, refer to:

How to complete the PAYG payment summary – employment termination payment

<http://www.ato.gov.au/content/00327850.htm>

Taxation of termination payments

<http://www.ato.gov.au/individuals/content.aspx?doc=/content/00325608.htm&alias=leavingwork>

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BAS Agent Information

Best Process - ATO list of outstanding BAS's

BEST PRACTICE FOR BAS AGENTS – List of all clients outstanding Activity Statements

Obtain from the ATO a list of all Activity Statements that they have on your to-do list.

Lodgement status reports – BAS Agent Portal

How can the reports be accessed?

To access the reports, select Reports from the left hand navigation bar in the Portal and then select On-demand reports.

These reports will normally be available within a couple of hours from the time of your request, but larger report requests will be processed overnight. The report is available when the report status shows 'download'.

You will then need to go back into the portal and you will be able to download, and save these reports and work with them using common spreadsheet applications.

Then

1. Check that all your clients that you expect are on your list
2. Check for prior period BAS's outstanding
3. Check that you plan and make contact with all clients to achieve the lodgement deadlines

Remember, if they lodge the return they must do so within 4 weeks. If you lodge it electronically then you have 8 weeks.

Also remember that if you lodge it you are probably deemed to be "Making a statement" that you need to "take reasonable care" to ensure it is correct.

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ATO guides on how to use the portal

How to use the portal?

The ATO have just updated a series of resources on their website about how to use the Portal.

This information is also available on the [ICB website](#).

[Accessing the BAS Agent Portal](#)

As a registered BAS agent, find out how to access the BAS Agent Portal and the security credentials you need.

[Activity statement revisions in the BAS Agent Portal](#)

The BAS Agent Portal allows you to request and lodge activity statement revisions.

[Activity statements in the BAS agent portal](#)

Information about the activity statements function in the BAS Agent Portal.

[Add a client using the BAS Agent Portal](#)

Information about how to add a client to your client list using the BAS Agent Portal.

[Appropriate portal use - what you need to know](#)

Information to help you ensure your use of the BAS Agent Portal is legitimate and appropriate.

[BAS Agent Portal](#)

A brief overview of functions available on the BAS Agent Portal.

[Browser settings for viewing payment slips and printer friendly pages](#)

The browser settings on your computer can affect your ability to view payment slips, reports and other printer friendly pages on the BAS Agent Portal.

[Cancel tax types - BAS Agent Portal](#)

Information about cancelling specific tax types associated with your clients' activity statement roles using the BAS Agent Portal.

[Changes to the BAS Agent Portal](#)

Summary of proposed enhancements we are working on for the BAS Agent Portal.

[Client directory](#)

Information about the client directory in the BAS Agent Portal.

[Electronic funds transfer \(EFT\) codes available from the BAS Agent Portal](#)

The BAS Agent Portal can automatically calculate the electronic funds transfer (EFT) codes needed to enable payments to be made by BPAY, direct credit or direct debit.

[Financial institution details - BAS Agent Portal](#)

Information about how to add, update or delete financial institution details (FID) for your clients' activity statement roles using the BAS Agent Portal.

[Keeping client lists up-to-date](#)

Keeping your client lists up-to-date will help you manage your practice and better serve your clients.

[Payment slips in the BAS Agent Portal](#)

You can view payment options and print payment slips using the BAS Agent Portal.

[Register GST and ITW tax types - BAS Agent Portal](#)

Information about registering goods and services tax (GST) and income tax withholding (ITW) tax types for your clients' using the BAS Agent Portal.

[Remove a client using the BAS Agent Portal](#)

Information about how to remove a client from your client list using the BAS Agent Portal.

[System maintenance and issues](#)

This page contains scheduled downtime and details of issues currently affecting our online services.

[Using mail in the BAS agent portal](#)

Information about using the BAS Agent Portal to send messages to and receive messages from us on a range of topics.

For further details and full guides issued by the ATO, [click here](#)

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No more paper Activity Statements, I wish.....

ATO – Electronic Activity Statements only

Within a short period of time the ATO want to stop mailing out paper activity statements to your clients.

WE THINK THIS IS A GOOD INITIATIVE BUT.....

1. We need an efficient “reminder”/ “Notification system to tell us and preferably our clients that a BAS is due. The best on offer at the moment is the “[Outstanding Lodgement Report](#)” referred to elsewhere in this newsletter.
2. We need to be able to turn off the Paper BAS easily. Which we can't do! Don't ask me why – it should be easy on our Portal – but it isn't. You would need to ring the ATO on your BAS Agent line 13 72 86 and use Fast Key Code 322 and then go through [proof of identity procedures](#) and then ask them to make the change. (Alternatively get the Tax Agent to change the preference or use the Business Portal)

On the Tax Agent Portal it is changed by: Select the client > Select Client preferences > choose the activity statement role (tick in the checkbox on the left – But BAS Agents don't have this checkbox) > select “update” > change the field on the far right from “PAPER” to “ELS”

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Change your client banking details

From the ATO

Financial institution details – BAS Agent Portal

You can enter, update or delete financial institution details (FID) for any active activity statement roles your clients have by using the BAS Agent Portal.

The financial institution account provided must be held by one of the following:

- the client, either solely or jointly
- you as the client's registered BAS agent
- a legal practitioner acting as trustee
- or executor for the client

We will only pay tax refunds into a recognised financial institution account located in Australia.

If you intend to make a refund request for a client using the portal, ensure their FID updates are entered first.

Before you begin

To update FID, you must first receive access through Access Manager (AM) by your administrator.

Your administrator must be one of the following:

- an administrator
- AUSKey holder
- a standard AUSKey holder with delegated administrator access

How do you access the FID screen?

Once you have logged into the portal:

- Enter your client's Australian business number (ABN) on the home page under Your clients, and choose Client details from the drop-down menu
- Select the Search button
- Select the Financial institution details radio button, then Next
- Select the Update button to add or change the details,
- Or select the Delete button to delete the details

Tips for adding or updating FID

When adding or updating FID, you must provide:

- a BSB code – six numbers
- an account number – between one and nine numbers
- a full account name – name of the entity that the account is held by; this must be the name of one of the following:
 - the business entity
 - the entity jointly with other entities
 - the registered tax agent of the entity
 - the legal practitioner acting as a trustee or executor for the entity

More information

For assistance as you are using the portal, select Help from the top navigation menu.

<http://www.ato.gov.au/content/00335392.htm>

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Notes from the TPB Consultive Forum

The Tax Practitioners Board (TPB) held its final for the 2012 calendar year on 11 October in Canberra.

A summary of the topics discussed is provided below, to assist your association to communicate key messages to its members. As there were a number of topics covered, please feel free to break it up and use the different sections over time.

Board appointments

On 31 May 2012 the Assistant Treasurer issued a media release announcing that the Government would be conducting a merit-based selection process for membership for the Board, including the Chair. The process is well under way; however, to ensure a smooth transition, the Minister has put in place acting arrangements for the current Board to continue until 21 January 2013.

Making agents aware of the continuing professional education policy

Further information about the Board's continuing professional education (CPE) policy has been published to the Board's website, including a downloadable version of the brochure sent to registered agents in July 2012.

Registrations update

The Chair and Secretary noted the continuing trend to reduce the registrations backlog, noting that the remaining applications are less straightforward and necessitate receipt of further information. These will be processed as quickly as possible.

It was observed that the Board also has a dedicated education enquiry presence to assist applicants to understand the education qualification requirements. If applicants cannot find the requisite information on the Board's website at www.tpb.gov.au, enquiries regarding whether a course will meet the Board's requirements should be referred by email to qualifications@tpb.gov.au with the following information provided:

- their name
- contact details, including phone number
- details of the qualification or course
- course outline and other relevant course materials
- academic transcript (if relevant)

Bookkeepers who prepare BAS encouraged to register now!

The Board continues to encourage people and businesses who provide BAS services for a fee or other reward, but who have not yet registered with the Board and unable to meet the standard registration option, to register before the transitional registration option ends on 28 February 2013. Further information about this option is available on the Board's website at www.tpb.gov.au. As part of its BAS agent encouragement strategy, the Board has also been in contact with key software providers and small business councils to assist in distributing tailored messages, to alert the public about the need for those providing BAS services to register with it.

Compliance and complaints

The Chair noted the [recent civil penalty decisions](#) made in the Federal Court, since the previous Forum held in July. These relate to people who have provided tax agent services for a fee while not being registered as a tax agent with the Board.

It was highlighted that compliance outcomes also arise in the Board Conduct Committee and the Administrative Appeals Tribunal. The Board provided a summary of conduct cases to the Forum and this will be published on our website.

The Board has received a significant increase in the number of complaints about registered and unregistered agents and continues to encourage agents and the public to lodge complaints using the online complaints form. This is available at www.tpb.gov.au

New Board website launched

The website is the Board's main communication channel, providing guidance and advice to agents and consumers. The new website was launched on 28 September 2012, with the structure and content refreshed to improve accessibility.

The Board will continue to invest in improving content and accessibility on an ongoing basis. Feedback is invited for Board consideration and incorporation into its work program.

Please contact TPBCommunications@ato.gov.au if you have any feedback about the new website.

Professional practice work program

Reasonable care papers open for comment

On 19 September 2012, the Board released two exposure drafts (EDs) on what registered tax agents and BAS agents need to do to take reasonable care in their work. These papers are open for comment until 13 November 2012 and can be found on the Board's [website](#).

These EDs will assist registered tax and BAS agents to understand their obligations under the Code in regard to:

- taking reasonable care in ascertaining a client's state of affairs, and
- taking reasonable care to ensure that taxation laws are applied correctly

The Chair invited the submission of further comments, in particular practical examples and relevant background source documentation, which can be sent to tpbsubmissions@tpb.gov.au

Other current work program topics

- The Board is currently scoping out information for the creation of information sheets in regard to: The Board is also considering the development of an ED or other guidance in regard to the impact of technology and the TASA
 - conflicts of interest; and
 - offshoring / outsourcing

The Chair invited material on these topics, in particular practical examples of common situations that arise and the provision of relevant background material

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CPE - Continued Professional Education

Management Reporting in MYOB AccountRight : Jobs & Categories

Join us for a webinar on November 26, 2012 at 6:45 PM AEST.

Management Reporting

To enhance reporting capabilities, and review the performance of individual projects we can use several features available within our accounting software. This will enable the manager to track budgets against projects and clearly understand the return on investment (ROI).

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What would you do??

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

I am under the understanding that I do not need to submit and/or give PAYG summaries for casual workers under 18 years old that earned less than \$6000. Is that correct?

What do you think? Discuss at your network meeting, let us know your thoughts, post comments and questions on the forum.



[Let us know your responses and thoughts here](#)

Last month we asked you:

You take on a new client and discover that he has been underpaying his employees for the last 3 years. He has been tracking the actual payments as well as the payments owing, in a spreadsheet. You believe him when he says his honest intention is to pay all employees, (current and past), the amounts owing to them. What are your obligations in this scenario? Should you have taken on the client?

Our response:

Run a mile! Before you high-tail it out of there, provide the owner with information on his legal obligations as a business owner:

[ICB Guide to Employer Obligations](#)

Ask yourself why people would continue to work for this business? Are there other 'benefits' or payoffs that you don't know about? Do they get cash or goods instead? Is the business owner using some sort of threat to keep people there? How can he expect the employees to work and not get paid?

What has been reported in the accounts, is it the wages paid or the total wages owing? What has he put on payment summaries? Are the liabilities and entitlements correct in the accounts or has he only recorded these based on wages paid? What is the accountant doing with this situation, does s/he even know what is happening? What has the owner been declaring for Workers' Compensation Insurance?

3 years of underpaying is rather different from say 3 weeks where things might be 'tight' short-term. How can you be assured of his 'honest intentions' and anyway, is it realistic for his business to generate the income needed to fulfill the backpay, PAYG and super obligations for all employees for the last 3 years?

Is he avoiding tax? If he's having the tax withheld and sent to the ATO on the wages actually paid then technically no tax has been avoided yet - because PAYG is only payable when the wages are paid. When he eventually pays the back pay, then the PAYG will be due on those payments then.

However, is the business owner acting fraudulently? A question for a legal advisor, but Fair Work would say "possibly".

The likelihood of this business being audited for wages is probably low—unless their business is in an industry being targeted by Fair Work and is randomly selected.

Otherwise it would depend on the employees reporting the business and lodging an official complaint.

The employer is certainly legally obliged to pay the correct wages –from Fair Work: You should be paid for all hours you work, including meetings or training and the time you spend opening and closing the business. Normally Fair Work settles “unknowing underpayments” – but when the underpayment is deliberate, they usually take the person to the Magistrates Court. It is unethical to take this client on. There are too many unanswered questions and it is a minefield of legal obligations which could impact on you as a BAS Agent.

From the ICB Code of Professional Conduct:

17. A member must not make or prepare any account or record which they know is or may be false or misleading or the truth of which they are not satisfied on the materials or evidence before them.

11. A member must not compromise their professional standards or engage in or act so as to assist or conceal any criminal act even if by doing so the member may act contrary to the instructions of their client.

From the TPB Code of Professional Conduct:

The first principle of the TPB’s Code of Professional Conduct is:
You must act honestly and with integrity.

31. The principles of honesty and integrity impose an obligation on a person to ensure: straightforwardness; fair dealing; a commitment not to mislead or deceive; and truthfulness.

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Upcoming Network Meetings

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

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 Friday of each month.

Webinars		
Online November 12th, 2012 - 5pm	Online November 9th, 2012 - 12pm	
Queensland		
Gold Coast (am & pm sessions) November 13th, 2012	Brisbane North November 13th, 2012	Brisbane South November 12th, 2012
South Sunshine Coast November 8th, 2012	North Sunshine Coast November 1st, 2012	Moreton Bay November 12th, 2012
Bundaberg December 4th, 2012	Hervey Bay November 12th, 2012	Cairns TBA
Toowoomba November 9th, 2012	Townsville November 9th, 2012	Logan November 21st, 2012
New South Wales		
Sydney - Balmain November 19th, 2012	Sydney - Bankstown TBA	Sydney - Randwick November 20th, 2012
Sydney - Brookvale December 3rd, 2012	Sydney - Hornsby November 8th, 2012	Sydney - Newport TBA
Sydney - Sutherland TBA	Ballina December 14th, 2012	Blue Mountains TBA

Central Coast November 14th, 2012	Newcastle TBA	Shoalhaven TBA
Orange November 15th, 2012	Bellingen November 12th, 2012	
ACT		
Canberra - Phillip November 13th, 2012		
Victoria		
Burwood November 7th, 2012	Mordialloc December 11th, 2012	Docklands December 14th, 2012
Lilydale November 9th, 2012	Geelong December 3rd, 2012	Point Cook November 13th, 2012
Sale November 8th, 2012		
Western Australia		
Balcatta November 16th, 2012	Bunbury November 20th, 2012	Melville December 5th, 2012
Joondalup November 19th, 2012	Midland November 14th, 2012	
South Australia		
Unley December 18th, 2012	Henley Beach November 16th, 2012	Para Hills TBA
South Adelaide November 29th, 2012		
Tasmania		Northern Territory
Hobart November 12th, 2012	Launceston November 28th, 2012	Darwin TBA

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

No meeting in your area?

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



ICB Network Meetings are proudly supported by MYOB

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Other things happening in the world

Do you know how many people over contribute to super?

RECENT ATO STATS – the number of EXCESS (ie too much money) contributed to a persons superannuation was:

31,914 people in 2010/11 generated \$102m of excess contributions tax down from 51,376 in 2009/10 (\$177m)

The maximum superannuation on behalf of an individual (that is allowed as a tax deduction) for this year (and known for the future) is \$25,000.

However an individual can have \$150,000 contributed into their fund that is NOT claimed as a tax deduction.

Any more than that becomes Income Tax Advice and also possibly financial planning advice.....and we aren't going any further.

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Part of being a bookkeeper - Cloud adviser

Xero declares bookkeepers (& Accountants) to be channel to educate business....

Chris Ridd: "Taking the stand, the first part of my pitch to the government was to highlight the opportunity to engage accountants and bookkeepers as a potential channel to reach and educate small businesses on the merits of cloud computing and the NBN."

<http://blog.xero.com/2012/10/accountants-and-bookkeepers-key-to-digital-economy>

Interesting aspect to what we do or could be doing?



Your thoughts?

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Small Business ASIC survey

The Australian Securities & Investments Commission has launched an online survey to improve its communication with small businesses and is seeking comment from small business owners on how it can better service the sector.

Small businesses are ASIC's largest customer base, accounting for 96 per cent of all registered businesses and collectively employ half the Australian workforce. ASIC routinely interacts with small businesses as part of its legislative responsibilities for registration and licensing, working with small businesses in their capacity as investors, financial consumers and users of financial markets regulated by ASIC.

The survey will also seek information from small businesses on the type of information they obtain from ASIC, how often they use this information, and how useful it is. ASIC Commissioner Greg Tanzer said the survey gives small businesses the opportunity to provide insight into ways ASIC can more effectively help them.

"A key strategic priority for ASIC is to ensure we have an efficient registry and licensing business that focuses on small business," Tanzer explains. "Our ultimate aim is to reduce the red tape that regulation imposes on small businesses which, in turn, will save them time and money that can be better spent on growing the business."

To help small businesses understand and comply with their legal obligations, ASIC is seeking to identify the best way to provide information to small businesses in the most effective, efficient, cost-effective way. ASIC says the survey will:

- Give ASIC a better understanding of what small businesses know and do not know about their compliance obligations;
- Assess if small businesses know where to find information about their compliance obligations; and
- Provide feedback from small businesses about how ASIC can make compliance easier

[To complete the survey now, visit the ASIC website.](#) It can be completed anonymously, is said to take approximately five minutes, and will be open until Friday December 21.

ICB Comment:

As far as Bookkeepers and Small Business is concerned our interactions with ASIC are the annual fee and compliance forms. Now also the National Business Names Register.

What would be great is if ASIC was also very much onside with the future direction of the ATO being allowing lodgement and management of forms through SBR enabled software.

Provide ASIC with feedback about your interactions and your wish list for the future.

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From the ICB

This month... *October*

ICBenefits
powered by rewardgateway

Bonds Buy men's, women's and children's underwear (and clothing) online directly from Bonds Australia. Choose from the latest clothing ranges and have them delivered to your door for **FREE** plus earn 10% Cashback on top!



.....and, of if you click like on the Facebook icon when you are selecting your item, you save an **EXTRA 10%** - so that is **20%** off this great product!! (and do not forget - FREE DELIVERY)

[Click here for more details.](#)

ICBenefits is quick, it is easy and it is **FREE** for all ICB Members to register.

Start saving today..... just go to www.icbenefits.com.au (or click on the image to the left) and use your ICB member number to register.



If you have any questions at all regarding the program, in the first instance contact the rewards program provider on 1300 900 186 or on the www.icbenefits.com.au website.

Otherwise please contact ICB at admin@icb.org.au or 1300 85 61 81

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Testimonial - October 22nd, 2012



I started Talo Financial Solutions in 2011 after years of bookkeeping in employee positions. Using existing knowledge under RPL and providing the extra units also needed, Jill and Bookkeeping School helped me to satisfy the education requirements for my TPB registration.

Starting from nothing we now have just over 15 clients, two staff members and our own office. We have a long way to go but thrive on learning, innovation and most of all being surrounded by small businesses and their everyday needs. I would like to sincerely thank the ICB for their excellent work, knowledge base and support. I truly believe they are making this industry a better place.

I would also like to thank Bookkeeping School for a really great experience both with refreshing existing skills and learning new ones.

Cindy Kemp
Manager
Talo Financial Solutions

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Ever developing library of resources

ICB's library of resources continues to increase daily requiring different approaches to making the information findable and usable. As we continue on this quest we have embarked on a "Resource One Pager" concept. Have a look at the below and let us know if we are on the right track.

- [Engaging a Bookkeeping](#)
- [Acceptable Business Structures for BAS Agents](#)
- [Employment \(Law\) Matters](#)



[Provide input on our ICB Q & A Space](#)

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Client Newsletter - eBrief - October 2012

Welcome to the ICB October 2012 Bookkeeping eBRIEF, YOUR newsletter for YOUR bueinsss

Bookkeeping eBRIEF is a monthly business newsletter



Click the button to subscribe now and each month you will receive the Bookkeeping eBRIEF directly to your inbox

You can download the October Bookkeeping eBRIEF newsletter for your business here:

- [October 2012 Bookkeeping eBRIEF](#)

[Back copies are available here](#)

Templated client information newsletters are not a new concept but are certainly a new concept in bookkeeper space.

"The best bookkeepers using the best resources".

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What's new this month

New Resources

- The BAS Agent - Edition 30 - [PDF](#)
- Small Business Newsletter- [PDF](#)

News Items

- [ASIC seeks comment to cut small business red tape](#)
- [Tax Practitioners Board consultative forum October](#)
- [Bookkeepers & the Cloud](#)
- [September 2012 Members Newsletter Podcast](#)
- [Not-for-profit bills introduced into parliament](#)
- [ICB alliance with Saasu](#)

Forum News

During October we saw queries regarding [Accounting Software for a Law Firm](#), [Long distance clients](#) and [Travel allowances](#) - what are your thoughts on these issues?. Keep asking your questions on things you are not sure of. Remember there is no such thing as a stupid question.

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](#)

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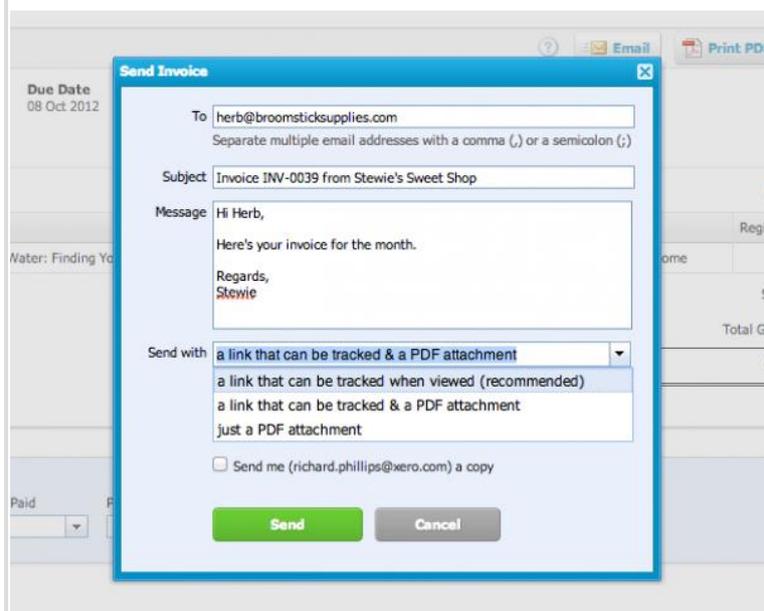


Xero new invoicing feature - all electronic

Online Invoicing - get paid easier and faster

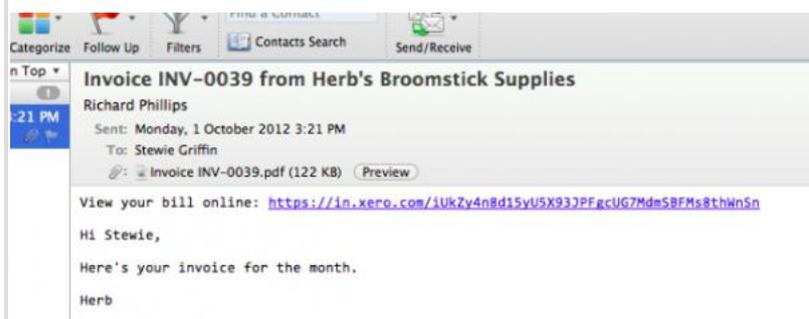
Xero recently announced the introduction of Online Invoicing, a new feature to help you and your clients get paid faster by connecting businesses to one another.

With Online Invoicing, a business simply emails their customers a link to a live invoice, which shows the most up-to-date details, including payment status, payment history and a Pay Now button for accepting payments online.



Businesses and their customers are both seeing the same documents, at the same time. Invoices can be automatically loaded into Xero, with the associated pdf saving recoding and manual file uploads saving data entry time.

When you send an online invoice, your customers click a link to view it in their browser.



Once they do, you get a read receipt so you can see that the invoice has been seen. No more excuses if you need to follow up.

The link takes your customer to a live invoice. If you want the Pay Now option to appear on the invoice you just need to include your PayPal email in the branding theme – otherwise, the Pay Now button won't appear.

Outstanding bills 247.88 NZD

Pay now **29.38** NZD PDF CSV Save

TAX INVOICE



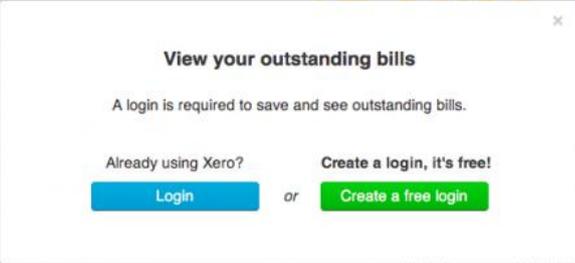
To: Stewie Griffin
 Invoice Number: INV-0039
 GST Number: 101-2-303
 Issued: 1 October 2012
 Due: 10 October 2012 (9 days till due)

From: Orange Demo Co
 23 Main Street
 Central City
 Manneville
 1234

Description	Quantity	Unit Price	Amount NZD
Fish out of Water: Finding Your Brand'	1.00	19.95	19.95
Golf balls - white single	1.00	5.60	5.60
Subtotal			25.55
Total GST 15%			3.83
Amount Due NZD			29.38

If the customer has outstanding bills, it will be highlighted in the top left of the online invoice.

If your customer wants to see the details of those outstanding bills they will need to create a free login.



View your outstanding bills

A login is required to save and see outstanding bills.

Already using Xero? **Create a login, it's free!**

Login or Create a free login

The reason we require a login to view outstanding invoices is to give you an audit trail of exactly who has viewed those invoices and when they were viewed.

Once they login, the outstanding bills can be viewed securely online.

Back to INV-0039 My Xero

Outstanding bills for Stewie Griffin
 From Herb's Broomstick Supplies View PDF showing all activity from the past 2 months

4 bills due in NZD

Issued	Invoice No	Due Date	Invoiced	Paid/Credited	NZD Due
15 Sep 2012	INV-0042	01 Oct 2012 Due Today	73.60	0.00	73.60
01 Oct 2012	INV-0039	10 Oct 2012	29.38	0.00	29.38
01 Oct 2012	INV-0041	10 Oct 2012	44.85	0.00	44.85
19 Sep 2012	INV-0043	20 Oct 2012	100.05	0.00	100.05
TOTAL DUE NZD					247.88

For more info on invoices, watch this short video here - <http://vimeo.com/50275970>

Speaking of invoices, Xero analysed over 12 million invoices and found that on average, invoices are paid two weeks late. If you're aiming to get paid in 30 days, a handy tip is to make your payment terms 13 days or less.

This data, and more advice can be found in 'Small Business Guide – Invoicing and Payments' - <http://www.xero.com/guides/invoicing>

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Getting paid faster

Get paid faster

Small business cashflow depends on prompt payment. Xero analysed millions of invoices and canvassed our customers to create an invoicing guide. Check it out to see tips on following up invoices, best practices for writing good invoices, optimal payment terms, and more. You can even test your skills with a quiz! [Click here](#) for further information.

9 ways to improve cash flow - an article by Amanda Linton, ICB Director

1. **Ensure your customers can pay you easily**

Give your customers the convenience of paying by various methods such as BPAY, credit card by phone, or Post Bill Pay in person. Once made, payments will be available as cleared funds in your bank account.

2. **Set payment terms before doing business**

If you undertake projects that take more than a month to complete, negotiate a progress payment arrangement with your clients before the job starts.

If you provide a specialised service, establish a policy that requires clients to pay a certain percentage deposit before work starts. This will help you recover some of the project costs quickly and be a disincentive for them to cancel the job before completion.

3. **Prepare and send invoices promptly**

Make sure you prepare and send invoices the day you supply the goods or services, rather than at the end of the week or end of the month.

If your terms are seven days, there is no point extending credit for a further 14 or 30 days, by neglecting to invoice on time.

4. **Offer an incentive for quick payment**

Offering a small discount for quick payment is a very effective method for reducing your accounts receivable and rewarding your good customers at the same time.

5. **Ensure invoices are clear and easy to understand**

Make sure your invoices clearly state when payment is due by putting an actual due date on them rather than using wording such as "Terms: 30 days".

6. **Avoid "special" cases**

You are not a bank or charity. Polite insistence on firm, simple settlement terms is not damaging to goodwill.

7. **Don't overlook small accounts**

Small accounts add up. Instigate a simple system to regularly review and follow up small accounts that may otherwise go unnoticed.

8. Have a follow up strategy

Have a strategy in place to deal with overdue accounts. Perhaps send an email one week, telephone the next, a letter the next and visit in person the next.

9. Keep promises

Don't threaten legal action unless you intend to go through with it. Over reaction to overdue accounts will earn you an unprofessional reputation.

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From the ATO

ATO provides GST Governance Manual for business

The ATO has provided into the SME (\$2m+ turnover) sector documents prescribing to business how to correctly manage their GST Governance.

Over the next month ICB will be looking to tweak this Manual to suit the majority of businesses in Australia (with turnover below \$2m) which we see as most of your clients.

Have a look at the [ATO take](#) and give us your feedback into our thinking.



[- let us know your thoughts here](#)

GST governance and risk management guide for small-to-medium enterprises

Introduction

This guide contains two checklists to help small-to-medium enterprises (SME) self assess the effectiveness of their goods and services tax (GST) governance, risk management, internal assurance processes and procedures against a list of best practice actions.

Both checklists will help you:

- identify your GST governance, risk management and assurance processes
- determine whether your processes follow best practice
- help you to meet your GST compliance obligations
- identify additional measures you can take to reduce the risk of GST compliance failures

Completing this self-assessment will help you check that:

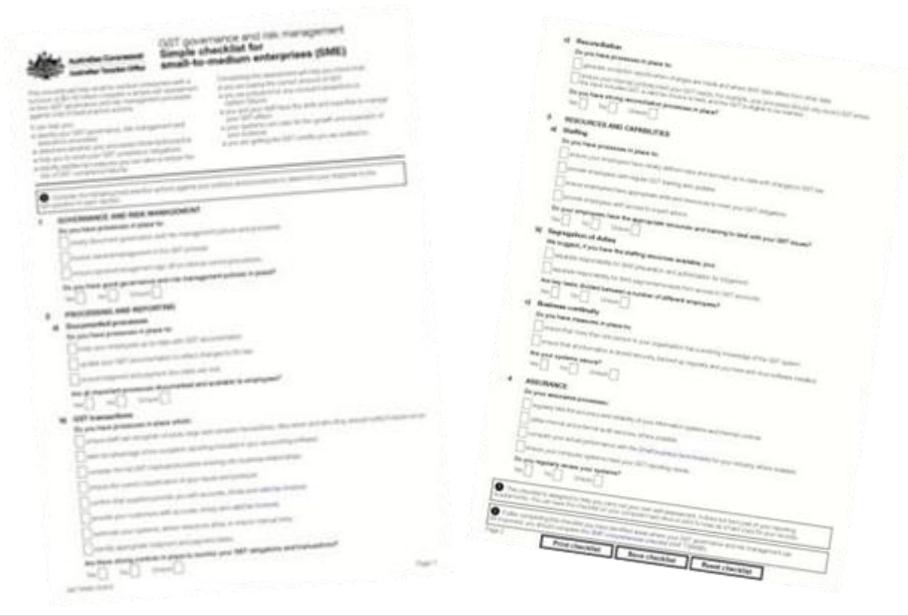
- you are paying the correct amount of GST
- you are able to lodge and pay on time
- you are prepared for any unusual transactions or system failures
- you and your staff have the skills and expertise to manage your GST affairs
- your systems can cater for the growth and expansion of your business
- you are getting the GST credits you are entitled to

GST governance and risk assessment checklists

- [SME simple checklist](#) (NAT 73949A, 280KB) - helps you undertake a simple self assessment of your GST governance and risk management processes. This checklist is aimed at businesses with a turnover between \$2 million and \$10 million.

- [SME comprehensive checklist](#) (NAT 73949B, 365KB) - helps you undertake a comprehensive self assessment of your GST governance and risk management processes. This checklist is aimed at businesses with a turnover greater than \$10 million but may also be suitable for businesses with a turnover between \$2 million and \$10 million.

ATO Simple Checklist for SME's



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Self Assessment for indirect tax (ATO Training Material)

Self-assessment system

In contrast to the self actuating system, the self-assessment system is modelled on the income tax system.

This means that:

most taxpayers will self assess their liability or entitlement and when they lodge their BAS the Commissioner will be treated as having made an assessment of their net amount or net fuel tax amount worked out in accordance with the information stated in the BAS taxpayers will only be liable to pay, or entitled to receive, the GST, WET, LCT or fuel tax credit liabilities and entitlements stated in their assessment the Commissioner may also make an assessment of a taxpayer's assessable amount at any time.

<http://ato.gov.au/content/00333212.htm>

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Update Luxury Car Tax reference

ATO have released an update to the Luxury Car Tax Guide.

[Click here to download a copy.](#)

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Helping business pay on time

Helping small businesses pay GST on time

The ATO have produced a short YouTube video on payment arrangements that aims to help small businesses who are having difficulty paying their GST on time.

It's clear that while most people try to do the right thing in paying their tax, some find it difficult to stay on track with their tax obligations. We are committed to understanding your clients' individual circumstances and assisting them to make alternative arrangements.

If your clients are having difficulty paying or cannot pay their GST on time, encourage them to contact us as early as possible.

Remember: it is important that your clients lodge their activity statements on time, even if they are unable to pay by the due date.

You and your clients can view the video by going to the ATO YouTube channel:
www.youtube.com/AusTaxOffice

The ATO YouTube channel also includes other short videos to help your clients with their GST obligations, including tips to help businesses avoid some common errors when completing their activity statement.

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ICB Links

- [Apply for ICB Membership here](#)
- [Renew your ICB Membership here](#)
- [BAS Agent updates and information](#)
- [Other Newsletters](#)
 - [The BAS Agent](#)
 - [ATO Small Business Newsletter](#)
 - [Workforce Education News](#)
 - [The Association of Payroll Specialists \(TAPS\)](#)
 - [Calxa](#)
 - [Xero Bookkeeper News](#)

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ICB Membership Statistics

3,419

1,999 Members maintain Fellow, Member, Associate, Affiliate and Educator membership, ICB also has 1,329 Student Members and 91 Subscriber Members.

During October we have admitted 30 new Members, upgraded 16 Students to Member and admitted 52 Students. We have also renewed 104 Members and 10 Student / Subscribers.

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ICB Supporters and Sponsors

Insurance Made Easy providers of Professional Indemnity Insurance for bookkeepers and BAS Agents

MYOB has sponsored the ICB Network meetings as a direct support of the need for members of the ICB and other bookkeepers to get together for development and networking. MYOB has engaged ICB to provide the assessment knowledge and expertise behind the MYOB Approved Bookkeeper program

Xero proudly supporting ICB as a major sponsor to assist ICB in providing bookkeepers to their business and clients

Reckon joined ICB as a major sponsor to assist in providing Bookkeepers with solutions and benefits for their business and clients.

ICB Global continues to support ICB Australia through the provision of web resources, database infrastructure, bookkeeping resources, information and IT support.



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Please note that, in between newsletter issues, articles may be published straight to the *Latest News* section of the website. Please check the headlines which can be found in the top right of the website homepage, to ensure you stay up-to-date.

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

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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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