



Dear Vincent,

AAT News

Welcome to the August 2019 edition of the AAT Australia's eNews and Views. In this edition you'll find out all about:

- ATO announces outages to their online services
- Ceasing client relationships
- Accessorial liability is not just limited to bookkeepers
- ASBFEO release business funding guides
- Payroll matters: Coaching and Mentoring

ATO Announces outages to their online services

Information around the ATO online services outages will start to disseminate from the ATO soon, with major communications across multiple platforms, clients and Agents, expected to commence in September.

1. **All ATO Services are expected to be offline from 20 Dec 2019 to 13 Jan 2020 - the stop/go date for the final decision on this will be made in November.**
2. Services impacted include all portals (BAS, Tax, Online), ABR, STP – everything!
3. This shutdown is to roll out major changes to the Online Services, and the information that will be visible and available to Agents.

Key changes being rolled out:

- New screens for account views - this will provide more detailed information about the account transactions - you will be able to see the split between the different elements of AS lodgements, from an aggregated view to a detailed view. Note - this will not include the ability to drill through to underlying data to see the split between, for example, 1A and 1B.
- Tax Accounts will not be available to BAS Agents (precluded by legislation).
- SGC Accounts will not be available to BAS Agents (at this stage).
- Further enhancements to the ability to arrange Payment Plans online for clients, including the ability to enter into Direct Debit arrangements.
- Activity Statement Due dates - where a client lodges electronically, through an agent, the Online Services Portal, myGov and Business Portal will reflect the Agent concessional due date, not the legislated due date. The plan is that this will flow through to accounting software (e.g: Xero Tax, GovReports etc).
- Little known fact - if a client is lodging via STP, but still lodges paper AS themselves, they are considered to be an electronic lodger, and get the current 2-week extension by default.

- The due date will be the due date - that means that if the concessional date is reflected because an agent has lodged electronically previously, but the client decides that they will lodge directly themselves, the concessional date will still apply.

ATO Considerations:

STP Lodgements - these will still be accepted by the ATO, and receipts issued, however they will not be processed during the shutdown period, so details of the STP submissions will not be visible on client or employee accounts until the system is back online.

Late Lodgements/Penalties - the ATO will be ensuring that there are no punitive actions regarding inability to lodge during system downtime.

If you are a BAS Agent, please ensure that you [subscribe to the ATO newsroom](#), and keep an eye out for further information around this from September onwards

Source: Cassandra Scott, AAT Director

Ceasing client relationships

In previous editions of eNews and Views, we have explored the importance of the letter of engagement between a bookkeeper and a client to assist in establishing the services being provided and the detail of the relationship. Equally as important is mapping out the arrangements when ceasing a relationship with a client, providing reassurance to all parties about the separation plan. Key elements to include in your engagement cessation letter are:

- The end date for services provided, these may be best listed separately e.g. last payroll processing on XX/XX/XX and final BAS lodged on XX/XX/XX
- Details for final invoice or billing cycle
- Hand-over of software access and removal as a user
- Details of date for removal from your BAS agent portal and/or lodgement software
- Any hand-over details to other tax professionals if applicable

To assist you in working through this process with your clients, we have [created a template](#) for you to customise to fit you and your clients' circumstances.

Accessorial Liability is not just limited to bookkeepers

Accessorial liability occurs when an individual or a company are involved in incorrectly applying or ignoring the law. There is much conversation about accessorial liability exposure for bookkeepers who offer payroll services and it is important to be aware of your obligations. It is also important to note that accessorial liability is not limited to those processing the payroll, it can be extended to other parties associated with the payroll – and they don't even have to be always aware of the contravention.

Section 550 of the Fairwork act stipulates that any person who is 'knowingly involved in a contravention' is also involved in that contravention and is potentially exposed to penalties and other consequences falling out of the breach.

The [findings of the Fairwork Ombudsmans' enquiry](#) into the procurement of cleaners in Tasmanian supermarkets stated that "accessories can also be other businesses in a position of power within the same supply chain as the employing entity, such as a head contractor or franchisor". This means that if a lead contractor outsources work to other businesses, the lead

contractor can also be held responsible for the payments made to sub-contractors or employees of those outsourced businesses. The same applies to franchisors in relation to their franchisee operations. The findings of the FWO enquiry concluded that the business (in this case Woolworths supermarket) engaging a principal contractor had an obligation to ensure that businesses in their supply chain are compliant with the law relating to their engagement of employees and other sub-contractors. This may involve audits of their contractor books, review of payroll and contractor payments etc.

Bookkeepers should be checking with their employer clients as to award application in the engagement of their employees, however, if a bookkeeper is aware of a contravention of the laws they should be prepared to walk away and avoid any claims of accessorial liability.

AAT recommends that bookkeepers providing payroll services would benefit greatly from a relationship with payroll and HR experts, such as [AB Phillips](#). The expert and qualified team can provide comfort that a client's payroll is correct, indemnifying the bookkeeper from any incorrect advice.

Employee versus contractor – Fairwork is coming after sham contracting operators

The Fair Work Ombudsman, Sandra Parker, has stated that “the regulator is cracking down on companies that misclassify employees as independent contractors” in a recent [media release](#).

“If employers misclassify employees and independent contractors to avoid their lawful obligations or to pay employees low flat rates that undercut the minimum wage, they face serious consequences such as court action, hefty back-payment bills and penalties,” Ms Parker said.

Essentially, an employee is someone who works as a part of your business and a contractor is running their own business and making their own decisions. There are some key factors to be taken into consideration when ascertaining whether a worker is classified legally as an employee or a contractor, and simply having an Australian Business Number (ABN) is not one of them. You can refer to the July edition of AAT's eNews and Views for a comprehensive table of these tests.

The ATO have an online [employee versus contractor decision tool](#) that provides clear advice about individual circumstances so employers can make informed decisions about the nature of an engagement with their workers, and comply with the law.

ASBFEO have released business funding guides

The Australian Small Business and Family Enterprise Ombudsman (ASBFEO), together with Scottish Pacific Business Finance, have produced a guide to assist small businesses and their bookkeepers in managing their finances and accessing funding. There are two guides:

1. FitsME Essential Guide – for small business operators providing guidance around the types of funding available and preparing for funding applications
2. Business Funding Guide – for bookkeepers, accountants and other advisers supporting clients in managing and navigating through their funding requirements

Payroll matters: Coaching and Mentoring

As leaders of businesses, we have many responsibilities. These range from dealing with the day to day operational aspects of our businesses and handling business finances to developing the people working with us. Each of these is critical and warrants much of our time and attention.

The development of your people can be both informal and formal. Helping a new employee gain essential skills and knowledge to allowing them to carry out their job is coaching (and often referred to as training). Whilst this is critical to ensure an employee is productive and contributing to your business, the further development of your people through coaching and mentoring will allow your people to perform at higher and often more strategic levels; employees that are emotionally engaged by your business and its activities will have greater levels of workplace pride and become helpful advocates of your business.

In this newsletter, we examine the concepts of coaching and mentoring and provide some advice on developing programs within your business to support the development of your team. We also briefly look at the benefits of mentoring for both business leaders and employees.

What is coaching?

Essentially, a coach's job is to develop specific skills for a task. A coach helps a learner to master specific personal or professional goals through the provision of training, advice and guidance. In a leisure or sporting setting, for example, the key role of a coach is to show and guide essential skills to handle forthcoming challenges such as getting others ready for a tough sporting match or preparing a young artist for an exhibition. In most cases, coaching is short term and largely task based.

Coaching in a work setting is not very different to sporting or leisure settings – it is a process designed to equip people with tools, knowledge, skills and opportunities needed to be effective in their work and to be committed to the company they work for.

In summary, coaching is a focus on concrete issues. These issues range from simple motor tasks to higher order needs such as managing more effectively or learning how to think strategically. Coaching needs an expert (the coach) to teach the learner how to develop these skills.

What is mentoring?

Mentoring is a relationship between two people with a goal of personal and professional development. The mentor is usually experienced and seeks to share their knowledge and experience through advice and guidance with a less experienced person.

Mentoring is a long-term arrangement and requires time and total mutual trust to be effective. Mentoring also has a strong strategic focus and does not relate to the job at hand. It is about supporting the person being mentored to take career steps or changes of direction at a future time with confidence.

Should an employee's manager also be their mentor?

Typically, it is recommended that an employee's manager does not also take on the role of their 'formal' mentor. The roles of 'manager' and 'mentor' are fundamentally different.

A mentor is most commonly another person who does not directly manage the person being mentored. A mentor-mentoree relationship focuses on developing the mentoree professionally and personally. As such, unlike a manager, the mentor does not evaluate the mentoree with respect to their current job, does not conduct performance reviews of the mentoree and does not provide input about salary increases and promotions for example.

The relationship with a mentor creates an environment where the mentoree feels free to

discuss issues openly and honestly, without worrying about negative consequences on the job and provides the benefit of increased integrity of the mentoring relationship and reduced potential for conflict between a person's own manager and their mentor.

What are some benefits of being in a mentoring relationship?

For the mentor, there are many benefits; here are just a few:

- Develops your own leadership skills – a mentor is able to better learn to motivate and encourage others resulting in becoming a better leader and team member.
- Enhances your communication skills – the building of the professional mentoring relationship requires clear communication to help build trust and confidence. Your perspectives on many things will also be challenged and your thinking on many issues may even be broadened or changed. This has both personal and professional benefits.
- Provides personal satisfaction – by contributing to the development, growth and nurture of another person leading to their success is highly rewarding.

For the mentoree, some benefits include:

- Obtains valuable advice – mentors often have insights into how to advance and move ahead. Mentors acts as a guide to their mentoree and provide a sounding board on many and varied issues leading to better decision making and often creating shortcuts to enacting plans.
- Develops skills and knowledge – the mentoring process helps to identify capabilities needed to succeed. Mentoring also helps a mentoree to be creative in searching for information needed.
- Enhances communication skills – in the same way as for a mentor, the mentoree learns more effective ways to communicate. This is coupled with the benefits of seeing many things from a different perspective – mentors and mentorees do learn from each other.
- Builds networks and career prospects – a mentor assists a mentoree to further develop their network and in so doing enhancing their future career prospects.

In summary

Coaching is an essential aspect of management through teaching and showing a new 'learner' various ways to do their job and to master the routines and practices of a business.

Mentoring is an investment in a mutual relationship of development to help and guide a person towards desired career goals and aspirations.

Whether its coaching or mentoring, investing in the development and growth of your employees keeps them engaged and productive. When employees see that they are able to perform and contribute with confidence and purpose, they are naturally more inclined to perform their jobs at a higher level and stay committed to you, your business and its future success.

Needing help?

Developing coaching skills and abilities and creating opportunities for mentoring requires considerable effort and commitment by the organisation, its owners, its managers and its employees. If you would like assistance in developing and introducing a coaching approach or even considering mentoring as an approach in developing and nurturing people within your business, please contact AB Phillips Pty Ltd, Monday to Friday between 9:00 am and 5:00 pm AEST by phone on 1300 208 828 or by email advice@abphillips.com.au

Please note that the above information is provided as comment and should not be relied on as a substitute for detailed professional advice from AB Phillips or professional legal or financial advice on any particular matter. Where you would like additional information and support about the content in this document please contact AB Phillips.

Needing advice and help?

If you would like assistance with understanding the arrangement of work, modern award terms or optimising your workforce, the team of advisors at AB Phillips can assist you with practical advice and support.

For support and assistance, please contact our team of advisors at AB Phillips, Monday to Friday between 9:00 am and 5:00 pm AEST by phone on 1300 208 828 or email advice@abphillips.com.au.

MYOB Partner Connect 2019 - Success is personal

MYOB Partner Connect is back and bigger than ever!

Held at Melbourne Convention and Exhibition Centre, MYOB Partner Connect will bring together the best of the MYOB community from Australia and New Zealand for 2 days of inspirational and educational content from the greatest minds in our industry.

Your two-day pass gives you access to:

- Inspirational content from World-Class speakers
- MYOB product announcements/updates/demos
- Business and personal development opportunities
- Networking opportunities with the leaders in our industry – the Australian and New Zealand MYOB community
- High value training and workshop sessions
- Access to leading MYOB ecosystem partners showcasing their solutions
- CPD hours across both days

Transform your business with the latest technology, new efficiencies and more streamlined ways of working... at MYOB Partner Connect, 21 & 22 August 2019 – Melbourne Convention and Exhibition Centre.

[Claim your early bird tickets now](#)

Join our Facebook Discussion Group

Feedback from members indicates that community is very important to accounting technicians. In response, the AAT Team has established a Facebook group especially for AAT members to join in an online community and discuss your successes and your not-so-successes, ask questions, give support to your colleagues and enjoy networking with your peers. We will be posting articles, information pieces, event details plus more. Click through here to join in today:

[AAT Facebook Group](#)

Continuing Professional Development

- [Berwick/Narre Warren Discussion Group Meeting](#)

- [Adelaide Discussion Group Meeting](#)
- [Free Webinar - Insurance for Bookkeepers](#)
- [August Tech Talk - Automating Accounts Payable](#)

Feedback

AAT welcomes your feedback. Please share your thoughts and ideas, let us know what your concerns are as well as the support and CPD that you need, so that we can deliver the best possible outcome for all of our AAT community. [Contact us](#)



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