

Dear Member,

AAT News

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

In this edition:

- The importance of Continuing Professional Development
- What to do when your clients aren't co-operating
- The TPB are paying attention to agents with outstanding obligations
- Having an engaged team by AB Phillips
- Continuing Professional Developments upcoming

The importance of Continuing Professional Development

Last year the TPB announced that they had commenced auditing registered tax agents (including BAS agents) to confirm that their Continuing Professional Development (CPD) obligations were being met. In support of our members, AAT Australia commenced an internal audit process to assist in the education, management and completion of appropriate CPD opportunities to ensure compliance with the AAT Constitution and By-Laws; as well as the TPB's requirements under the Tax Agents Services Act (TASA) 2009.

What is CPD?

Continuing Professional Development occurs when a professional undertakes further education or training that improves or refreshes their understanding of technical matters related to the tasks they undertake. In the case of BAS agents, relevant CPD would pertain to further training enhancing their knowledge around BAS related services, assisting their clients to meet their obligations under the relevant laws, understanding the TPB Code of Conduct etc.

Why is CPD important?

As BAS agents and Accounting Technicians we operate in a highly regulated environment where legislation is constantly changing and being updated. There is also a great volume of facts and figures to remember! Due to the dynamic regulatory

framework and the fact that the provision of BAS services is relied upon by business owners to make accurate and compliant lodgements to the ATO about their liabilities and other obligations, it is imperative that your knowledge is up to date.

What are the CPD requirements?

The TPB requires that a registered BAS agent completes 45 hours of CPD in a three-year period, with a minimum of 5 hours in any given year. This CPD activity can come from structured or trainer facilitated learning or un-structured learning such as research or reading relevant newsletters and updates (like this one!). Un-structured allowable CPD is limited to a total of 25% of your CPD allocation.

Your membership with AAT Australia requires that you complete 15 hours of relevant CPD in any renewal year, that is from 1 July to 30 June of the following year.

What are the record keeping requirements?

In the event of any audit, you would be required to produce records of the CPD events you have attended or any un-structured learning should be logged. There is a CPD register in your member profile on the AAT Australia website that you can populate, [click here](#) to view.

For further information from the TPB about their CPD requirements, please visit their website [here](#).

What to do when your clients aren't co-operating

Have you ever had a client return information required for the BAS past your deadline, jeopardising your ability to lodge the return on time? Yes, of course, we all have. A member has recently asked how best to deal with this situation quarter after quarter.

Firstly, always follow up verbal conversations with your clients about their obligations and your requests for information in order to satisfy these obligations in writing. Just in case. It can be a really good idea to provide your clients with a quarterly or monthly planner with the individual compliance deadlines listed and highlighted responsibilities for who is providing what.

When a client repeatedly ignores your requests for required information and your capacity to meet lodgement deadlines is threatened, there may come a time to consider whether the client is the correct fit for your business. Continually following outstanding matters up is very time consuming and is sometimes something not billed out either, which impacts your productivity and profitability.

If it is time to move on from the client, provide them with plenty of notice about your resignation and offer them a handover service for any new BAS agent the business recruits as your replacement. Be very clear about your deadlines around wrapping these matters up and what your role in compliance support will remain to be in the interim.

In the event of non-payment of your invoice upon departure, you cannot withhold the software data or any records as these are the property of your client. The best, most efficient way to chase any outstanding invoices is to engage a debt collection service.

AAT recommends using [CollectMORE Pty Ltd](#), an efficient debt collection service charging only upon successful collection of the outstanding debt(s). CollectMORE also provide a free app to assist small business collect debts prior to engaging a debt collecting service.

The TPB are paying attention to registered agents with outstanding obligations

On the 11th December 2018 the Tax Practitioners Board (TPB) announced that they would be working closely with the Australian Taxation Office (ATO) to connect with registered tax practitioners who had personal tax and BAS obligations outstanding for their own income tax returns and business activity statements. In the first instance the TPB announced they would be seeking action from practitioners to bring their affairs into order within six weeks (around February 2019) or risk further disciplinary action under the provisions set out in the Tax Agent Services Act (TASA) and the Tax Agent Services Regulations (TASR).

The AAT Australia has had some correspondence from members that they have received letters from the TPB advising them they have outstanding personal tax matters to attend to, however, some members have advised they are unaware of any outstanding obligations. The TPB's Acting Chair, Greg Lewis, has advised that members should:

1. Review their tax obligations to determine if any of these obligations are outstanding; and
2. Where tax practitioners have identified outstanding tax obligations, they commence immediate action to rectify these outstanding matters. This could include:
 - lodgements of outstanding relevant returns and statements; and/or
 - from a debt perspective, payment of outstanding debts, or entering into an agreed payment arrangement with the ATO.

Mr Lewis advised that

"over coming weeks, the TPB will refresh its ATO data on tax professionals who have outstanding obligations.

"We will then contact those tax practitioners who still have outstanding tax obligation, advising them to contact the ATO to address any unresolved tax obligations.

"Should the matters remain unresolved after this further contact, the TPB is likely to commence an investigation into their conduct" said Mr Lewis.

Specific advice for recipients of the 'Overdue personal tax lodgements and debts' email from the TPB

Situation	What to do
You have a question about the status of your outstanding tax obligations.	Contact the ATO on 13 72 86. Do not contact the TPB as it is unable to assist.

You have confirmed your status with the ATO and you do not have any outstanding tax obligations.	No action is required and you should disregard the TPB's letter of 22 January 2019.
You had an outstanding debt with the ATO, but have now entered into an agreed payment arrangement.	No action is required, but it is important that you continue to meet your obligations under the payment arrangement.
You have outstanding tax obligations with the ATO.	For lodgement, you need to file the outstanding returns or statements. For debt, you need to make the payment, or contact the ATO regarding payment arrangement options.
You have contacted the ATO to discuss your situation and you are waiting for a response from the ATO (for example, to see if a request for a payment arrangement is approved).	No further action is required at this stage. However, you must ensure that as soon as you hear back from the ATO you take the necessary steps to settle your outstanding tax obligations.
All your tax affairs are up to date, but you have not yet lodged your 2018 income tax return, because it is not yet due under your tax agent's lodgement program.	No further action is required as your 2018 income tax return is not outstanding.
You have concerns about how your registration as a tax practitioner with the TPB may be impacted.	Contact the TPB via the 'Contact us' form on their website.

If you are in any doubt about your meeting your personal tax obligations we urge you to contact the ATO as soon as possible.

Having an engaged team by AB Phillips

Business owners and leaders work very hard to build their brand and to develop and maintain their reputation in the marketplace. This process often takes many years of investment in time and money and it is critical to ensure all aspects of your business support the ongoing attainment of brand identity and reputational growth.

This article provides some insights in developing and maintaining your brand and enhancing your reputation by engaging and utilising your number one asset – your team.

What is a brand?

Simply put, a brand is a promise. It creates expectations in the mind of your customers and needs to live up to these expectations by remaining true to what it stands for such as a guarantee of quality, a mark of pride and a way to help simplify choice.

The importance of brands and branding is growing because of the complexity of our lives. Branding is about creating differences and increasing brand equity. Branding transforms products and services into known and trusted customer experiences resulting in consumer preference and loyalty. Imagine our world without the distinctive tick of Nike, the M of McDonald's and the 'i' in a popular mobile phone and the promises each affords us.

Do my employees have a role with my business branding?

When we first employ someone, we introduce them to the business through an induction and we talk about expectations and workplace standards. A critical part of the induction and orientation process is to ensure the new employee is aware of the whole business' activities, products and services, its target market and its customer service and engagement program.

Taking these steps allows an employee to convey more complete messages to your customers and grant them a greater sense of confidence in the dealings with members of the public. The key benefits are that a new employee is better able to represent your business in a range of settings whether at work in your business, at a dinner party with friends or on social media. We often call this process and its outcome "employee engagement".

What is employee engagement?

There are essentially three tiers or levels of employee engagement within a business and in a small business, these often overlap. The following is a simple description of these three tiers:

- Organisational – having a mission, core values and a business strategy
- Managerial – leadership and management style within the business
- Employee – front line employee, teams and their nature

In considering an employee engagement strategy, we should consider several factors:

- Do I think my employees are engaged at work? If so, how can I tell?
- Are my employees loyal to my business?
- How do I measure these things?
- If I don't know, where do I start?

Employee engagement is a strategic and ongoing process designed to bring all employees into a situation of being fully absorbed by and enthusiastic about their work and the business who then take positive action to further your business' reputation and interests.

Characteristics of engaged and disengaged employees:

The following table provides a general guide of the characteristics of engaged and disengaged employees:

Engaged employees	Disengaged Employees
<ul style="list-style-type: none">• Attentive• Responsible• Energetic and passionate• Accountable• Adaptable and flexible• Accepting of change• Finish work on time• Never (or hardly ever) miss work• Help others in the workplace	<ul style="list-style-type: none">• Lazy• Unreliable and untrustworthy• Passive• Irresponsible• Rigid and change averse• Slow to complete work• Attend late for work or not punctual during the day• Slow response to emails and other communication requests• Complain about work

- Recognise own strengths and weaknesses
- Participate in “out of work” activities

- Avoid “out of work” events
- Uninvolved in team/department meetings

How does employee engagement really affect my business’ reputation?

Business people expend considerable cost and energy into protecting the reputation of their business. Decisions are often made with the protection of a business’ reputation being the key factor. For example, a particular product you sell may be suffering from a range of faults and customers are either complaining about it or are wanting to return the product. If the product’s image is felt to harm the business’ reputation, a business may choose to forego the product’s revenue to protect the image of the business and hence its reputation. In a similar way, employees can impress upon your customer a poor image of the business by how they treat customers, how they present themselves (how they speak and are dressed) and even how they advocate your business and its products and services.

Employees who are engaged become very effective ambassadors for your business – they want to promote your business, its products and services, its branding with all helping to promote your business’ reputation.

What are some actions I can take to introduce an employee engagement program?

The following is a summary of some steps you can take to support engagement of your employees within your business by ensuring:

- your employees understand the importance of their job in your business
- your employees also know the expectations of their role and how to seek clarification if they are not sure (having position descriptions, policies and reliable systems assist with this)
- employees are regularly provided with feedback – focus on being positive but be prepared to provide corrective feedback adopting a coaching and encouraging style
- working relationships are optimised and communication within work teams and in the broader organisation is open, honest and helpful
- values and expected behaviours of all employees within your business is well known and consistently practised and where these are not complied with, taking corrective or disciplinary action that is consistent
- communication is clear and employee feedback is seriously considered
- employees are kept up to date with business offering, products, launches, new innovations etc.

Employee engagement is not a single step taken by a business’ owner or a manager within the business. It is a continuous process to support your brand and business reputation and requires regular attention.

Needing advice and help?

If you would like assistance with recruitment and/or developing programs around employee engagement leading to employees supporting you build and maintain your business brand and its reputation, please contact AB Phillips Pty Ltd, Monday to Friday between 9:00 am and 5:00 pm AEDT by phone on 1300 208 828 or 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.

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](#)

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What is on in industry?

[Industry events](#)

2019 MYOB INCITE – Get Connected

MYOB INCITE returns in 2019 packed with content to help you set your business up for success.

MYOB have been investing heavily in recent years bringing to life the Connected Practice – a strategy aimed at automating your manual workflows as much as possible, so you can spend more time doing what you do best, helping clients build stronger, more profitable businesses.

MYOB's delivery of new tools and solutions is increasing exponentially and INCITE is the place to find out everything you need to know to get your 2019 off to the best possible start.

There are events all across Australia from January to March.

[Click here to find our more, discover your nearest event, or register.](#)

All you need to know about new clients for QuickBooks Online

Considering a new QuickBooks Online client? Would you love to be able to audit their books without any guesswork? If so, we can help! Quickly understand the state of a new client's books using the Overview tab — a central place to find setup information, transaction history, key problem areas, and much more.

[Learn more today!](#)

Episode One of Bookie & Beano Podcast

Join our resident bookie, Diane Lucas, and favourite beano, Kane Munro, for the first episode of their new podcast. Episode one covers the relationship between accountants and bookkeepers. There is a perception out there that accountants and bookkeepers are always at loggerheads over clients and that accountants look down at bookkeepers. That's often not the case at all. Check out the first episode [here](#).

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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