

Dear Member,

AAT News

Welcome to the September 2018 edition of the AAT Australia's eNews and Views. In this edition you'll find out all about:

- AAT Annual STP Lodgement Authority Template released
- New entitlement – family and domestic violence leave
- What kind of bookkeeper are you?
- Bookkeeping is changing and far from redundant
- AAT HR Advice Corner powered by AB Phillips – Probation periods

AAT Annual STP Lodgement Authority Template released

In response to feedback and lobbying from the Association of Accounting Technicians and bookkeeping groups, the ATO has streamlined the process for authorisation of BAS and Tax Agents to act on behalf of their clients when lodging STP events.

The ATO previously described the following:

'The STP pay event is an approved form submitted to the Commissioner of Taxation, and requires the following, each time it is lodged:

- a declaration that the information contained in the approved form (the STP pay event or update event) is 'true and correct'
- the declarer is authorised to lodge the approved form.'

Moving forward using the STP engagement authority, employers will be able to provide the above once a year instead of needing to do so at each pay event.

Eligibility Criteria

To be eligible to provide a Tax/BAS agent with annual authority, the employer must not:

- Have any overdue Activity Statement lodgements;
- Have debts (excluding those under payment arrangements);

- Have been subject to ATO compliance activity for PAYG withholding within the last two year period;and,
- Company directors must not have been issued with a Director Penalty Notice (DPN).

AAT have prepared an Annual STP Lodgement Declaration for you to use in your practice; you can find this you can find this [here](#).

New entitlement – family and domestic violence leave

As of 1 August 2018 certain awards now provide for an entitlement to 5 days of *unpaid* leave each year to deal with their circumstances related to being victims of domestic and family violence situations. The leave applies to employees subject to abusive or threatening behaviour by members of their family to enable them to handle their circumstances, such as making arrangements for their safety or that of a family member, accessing services to support them and attending court hearings or accessing other protective services.

This leave entitlement is available to all employees whether they are casual or permanent and dealing with their own domestic violence situation or that of a family member.

Understandably, victims of domestic violence and their families are very stressed and consideration of their mental health and wellbeing needs to be considered. There are support services available that you can refer anyone you know facing these challenges; [White Ribbon Australia](#) has a list of counselling and support services.

What kind of bookkeeper are you?

One December over ten years ago, my freelance bookkeeper finished our end of month accounts and knew my company was in the red. We had a very bad quarter that year. She said to me, “don’t worry about my invoice” which was around \$100. “It’s my Christmas present to you.” Her kindness was so unexpected and I haven’t forgotten this gift. She was sensitive and compassionate to our situation. So what kind of bookkeeper are you? Well in this case, our former bookkeeper is quite a remarkable one.

Recently she helped me to develop an investment deck to raise substantial capital for our start-up company called Gobbill. She also helped to road test the product. What she liked most about Gobbill is that she can just forward bills to her @gobbill.com email address and everything else is taken care of. Gobbill automatically digitises the bill, checks that it’s not a fake one, auto schedules to pay it before the due date using a card or bank account. The billing data can be downloaded into a file with all the original bills zipped up in one file for the financial year.

We are pleased to be collaborating with AAT to further refine the product. We believe that Gobbill can be an automation tool to support bookkeepers and to create new opportunities within the industry. Stay tuned for more news.

Shendon Ewans, CEO & Co-founder of Gobbill

Bookkeeping is changing and far from redundant

I keep reading articles that claim there will be no role for bookkeepers within the next few years. It does make me laugh a little when I realise how little understood it is what bookkeepers actually do!

Technology is changing what bookkeepers do, how they do it and even creating fantastic opportunities to provide bigger and better support to business. Technology is also improving a bookkeeper's own bottom line, even handing back the gift of time. Bookkeeping has been around for thousands of years and over that time the process of 'keeping the books' has changed markedly, from abacus to calculator and manual ledger to computerised accounting... and now automation and AI are assisting again to improve and streamline the process further, meaning that a greater focus can be achieved on more valuable outcomes for business owners. Bookkeepers are now able to spend more time analysing and interpreting the story that their balance sheet and profit and loss, along with other financial indicators, are telling them about the health and well-being of their business so that this can be managed, manipulated and continually improved. Bookkeepers today, are also able to service more clients if they choose. Bookkeepers today may choose to use the time saving processes to have a better work/life balance.

The changes in technology in the bookkeeping process have many consequences, redundancy of the bookkeepers' role is certainly not one of them.

AAT HR Advice Corner powered by AB Phillips – Probation periods

You have interviewed a number of applicants for your job vacancy and you have made a choice. You are confident you have selected the right person and your ability to make the right decisions has been very reliable in the past. You are now preparing an offer of employment for the preferred candidate.

But what if this person does not work out? If that happens, what do I do? Maybe I should include a probation period in their employment letter? Will that change how they feel about coming to my organisation?

These are all issues facing managers and owners when they want to engage someone new. Our advice is to always include a probation period in an offer of employment. In this newsletter, we provide important information about probation periods.

What is a probation period?

A probation period serves several purposes – as an employer, a probation period allows assessment of the employee's aptitude and suitability for the position. It is also a period of training, coaching, ongoing assessment and possibly at times, time for

correction.

For the employee, it is a time they can assess whether the position is really what was expected and, if not, they have the option to resign.

For both parties, there are advantages in having a probation period within the letter of offer for those first few months of a new employment relationship.

There is no necessity either to wait until the end of the probation period to act if the employer or the employee want to “call it quits”; this can take place at any time during the probation period.

When should I let the employee know there is a probation period?

Probation period should be advised before an employee commences work with you. The most effective way to notify this is within the letter of offer.

A common probation period is three months, although longer periods are increasingly becoming more common. Key to the length is the complexity of the role and the seniority of the role. It is generally accepted that six months is the longest a probation should be.

A probation period can be often called 'trial period', 'orientation period', or 'qualifying period'. The last of these, the 'qualifying period', is actually a term from the unfair dismissal laws in the Fair Work Act. The 'qualifying period' is the minimum period a person must have worked with an employer prior to being able to make an unfair dismissal claim if they are terminated. It is best to refer to the initial period of employment as a probation period and we recommend that you also identify the period of notice that will apply during the notice period. In most cases, it is a week of notice from either party.

Can there be another probation period when the employee moves to another role or gets a promotion?

An employer may set a new probation period for an employee being hired as a permanent employee who was previously employed by the same employer as a casual employee. This is also more effective if the new permanent employee is going to be working in a quite different role to what was their casual work.

The probation period in this case is permitted because the type of employment is substantially different – a permanent employee (a full time or part time employee who has the employer’s commitment to ongoing work) is very different to an employee engaged on a casual basis (casuals are engaged as contingent labour to supplement rises and falls in labour needs within an enterprise).

However, when an employee receives a promotion or is transferred to another permanent role, a probation period cannot be set. The purpose of a probation period is to assess an employee’s suitability at the very commencement of permanent work.

In the event that a newly promoted or transferred employment does not work out satisfactorily, a proper disciplinary process needs to be followed.

The various courts and tribunals have made this quite clear in many decisions; a

probation period only applies once in an employment relationship and this is at the start.

Is it possible to have a probation period for a casual employee?

The nature of casual work is that it is contingent labour and hence, should have limited certainty of ongoing engagements.

For this reason, casual team members are exempt from a probation period. Legally, a casual employee is deemed terminated at the end of their last shift and cannot reasonably foresee an ongoing employment relationship.

An important caution, however, relates to a casual team member who has been employed for more than six months, and who has been engaged on a regular and systematic, is eligible to lodge a claim for unfair dismissal. This means that you should assess the suitability of a casual team member for continued employment and make a decision about their continued engagement in the first six months of their employment.

Am I able to extend a probation period?

A probation period is determined at the start of employment. For this reason, it cannot be extended once employment has commenced.

Sometimes, issues emerge during the probation period such as extended sick leave by the new employee, with an employer wanting to extend a probation period. Australian courts and tribunals have determined that the option for extending the probation period must also be established in advance of the employee commencing employment.

In cases where the option of extending a probation period at the commencement of employment is agreed and recorded in the letter of offer, it is possible to extend a probation period. In these circumstances, it is best to prescribe the overall maximum period. A useful example, is having the letter of offer setting a three month probation period with an ability to extend it to a maximum of four months.

Summary

Recruitment processes usually contain a job interview or practical assessment to help make the right selection for a new employee. Sadly, these processes are not perfect. Even if you have a really thorough recruitment process, you might still end up with someone who underperforms or doesn't fit your organisation.

Probation periods give you the opportunity to assess new recruits "on the job". They allow you to manage the relationship more flexibly and address problems before committing to an ongoing employment arrangement.

Needing advice and help?

If you offer payroll services in your bookkeeping practice and need HR related advice, the AAT HR Advice powered by AB Phillips service and access email and phone support from the highly qualified and experienced team of experts, you can subscribe for as little as \$250 inclusive of GST per annum [here](#).

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 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](#)

Continuing Professional Development

[Bookkeepers Bootcamp: Session 6](#)

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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