

24 April 2012



Ms Patricia Scott
Commissioner
Productivity Commission
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Dear Ms Scott

STANDARD BUSINESS REPORTING

As an active participant in the SBR program since inception, including as a member of the SBR Business Advisory Forum we have a significant history and understanding of the program.

As a professional association of bookkeepers, being the key intermediary group in assisting business to lodge government forms. ICB has 3,200 as members in Australia. We are the key representative body for BAS Agents and Bookkeepers.

Bookkeepers are responsible for the preparation and lodgment of:

Tax File Number Declarations – the first SBR form

PAYG Payment Summaries – a very important and significant SBR form

Business Activity Statements – potentially the largest volume of form to be SBR lodged

The SBR initiative has begun to deliver the proposed outcomes:

The lodgment of PAYG Payment Summaries is a significant time saver – an hour per entity

The process and receipting of BAS forms via SBR saves time

When SBR technology is adopted by more software companies then the time efficiency of businesses will deliver the commercial cost saving.

SBR developer GovReports is fully supported by us. They have implemented an easy interface for business and intermediaries, a cloud based solution allowing easy access, an appropriate costing model and are proactive in responding to the operational needs of the users. Other developers such as Reckons GovConnect and the proposed LodgeIT product would appear to be heading in the same direction.

As business and intermediaries see a more efficient method to lodge and receive acknowledgment of lodgment from government departments we expect to see a significant swing towards SBR enabled software.

Why the delay?

The reticence of software developers to meet and pay attention to the real (SBR related) needs of SMEs is attributable to a conservative approach to spending development time and resource on a new technology approach of government.

Also I have been concerned that government have not appropriately acknowledged the extensive positive role that software companies have had on assisting SMEs to comply with tax law and the associated lodgment requirements. This should not be understated, SBR in addition to other sectors of government, should allocate further resource to working with the software companies including funding the development of interactions with SBR.

As developers have brought some solutions to market, they have not been necessarily the best business process for the business, nor priced appropriately (business are not going to pay \$100's (let alone \$1000s simply to lodge quicker, the preparation before lodgment remains the same)

Where to from here?

SME & the bookkeeper community will embrace efficient process that is cost effective.

If SBR can embrace further functionality, such as a dataflow of the ATO Integrated Client Account (Running Balance Account) back out to appropriate software, the takeup of those SBR solutions will dramatically improve.

If the software companies can be further motivated to deliver SBR enabled solutions so that the same program that is being used for accounts preparation, payroll processing and GST reporting is able to lodge the respective forms, once again the takeup will exist.

SUMMARY

SBR should be a great improvement to the efficiency of business compliance.

I would be happy to provide further input into any further discussion or review in this respect

Yours faithfully

Matthew Addison
Executive Director

