



## MEDIA ANNOUNCEMENT

# AAPB LAUNCHES BOOKKEEPERS STRATEGIC AND EDUCATION DIRECTION

## AUDITOR GENERAL FINDS 1 IN 3 BAS STATEMENTS CONTAIN ERRORS AND MISCALCULATIONS

Melbourne, August 21, 2006:- The Australian Association of Professional Bookkeepers Ltd (AAPB), the pre-eminent industry body for bookkeepers in Australia, today launched AAPB Bookkeepers Strategic and Education Direction to support government and industry.

AAPB Bookkeepers Strategic and Education Direction is in response to the rapidly growing number of errors and miscalculations in the 9.75 million Business Activity Statements (BAS) lodged by bookkeepers on behalf of Australian businesses.

The Auditor General has found that almost 1 in 3 BAS lodgements in the last year had errors in calculations or were not completed correctly. These lodgements generate approximately 120 billion dollars in revenue for the Commonwealth Government. Neither the ATO nor AAPB can precisely quantify the cost of these errors and miscalculations to business and government but estimates it is likely to be in the billions of dollars.

"This is a very worrying situation for all bookkeepers and their clients," said Dr. Damian Benson, AAPB Chairperson. "There are currently no bookkeepers management standards or recognised bookkeepers qualifications in place for bookkeepers. AAPB philosophy is to establish and promote a recognised bookkeeping profession similar to the position of nurses within the medical profession."

Taylor Nelson Sofres (TNS) research commissioned by the ATO has shown that 34% of bookkeepers have no formal qualifications and over 40% have no formal professional development as a part of their ongoing work.

AAPB has lobbied to Innovation and Business Skills Australia for a nationally recognised Certificate IV in Financial Services (Bookkeeping). The proposed Certificate IV in Financial Services (Bookkeeping) will be the first recognised qualification for bookkeepers in Australia and for the first time will specifically address processing Activity Statements.

"We are very concerned about the lack of infrastructure to support the bookkeeping industry", said AAPB CEO Ms. Sharyn Grant. "There are currently no appropriate education or bookkeeper management standards to support bookkeepers in Australia and yet they are required by legislation to work within quality assurance procedures to validate their work by a Tax Agent."

"Australian businesses are exposed to shortfalls in tax, compounding interest and severe penalties for any errors made by a contracted bookkeeper in preparing BAS or IAS", said Ms. Grant. "A reliance on software products rather than knowledge and skills has led to the current intolerable error rate."

AAPB has applied to Standards Australia to develop national Bookkeeping Management Standards<sup>©</sup> and will consult with industry stakeholders and bookkeepers.

“Our consultations with industry and the ATO have confirmed the important role bookkeepers play in supporting small business to meet their tax obligations. However all of the evidence has highlighted the urgent need for bookkeeper management standards and a nationally recognised qualification,” said AAPB Board Member Mr. Alex Ezrakhovich.

#### About AAPB

AAPB was formed in March 2004 as a nationally independent, not for profit organisation focused on bookkeeping and the needs of bookkeepers. The ATO estimates there are approximately 120,000 bookkeepers in Australia who work as employees or contracted bookkeepers.

#### Members Benefits

AAPB is able to provide members the ability to:

- save time
- save money
- access centralised information in a fragmented market
- most importantly be recognised as a member of a pre-eminent professional bookkeepers' association.

#### Members' Features

The association offers Membership for an annual fee of \$275 per year. Membership of AAPB includes:

- Opportunity to attain a recognised industry benchmark qualification
- All Members will receive ongoing training and development to keep them up-to-date
- Regular industry forums, newsletter and meetings to discuss issues, concerns and to network with bookkeepers, tax agents and accountants
- Comprehensive Australia wide flat rate Professional Indemnity and Public Liability insurance
- Reciprocal membership of The Association of Payroll Professionals (TAPS)
- Benefit from strategic alliances with organisations such as: Atax, TAPS, QBE-James Wiltshire, Quicken and Advanced Business Consultants.

- ENDS -

#### About AAPB

The Australian Association of Professional Bookkeepers Ltd (AAPB) is the pre-eminent industry body for bookkeepers in Australia. AAPB sets professional standards, educates members to improve skills and industry standards and works with Federal and State Governments on issues directly affecting members and the bookkeeping industry. Further information is available at [www.aapb.org.au](http://www.aapb.org.au)

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