

From: [Ron Lesh](#)
To: [Advice Review](#)
Subject: Review of the quality of financial advice
Date: Friday, 28 January 2022 1:29:09 PM
Attachments: [image.png](#)

To whom it may concern

I have prepared this submission on behalf of my 8,000+ accounting firm clients.

My name is Ron Lesh. I am Managing Director of BGL Corporate Solutions Pty Ltd. BGL provides software to over 8,000 accounting firms to help them complete their ASIC compliance work and SMSF administration. We are by far the largest software provider representing over 600,000 companies and 235,000 SMSFs.

BGL has been involved in the financial services and accounting industry for over 30 years.

It is clear the current systems for the delivery of general financial advice and advice to SMSFs are not fit for purpose. General advice delivery is far too complicated with 50 page Statements of Advice (SOAs) not providing Australian's with financial advice they can easily understand and digest. The whole concept of a document, that is purely designed to protect the SOA provider, is wrong. The document needs to provide advice in a simple way that is understood by clients.

Recommendation 1: We need to move to a 2 page easy to understand SOA that will actually be read and understood by consumers.

Our second area of concern is around the advice accountants can provide which supports Recommendation 7.2 of the Review of the quality of financial advice

Survey after survey after survey finds accountants are the most highly respected and trustworthy financial adviser. Yet the current system precludes unlicensed advisers from providing financial advice. Accountants are the natural group to deliver some advice to consumers. Most accountants do not want to provide specific product advice - they want to provide strategic advice. The accountant has the best knowledge of the financial affairs of the client - from both a tax and strategic perspective. They are the natural person to provide this advice.

Recommendation 2: We need to allow accountants to provide holistic strategic non product financial advice without the need for an AFSL.

My final area of concern is SMSFs. The removal of the Accountants' Exemption (as it was known) was in our view a very poor decision. It was political - not based on facts or any evidence that it was not the correct legislative setting.

Accountants should be able to provide advice to clients on establishing an SMSF, contributions, pensions and winding up an SMSF. They know the client best and are able to better advise on all these matters. Furthermore, they should be able to provide the SMSF with holistic strategic advice. This would allow consumers to get unbiased advice from their most trusted adviser who is not subject to the influences of the financial services industry. This is by far the best result for consumers.

Recommendation 3: A regime similar to old Accountants' Exemption under the TPB allowing accountants to advise on all non investment aspects of SMSFs needs to be introduced.

Thank you for reading my submission.

Sincerely



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