

Accountants fail duty of care

Accounting firms could stem the high rate of business failure in Australia, if only they were more diligent with the affairs of their clients.

According to Nic Clark, CEO of 10X, a Brisbane-based coaching and consultancy firm, accountants are failing in their duty of care to clients.

"They earn so much money just looking after compliance issues like the GST and end of financial year returns they don't need to go the extra mile and let business owners know the true state of their businesses," Clark says.

Every business is required to have an accountant and this, according to Clark, leads to a sense of complacency which is detrimental to the Australian economy.

"Nowadays, business owners have only their accountants to turn to for advice. They can't go to their bank managers anymore because they are nothing more than glorified sales people. And even though accountants have all the business's data at their fingertips, they never interpret the figures for the business owner.

"They would love to know how their business is tracking, and even though they look to their accountant for advice, they never get any," Clark says. "Collectively their duty of care is critical to the lives of millions."