



Company Profile



RDTI INNOVATION ACHIEVEMENT STORY

Using smart data to transform compliance and boost efficiencies

Lodge iT is forging a new path in the world of accounting - streamlining compliance efforts and using smart data to eradicate manual processes.

Company: Lodge iT Pty Ltd

Sector: Information, Media and Telecommunications

Location: Perth

Profile: Headed by accountant Andrew Noble, Lodge iT is supplying major accounting firms, global regulatory bodies and accounting software providers with a multi-functional compliance platform that provides accurate, superfast tax form preparation and lodgement abilities.

Why R&D was needed

With a long family history in accounting, Managing Director of Lodge iT Andrew Noble says he knew technology was going to radically change the way tax professionals worked. Not only would paper-filing quickly become a thing of the past, but smart data would make for more accurate reporting, drive innovation and lead to new software systems.

Mr Noble says he knew change was imminent when, in the late 2000s, the Australian Tax Office, State Revenue department in Western Australia and ASIC (Australian Securities and Investments Commission) started looking at a standardised approach to compliance reporting using XBRL language (eXtensible Business Reporting Language).

Initially working with an XBRL-component re-seller and a Japanese software firm, Mr Noble believed there was an opportunity to build a back-end system that would incorporate the XBRL protocols in to an easy-to-use technological system.

However, all other parties eventually considered the project too risky, so Mr. Noble decided to do it himself.

If he could get the platform built, it would allow accountants and bookkeepers to efficiently lodge all 22 versions of the Business Activity Statement form, a company tax form (C Return), payroll tax forms for all state governments, and multiple ASIC forms.

He incorporated Lodge iT in 2010 and, after struggling to find software developers able to help with his ambitious project, he eventually found some he could employ to do the R&D required. This R&D eventually led to a digital system that would work with the Government's Standard Business Reporting (SBR) Program.

Armed with only a narrative about what might one day prove to be a working product, he adds that he couldn't find external investors to help him through this R&D phase.

"It took me three years to grasp what it was all about and the R&D for this project was as experimental as it gets," Mr Noble says.

"It's not easy to secure capital from investors when you don't have the final solution...So how do you maintain your momentum when the horizons are not friendly to commercial investors? That's where the R&D funding becomes essential."

"It would have been absolutely impossible to develop what we've developed without the RDTI program."

ANDREW NOBLE

How the Research and Development Tax Incentive Helps

Today Lodge iT works with a large client base across the accounting and regulatory landscape. It is saving those in the regulatory space a lot of time and making for more accurate data collection.

“Our R&D is creating additional capabilities internally and across the supply chain. All the software developers we’ve subcontracted to are the experts in this space and our industry now has a natural language process for working with accounting and regulatory reporting data,” he says.

“The end users have new and improved processes for transforming financial statements and associated information to XBRL-based regulatory filings. Plus, this information has validation processes of the data in the financial statements.

“Today our logic platform is connected to 15 API (Application Programming Interface) services. Ours is a multi-functional platform with multi-computational points. This will lead to further technological improvements as we move forward.

“We’ve brought new knowledge to this space and we’ve the possibility to further enhance our capabilities as we progress our R&D.”

“Because of the R&D we’ve been able to do I’m now a technology conductor in this space and have developed new skills for software developers. R&D has allowed us to move to a space where we can compete with bigger players.”

ANDREW NOBLE

RDTI Impact Facts

- New Australian patents in the software space
- Supplying product to domestic and international customers
- Developed specialised programming skills to Australian-based software developer teams
- Collaborations with Macquarie University and Australian Business Software Industry Association
- Creates internal compliance efficiencies for software users