

About Bookkeeping News

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ATO KEY LODGEMENT DATES

These dates are from the ATO website & do not take into account possible extensions. Contact us to establish when your information is required for lodgement. You remain responsible for ensuring that the necessary information is with us in time. As long as information is provided to us in a timely manner, About Bookkeeping will do everything possible to always lodge ONTIME.

Quarterly BAS Due Dates

Quarter 2 Including Dec PAYG	28 Feb 2013
Quarter 3 Including Mar PAYG	28 Apr 2013
Quarter 4 Including Jun PAYG	28 Jul 2013

Monthly BAS / IAS Due Dates

Nov 2012	21 Dec 2012
Dec 2012	21 Jan 2013
Jan 2013	21 Feb 2013
Feb 2013	21 Mar 2013
Mar 2013	21 Apr 2013
Apr 2013	21 May 2013
May 2013	21 Jun 2013
Jun 2013	21 Jul 2013

Where a due date falls on a day that is not a business day lodgement or payment may be made on the first business day after the due date without incurring a penalty or general interest charge (GIC).

Failure to lodge forms with ATO:

**The ATO has increased the penalty for failing to lodge ATO forms e.g. BAS
The Cost has increased to \$170 for each 28 days late.**

This amount continues to increase to a maximum of 5(each 28 days) x \$170 = \$850.00

Larger entities pay multiples of the \$170 for each period

BETTER LATE THAN NEVER.....

As I write this newsletter, I am very disappointed with myself as I had planned on getting this out just before the Easter break (even had a very cute bunny picture all picked out), but time has been my enemy this month, and as the heading states – better late than never.

The past month has seen a new addition to About Bookkeeping - Tess. Tess is a vibrant young lady who is helping out with general administrative tasks and answering the phones when I am away from the office. So if you need to drop off or pick up your paperwork, Tess will be in the office from 8.45am to 4.30 pm each weekday. No more having to work around my onsite / offsite time frames.

I hope that everyone was able to take a few days off over Easter and have come back refreshed and raring to go – just in time for the March quarterly BAS's to be completed and lodged.

The due date for the March quarterly BAS is 28th April, however if we lodge electronically for you, the extension gives you until 27th May. To ensure that your BAS is lodged on time, please get all relevant paperwork ready and dropped off or make an appointment for me to pick up or come out and get the quarter finalized.

I would like to take the opportunity to give everyone a reminder that our trading terms are 7 days from invoice date. It is important for all businesses to keep a close eye on their Cashflow and About Bookkeeping is no different. If you are having difficulties in paying your account on time, please contact me to make arrangements. This is why this month my focus is on "CASHFLOW". If you have any questions or need assistance with your businesses Cashflow, just let me know.

And finally, do you know of any business that could benefit from our services. If you know of anyone looking for a bookkeeper, please recommend us, or forward the details to me, so I can get in touch. Thank you.

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What can we offer.....

Bookkeeping Services

- *Data Entry & General Bookkeeping
- *Payroll Services
- *Bank & Loan Reconciliations
- *Debtor control/Accounts Receivable
- *Creditor control/Accounts Payable
- *Financial reporting
- *Budget forecasting
- *Cash flow analysis
- *Liaison with your accountant
- *Business activity statements (BAS)
- *Instalment activity statements (IAS)
- *Registered BAS Agent for Electronic Lodgement of BAS & IAS
- *End of Financial Year Processes & Payment Summaries
- *MYOB sales, installation & training

HR Services

- *Employment Agreements
- *Letters of Engagement
- *Processing of Payroll & PAYGW
- *Modern Award Compliance
- *End of Financial Year Payment Summaries
- *Separation Certificates

Administrative Services

- *Word Processing
- *Database Data Entry
- *Mail outs & Newsletters
- *Spreadsheets
- *Mail Merges
- *Proof Reading & Document Formatting
- *Hard copy to soft copy processing & scanning

Computer Support

- *Anti-Virus support
- *Back Ups
- *Defragmentation of HDD's
- *Monthly Maintenance

Let About Bookkeeping
be your "Virtual Office"

HUMAN RESOURCES - Delegate, Don't Abdicate

As every business coach and mentor will tell us – we need to work 'on' our business rather than working 'in' our business.

One of the keys to achieving this is to 'outsource or delegate' unprofitable tasks that you are currently doing which can more effectively be performed by others. The time you free up by delegating can then be redirected to work on those things that will grow your business. However all too often in our haste for change we tend to 'abdicate' these roles instead of actually 'delegating' them – which in the long run creates even more issues for us to deal with.

The Encarta World Dictionary defines these terms:

- **Abdicate** - as the "...neglect (of) duty: to fail to fulfill a duty or responsibility...resign position: to give up a high office....."
- **Delegate** - is "to give somebody else the power to act, make decisions, or allocate resources on your behalf".

Both approaches involve the giving up of a process (which you have previously performed) in your business which should give you more time to work 'on' your business. This is what we want, right?

Well yes, however the handing over of a task needs to involve a process which can be monitored to ensure that the task is being performed as expected. As the definitions suggest, 'delegate' allocates the power whereas 'abdicate' gives it up all together.

Business processes that are often abdicated, when delegating is more appropriate include bookkeeping services, IT systems/security, and financial/cashflow management.

A clear sign of abdication is how much interest the business owner takes in how the role is being performed. When we hear comments like "my IT guru handles all of that – I don't have anything to do with that" this concerns us. An alternative to this approach is to delegate the role by implementing and enforcing procedures and business rules to ensure that you can rely on the results that are being produced by those undertaking the tasks.

Such procedures could include:

- A documented set of rules or procedures governing the roles and the results required
- Checklists for the IT person for example to 'sign off' on each month documenting the work undertaken, and
- Regular reviews by you (as the business owner) of the results

One thing to remember when handing over a business process is to constantly ask yourself: "When this person leaves the business can the role be easily picked up by someone else without you having to step back into the role" or "are you 100% confident that the task is being undertaken correctly and do you have the supporting documentation to back up your confidence?"

Working 'on' your business is one of the key factors in creating sustainable business success and the art of delegating (not abdicating) is an essential element of this process.

If you would like About Bookkeeping to document a procedures and checklist of the Bookkeeping Services, just let us know. It could be an important part of your businesses success.

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BUDGETS V'S CASHFLOWS – Explaining the Difference

The difference between a budget and a cash flow forecast can sometimes be confusing. They can seem to show similar information yet both are very different and have different uses.

Both are essential for the accurate financial management of your organisation.

A budget details what you plan to do with your finances for the relevant period of time. This is usually over 12 months, and focuses on profit. In addition: Accruals and other non-cash adjustments such as depreciation are often included.

A Budget also reflects the planned objectives of what the organization is trying to achieve and is linked to the strategic and business plans.

A budget also provides a benchmark to then monitor performance. After each month you can compare what actually occurred against what was budgeted or planned to occur.

Usually the full year budget is broken down into months. A budget is NOT used to monitor the amount of cash in the bank accounts. That is where the cash flow forecast comes in.

A cash flow forecast details when the actual receipts and payments are likely to occur.

A cash flow forecast reflects when the actual income and expenditure is transacted into/from the actual bank account

It is not based on accrual accounting and adjustments, such as, depreciation are excluded.

The full year cash flow forecast is mostly broken down into a month by month basis. But in some instances it can be further broken down into fortnightly or even week by week depending on the circumstances.

The main difference between a budget and a cash flow forecast is based on:

- a) the type of the transaction and;
- b) the timing when receipts and payments will occur.

As a simple example: a budget will record the income when you have sent out the invoice whereas your cash flow will record it when you actually receive the amount into your bank account.

One point worth mentioning is not to assume that debtors will pay the following month. Often it may be later which is why it is important to know your average debtor days which may show that payment occurs typically 64 days after sending out the invoice.

This also highlights the value of knowing some important Key Performance Indicators (KPI's) such as:

Debtor Days

Creditor Days

Inventory turnover days

Working capital ratio

Understand the difference between a budget and a cash flow forecast and you will be well on the way to managing your finances.

Many business owners tend to focus on other things: Sales, expenses, profitability. Often, we only pay attention to cash flow when something goes wrong – and by then it may be too late.

Cash is the fuel that drives your business.

Don't let it be too late for your business. Speak to us today to discuss your CASHFLOW and measures that can be put in place to help your business.



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This Month's Hints & Tips:

Keep a close eye on your debtors

Late and unpaid bills can hurt your Cashflow.

It is imperative to keep track of your debtors to ensure your customers are paying on time.

To assist with this, assign someone to track the billing and then put a procedure in place for following up on unpaid accounts. Perhaps, making a phone call or sending an email will prompt a payment. Sometimes you need to apply a penalty or late payment fee.

You have to have a plan in place.

Remember: Every late payment from your customers is an interest free loan to them and it hurts your Cashflow.

About Bookkeeping offers Debtor management services. If you need to put a process in place we can help or manage debt collection for you.

Word Shortcut: Shift + F5

Returns to the last edit point.

Very useful when you have to copy some text from other parts of the document and you want to return to where you were in order to paste it.

"OFFICE" Shortcut: Ctrl Z

Uses the **UNDO** command to reverse the last command or to delete the entry that you typed. **THIS WORKS IN ALL OFFICE PROGRAMS.**

Competition:

You could win one of the following, your choice of:

- * Bottle of Golden Grape Estate Tawny Anniversary Port



- * AVG Antivirus 1 Year Subscription (Commercial Edition)



- * Premium Glamour Make-up Service from SMS – "Stacey-Lee Make-up Services"
www.makeupservices.com.au



All you have to do is answer this simple question-

What does KPI stand for?

(Hint - the answer is somewhere in this newsletter)

Email your answer to:
info@aboutbookkeeping.net.au

The winner will receive their choice of prize and will be announced in the next newsletter.

NOTE: ONLY ONE ENTRY PER PERSON.
Entries close 30th April 2013

December winner was Anita Bowen. Congratulations Anita.