

Top 5 Tips from your Bookkeeper for EOFY

- 1) Get sorted as early as possible, putting it off only stresses you
- 2) Keep it simple – do not over complicate your systems
- 3) Make sure you have all your tax invoices, especially for the big items. We recommend using Dext or similar receipt capturing App, so you never have to worry about losing or finding your bills again. Eftpos slips are not tax invoices so always ask for a tax invoice for example, for fuel.
- 4) Let an expert reconcile your payroll and finalise STP. Payroll is a complicated area and the processing and recording of wages is not as straightforward as some software likes you to believe. Like everything, rubbish in is rubbish out, so, if things are not recorded or setup correctly, your employees could be paying too much tax or, worse, not enough and end up with a tax bill which they will blame you for. One of the most common mistakes I see is people coding the bank transaction for wages to the wages expense account instead of the liability account. This effectively doubles the wages expense on the P&L and keeps the debt showing on the balance sheet – both big problems in any business.
- 5) Let your bookkeeper or accountant know of any equipment purchases that happened. I recommend letting your bookkeeper know at the time of purchase, all too often I find out when reconciling that they have bought a car. This puts me behind while I must wait for all the relevant documents, especially the lending contract.

Some further quick insights

- 1) Your bookkeeper or accountant will be extremely busy at this time of year trying to help you and other clients out, so be patient with them and respond to their queries quickly.
- 2) There are many deadlines around this time of year for us. For a normal quarter, we just need to worry about the BAS and Super but at EOFY, a bookkeeper has all this:
 - a. STP finalisation (the old payment summaries)
 - b. Workers' Compensation annual reconciliation
 - c. Payroll Tax
 - d. TPAR reporting – Taxable Payments Annual Report on sub-contractors you used this year
 - e. Superannuation
 - f. June BAS
 - g. Monthly IAS
 - h. Monthly BAS
 - i. Preparing everything for the accountant to be able to do their magic for the tax return
- 3) Keep your personal life out of your business – we do not want to see what you do or learn where all the 'gentleman's clubs' are (yes, I have to Google unknown transactions and it can be quite an eye opener!)! It also means more work for us and, ultimately, costs you more. There are strict tax rules around drawing money out of businesses for personal expenses and it could result in complicated Fringe Benefits Tax implications. Remember, the business is its own entity, it is not you. Sole traders are not as complicated, but it is good practice to still act as a separate identity.