

Planning ahead removes the stress of tax time

By Sylvia Troccoli

Are you guilty of handing your accountant a shoebox filled with faded receipts? Now is a good time to think about forward planning for the tax man. Be prepared and you will save yourself a lot of unnecessary worry, time and money. Remember that old saying...a stitch in time saves nine?

Whether you have an accountant, are changing your accountant, or if you are going to a professional for the first time, a few simple tasks will help you prepare. Imagine how good it will feel to hand over a clean set of records by June 30 – the end of the financial year? This applies to any business, large or small, with or without accounting software. Here are a few tips to get you in the mindset:

Know where your business is at from the lodgement point of view

This will help you decide what you are trying to achieve. When was your last lodgement? Do you have an outstanding Business Activity Statement (BAS), perhaps more than one? Or a business and personal tax return? Are you overdue with those returns?

Solution: Review your records (as you should always keep a copy for yourself) or ring your accountant. Ask for a checklist or write a list of the reports you need to complete.

Get organised - Sort out your receipts and documents into categories and date order: e.g.

- Bank statements,
- Expense receipts and dockets that marry your bank transactions
- Remittance advices for income received or your invoices
- Payments you made from your personal account or for cash, as they are treated separately as a "contribution" to the business and you should be reimbursed for.

Since some of the dockets might fade, take a photo of them or scan them to your computer to keep a permanent record and to supply your accountant. They are needed, should you be audited to substantiate your claims and must be kept for five years.

There is specific software that captures the images, reads the details as well as allocates the expense to an account as well as integrating to your business software for a nominal subscription each month. Look into Receipt Bank, Shoeboxed, Entryless, Expensify, etc. Otherwise, check with your accountant for a (free) electronic Cashbook.

Reconcile or match the transactions to your bank statements
As previously stated, try and marry your expenses to the bank statements. You will find there might be entries there you have not accounted for, such as bank or account fees or loan payments. These types of payments are crucial and have to be incorporated into your accounts if relating to the business, such as the payments for a car or a business loan.

Once you offset as many of these as you can, one would say: "you have reconciled your bank account". Well done!

One of the benefits of doing this exercise is that you are more aware of where expenses are going and what money has come in. It gives you more information as to what is owing or where you and your business are at financially. I can guarantee it will get your mind racing to budget or align your finances.

Prepare loan statements relating to borrowed funds for business purposes. Make your accountant aware of any major 'capital' purchases or extra funding you have borrowed for the period, e.g.

- Purchase of a motor vehicle, supplying the invoice and the loan documents
- Withdrawals out of your personal mortgage/loans
- Payments you made out of your personal accounts
- Refinancing records if the funds were used for business.

Congratulations, you are taking control now! Each month I will give you another tip, not only as a reminder but, if you put these tips into action, you will remove a lot of stress from your life and the life of your accountant.

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Demand drives new degree

Some of Australia's largest agribusinesses have joined with the University of Adelaide to design a new, business-focused Master of Agribusiness program, to cultivate the industry's next generation of leaders.

The new master's degree will service one of Australia's most important industry sectors, valued at more than \$430 billion annually and employing an estimated 1.4 million Australians. Agribusinesses are

currently seeking thousands of graduates to fill demand for agricultural roles; for every graduate there's an estimated six positions available, said Professor Wendy Umberger, Director of the Centre for Global Food and Resources at the University of Adelaide.

The new Master of Agribusiness will enable students to develop the skills necessary for agribusiness leadership, management decision making, policy

analysis and problem solving, all within an increasingly complex, ever-changing global marketplace. Critically, this program has been developed in consultation and close collaboration with leaders in the agribusiness sector. This ensures our program is not only practical and relevant to today's industry needs, it will also foster critical thinking among graduates, which will be invaluable for the industry's future, Professor Umberger said.