

EPIC NEWS & VIEWS

Epic Bookkeeping Services

January 2001

Volume 1, Issue 1

Welcome to Epic News & Views

Welcome to the first issue of Epic News & Views.

The 1st July 2000 was a big day for us all, bringing with it the "dreaded" GST. On the whole, most of us have handled the resulting changes to our business practices very well and have even survived the initial BAS returns without too much pain.

I'm pleased to report that most of my clients have adapted very well to the new system and to support their continuing success, I feel its important to have an outlet for sharing information on a regular basis.

Epic News & Views will be produced monthly and will aim to bring you the latest news from Quicken, provide information relating to various aspects of the GST, inform you of new products and services available and keep you up to date with the

latest training courses available from Epic Bookkeeping Services.

Quicken regularly provides me with technical information and summaries of the most asked questions and answers. Each newsletter will contain a selection of this information, which I envisage will be of benefit to all Quicken product users.

Your input would be most welcome and I hope that Epic News & Views will become essential reading for one and all.

Ronelle Ashford



Sharing information

The Price of Expertise

A small factory had to stop operations when an essential piece of machinery broke down. No one could get the machine operating.

Finally, an outside expert was called in. The expert considered the situation for a moment, then took a hammer and gently tapped the machine at a certain point. It immediately began running again, and continued to run as if nothing had ever been wrong.

When the expert submitted a bill for \$100, the plant supervisor hit the ceiling and demanded an itemised bill. The expert's itemised bill was as follows:

"For hitting machine: \$1.

For knowing where to hit: \$99."

Source: Bits & Pieces.



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Humour

- A sense of humour is as important to life as shock absorbers are to a car—it helps us over the bumps.

P K Shaw

- Humour prevents hardening of the attitudes.

Joel Goodman

- I realise humour isn't for everyone. It's only for people who want to have fun, enjoy life, and feel alive.

Anne Wilson Schaefer

Second Quarterly BAS

The second quarterly BAS is just about upon us, being due for lodgement by the 4th February 2001.

There are indications that many accountants do not expect their clients to have their BAS information ready in time for them to be able to prepare and/or check the BAS Reports by the lodgement date. Check with your accountant for their cutoff date, to ensure timely lodgement of your BAS. When the due date falls on a weekend or a public holiday, your payment must reach the ATO by the last working day before the due date. The last date for lodging the second quarterly BAS is 4th February 2001 - a Sunday, which means your BAS needs to be lodged by Friday 2nd February 2001 – the last working day BEFORE the due date.



4th February 2001

Paying your GST Liability

Do you have enough money in your bank account to pay your GST liability?

Remember, when you charge a customer GST, IT IS NOT YOUR MONEY.

You may have real cashflow issues if the funds in your bank account(s) are already spoken for (for example, a balloon payment on a lease, which is about to expire).

Many clients are transferring the GST collected each week to a special bank account and if you wish to be well prepared for paying your tax liability you may also deposit an

additional sum to cover the additional taxes such as Employee PAYG, PAYG Instalment and Fringe Benefits Tax (if applicable).

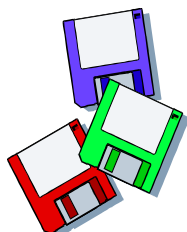
“When you charge a customer GST - IT IS NOT YOUR MONEY”

Backups

BACKUP—BACKUP—BACKUP!!!

It is easy to forget, but it's VERY IMPORTANT to have a decent backup of your data.

You should test that it can be restored, to avoid the heartache of relying on a copy which the computer can't read. Important reports should also be printed and filed away from the computer - perhaps even offsite.



Alternate your discs

Backups for important dates (week, month, quarter and year end) should also be kept offsite.

Backup after completing your BAS and keep this copy in a secure place.

Remember to change your closing date (set up users and passwords) to ensure information cannot be changed for the completed period.

BAS Accrual and Cash Accounting

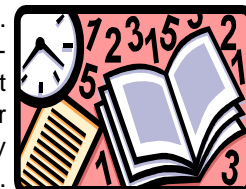
A conflict exists for QuickBooks users which are companies and are required by taxation law to report for income tax purposes on an accrual basis, but have registered for GST on a cash basis.

In version 7.4, the BAS GST reporting (Cash or Accrual) is controlled by the Reports and Graphs selections in preferences. The GST reporting is controlled by the Tax selections in preferences.

To get the BAS statement to report cash figures, you need to set the preferences in Reports and Graphs to Cash. This means that all reports such as Profit and Loss and Balance Sheet and any other reports that provide an option between

cash and accrual will automatically default to cash. The major problem lies in the fact that Companies are required by Taxation Law to report for Income Tax purposes on an accrual basis.

NOTE there is a difference between reporting GST (which can be on a cash or accrual basis) to reporting for Income Tax (which must be on an accrual basis for companies). If you set QuickBooks to Cash reporting for the BAS then the Instalment income in T1 will be wrong if the user is a company and required to pay Instalments on an accrual basis.



Balancing the books

How the QuickBAS thinks

QuickBAS is a report that runs separately from the other QuickBooksReports within QuickBooks.

The QuickBAS has its own Filters that search through the transaction Database in order to extract information from the Data Base File *.QBW. These filters are a mixture of programming algorithms and rudimentary search tools.

The QuickBooks Report Writer Engine allows you to move easily through the database to extract and display information instantly. A common example is the ability to drill on Summary Reports into Detail Reports.

QuickBAS only has the ability to display summary figures that the Report's algorithms generate. The G codes on the first sheet (Supplies and Acquisitions)

of the QuickBAS, allow the selection of the relevant Tax Codes for your business.

The second sheet of the QuickBAS (Taxes and Amounts Withheld) allows the selections of "Chart of Accounts" accounts for the relevant field using the W and T codes. The third sheet of the QuickBAS (BAS Debits and Credits) allows the selection in [1C] GST taxes for Wine Equalisation and for Allow Other Buttons [1E,1F,1G, 1E], allows the selection of Chart of Account ("COA") accounts.

Currently, the QuickBAS can only be configured for MONTHLY or QUARTERLY periods.

"QuickBAS is a report that runs separately from the other Quickbooks Reports within Quickbooks."

Questions and Answers

Q. Why are details in my BAS incorrect?

A. The most frequent mistakes are:

* Preference Settings of the BAS report.

Select the Config Button on the BAS report to verify the settings are as you require. Monthly or Quarterly, Direct or Calculation Sheet.

* Preference Settings for Quickbooks company file.

Select the File Menu option then Preferences.

Select Reports & Graphs, Select Company Preferences and make sure the Summary Report Basis is set to Gross and matches your intended Tax Reporting basis i.e. Cash or Accrual.

NOTE:

For details of how to use QuickBooks reporting to verify BAS details, please download from the Quicken website (Quicken.com.au), the document titled "Manual BAS". It is located as part of the QuickBooks 7.4 download screen instructions.



How do I ?

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for all your training needs contact

Ronelle Ashford
Quicken Accredited Trainer

Epic Bookkeeping Services assists businesses in maintaining the necessary records to enable accurate reporting and timely lodgement of BAS returns. Services provided include a manual or computerised bookkeeping system designed for your business, to assist with reducing your annual accounting costs, at the same time maintaining the records required for your tax and accounting purposes. Working closely with your Accountant we can provide the necessary information and reports to facilitate budget and cash flow projections, giving your business the necessary financial management tools required in today's economic climate.

We can supply your Quicken accounting software, set up systems and procedures, chart of accounts and take-on balances, data processing and payroll processing.

We also provide an ongoing training service—individual or group sessions, in our training centre, your office or home—with training structured to suit your needs.

Training Courses

Computer Training QUICKEN

- Quickbooks
- Quick Payroll
- Cashbook (Quicken)

TRAINING

Courses are generally one full day (8 hours), 4 mornings or evenings of 2 hours duration (total 8 hours), or training can be provided to individuals on an hourly basis.

Classroom – Max. 4 students (computers provided)
Individuals – Classroom/own home/office

Courses for 2001 will commence in February—

Classroom - Monday 10.00 to 12.00 (morning)
 Monday 6.00 to 8.00 (evening)
 Tuesday 9.00 to 5.00 (full day)

Individuals - As required

Ronelle Ashford is a Quicken Accredited Trainer with many years experience using Quicken products. Ronelle's practical, hands-on knowledge and background in accounting, gives her a depth of understanding of the problems often associated with setting up new computer systems, resulting in effective and comprehensive training courses designed to ensure her students are confident and proficient in the use of Quicken software, as well as having a full understanding of standard accounting practices.



Taking care of your training needs

ALSO AVAILABLE

Quicken Software Sales & Support
Set-up Systems & Procedures
Chart of Accounts and Take-on Balances
Ongoing Training & Support
Data Processing
Payroll Processing
Debt Management & Collection