



Welcome to another edition of the Stone Consulting Newsletter.

Tax Tips and Reminders- by Donna Stone

- **Group Certs** – we have contacted many of you already as it's coming up to end of financial year again. As with last year, we ask that you send us a backup of your file, we will prepare your Payment Summaries (Group Certs) for you and then assist you (or do) the rolling of your MYOB file. **DO NOT ROLL YOUR PAYROLL YEAR UNTIL WE'VE DONE YOUR GROUP CERTS.** Once you roll, all data is purged. Please contact us if you have any queries regarding this process. Deadline dates are: 14 July to get Certs to employees, 14 August to get data to ATO.
- **Year End Rolling** - after 30 June has passed. **DO NOT AUTOMATICALLY ROLL YOUR FINANCIAL YEAR** until your tax returns and financials are prepared by your accountant, we've done your year end journals and are ready to assist you with the roll. This may well be sometime down the track.
- **New Tax Scales** - Over next few years, there will be tax scale changes every July, so clients with payroll may need to upgrade every year. Stone Consulting is a MYOB Reseller; just let us know and we will be happy to organise your software upgrades and then ensure they are loaded properly. If you have MYOB Accounting Plus, the upgrade cost is \$369. MYOB's "Light Cover" (upgrade but no support) is \$399 or their full support is \$439.
- **FBT Changes** – light meals were previously FBT exempt; they are now not. Laptops and briefcases were also exempt, but now you have to justify that it's primarily used for business. Also the legal 'double dip' loophole in salary sacrificing for a laptop has now been abolished.
- **Salary Sacrificing** - is now going to be income tested. Also a reminder, you should salary sacrifice before you earn the money; not after, say at 30 June.
- **Tax & GST Audits** – the new Government is heavy on auditing, especially with SMSF's. They are planning on 11,000 audits for SMSF's, which is about 1 on 26. Also they have devoted \$256 MILLION dollars to auditing generally. Good times ahead!
- **WorkCover** – remember, your WorkCover Declarations will be coming out in June/July. We are happy to assist you with filling these out as there are a few items which should not be included. Jill is our resident 'expert' in this regard and is happy to complete for you. These will be due 31st August and the invoice will come out in early October for payment by late October. Send us either a copy or the original and we will complete for you by the due date.
- **Year End Checklist** – available to clients only. Just email amanda@stoneconsulting.com.au and request.
- **Tax Planning** – if you have not already done so, be sure to see your Accountant BEFORE 30 June. After 30 June there may be little they can do to help you with tax planning. If you are visiting your accountant, let us know and we'll send over a copy of your MYOB file to them. Remember, your accountant isn't just there to lodge your tax returns - use them as a source of information for business management, wealth creation, planning and business financial advice. Most encourage pre 30 June visits.



Our Guest Writer this issue is Lynelle Millican of Wealth Connexion Finance and she can be contacted on (07) 3124 9004 to help with any Finance enquiries you may have or give her a call to arrange a Mortgage Health Check.

Tips for Coping with Higher Interest Rates and Rising Living Expenses – Lynelle Millican

Rate rises and living costs are making it harder to get ahead financially!

We all love a bargain, so putting that philosophy into your personal expenses may help to ease those money pressures and get the benefit in your pocket – and not someone else's! Read through the following tips and see what you can change to improve your lifestyle today!

BUDGET

Everyone needs to have a budget, which should be updated every year

- ✓ You need to spend *less* than you earn – examine what you are spending and how this can be reduced.

REDUCE YOUR DEBT

- ✓ Make a list of all your debts and prioritise in order of highest to lowest interest rate
- ✓ Concentrate on paying the loans with the highest interest rate first

CREDIT CARDS

- ✓ Pay the balance in *full* each month
- ✓ Try using cash to get your spending under control and hide the credit card

MORTGAGE REPAYMENTS

- ✓ Have a Mortgage Health check, review your loan features not just interest rates
- ✓ Make extra repayments if you can – pay at least fortnightly – make your surplus cash work harder
- ✓ Reduce repayments by extending the term of your loan or, switch back to interest only repayments if your expenses are currently higher than your income

SHOP SMARTER – get those bargains

- ✓ Review your insurance cover – shop around! Ask for loyalty discounts.
- ✓ Grocery shopping – make time to shop weekly at the supermarkets to avoid local convenience store costs.

INVEST IN YOURSELF

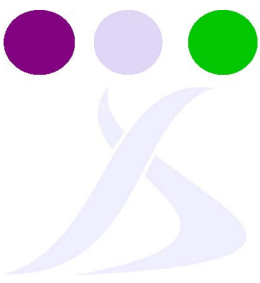
- ✓ Get paid what you are worth by improving your skills

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Credit Risks – by Dawn Meldrum

As many of you will know and experience, debtors can be a huge problem for many businesses. Also debtors often represents one of the largest assets of the business - yet it's often the asset most neglected. What are effective credit risk strategies? How do you ensure that you get paid in full and on time?

The following things need to be considered:

- Who really is your customer? ie: are you invoicing the correct entity name?
- Who are you dealing with?
- Who is responsible for payment of the account?

The first step is to get the full business name, ABN and ask what type of entity they are, for example a partnership.

Prepare and have your potential customer complete a credit application including, such information as Directors names or Principals of the business, correct business address and trade references, names of major suppliers. Remember to include clearly what your trading terms are. We suggest you have a professional prepare this document for you.

Once your customer has returned your credit application complete the required credit checks and trade references. You can also access free information from the ASIC website at www.asic.gov.au/searches/nationalnamesindex. Another useful website is www.abr.gov.au.

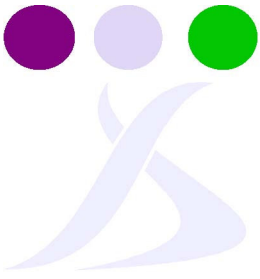
Once you have approved your customer for credit terms you must be diligent with the collection of outstanding monies. Follow-up, send account reminders and statements, make contact via the telephone. Review ongoing work; you may have to stop work until payment has been received. Work out a payment plan.

As part of our process at Stone Consulting we can review our client's business practices and make any recommendations on how we believe your business could perform better, usually in a financial capacity. Most clients are happy for any hints we can give them to improve their business and thus, their bottom line profit.

If you would like us to look at the efficiency and effectiveness of your business in relation to the collection of outstanding debtor amounts, we can offer this service. Many of you will agree that getting our customers and clients to pay their accounts can be a challenge at time. If you are having problems, Stone Consulting, in conjunction with Forbes Dowling (Legal Direct) would be happy to help - just email dawn@stoneconsulting.com.au and Dawn will forward an information sheet. Alternatively feel free to ring Donna direct on 0412 254 633 or 3206 0746, during business hours.

Debtors Aging - by Tracey Tolley

For everyone using Debtors in Myob you should be aware that you are able to customise the aging periods to suit your business needs. Here at Stone Consulting we invoice fortnightly and have previously had our aging periods set on 30, 60, and 90 days. This gave us an inaccurate report so we have now changed the settings to 14, 30 and 45 days. If however, you had 7 day accounts then you could set your preferences to 7, 14 and 21+... it makes an enormous difference. To change your settings all you need to do is go to Setup Preferences, Reports & Forms, and change the aging.



Checking your credit file – by Jill Woodruffe

'Identity Theft' is something we are hearing about more and more. It is one of Australia's fastest growing crimes. I have found a site where you can send away and find out about your credit file. There are a couple of options available to you – you can either pay a fee and receive your report within 2-3 days or you can apply for a free credit check and you will receive a report via email, post or fax within 10 days. This report will show you any loans or credit you have applied for in the last 7 years. It is a good way to ensure no-one else is applying for loans under your name. There is a summary box that will even show if any one has reported any overdue accounts, or any Court Judgements and Consumer Credit Applications and Credit enquiries that have been made. This is something I do every couple of years just to ensure nothing untoward is occurring. I have heard quite a few horror stories and this is one way of avoiding any problems. There are a couple of companies offering this service but I have only ever used a company called Veda Advantage - which used to be known as Baycorp Advantage. The website is www.mycreditfile.com.au. Have a look at it, there is quite a lot of information at hand and you can apply online for your Credit Report.

Group Certificates – by Amanda Chan

Year End is almost upon us and once again we are offering to run Group Certificates for all our clients. To make things run smoothly we will be checking files within the next few weeks to ensure that all employees have addresses and tax file numbers in their cards. We'll also be checking that anyone who has been terminated has a termination date in their card. We will also make sure that the ledgers balance and that data is correct. Shortly you may receive an email from us asking if you would like Group Certificates done and/or an email advising you of any employee information that needs to be added to your file; we will also need to know the date of your last pay for June. In order for us to complete everyone's Group Certificates on time we will need you to email your file to us as soon as the last pay for the year has been processed. As soon as the Group Certificates have been run off we will contact you to roll your payroll year, as this needs to be done before you can process any pays for July 2008. With enough preparation and planning, Group Certificates this year should go off without a hitch.

Introduction – by Jordan Brown

Hello, my name is Jordan. I've been working at Stone Consulting for about a month as an Office Junior. I'm in Grade 11 and I am studying a variety of subjects such as; modern history, ancient history, geography and health education. Some of my duties at Stone Consulting include updating wage summaries, filing and other general office duties. In the few weeks that I have been here I have learnt a lot of new ways to approach things, and how to do things in the most effective and time efficient way. I love problem solving and am always up for a challenge, which is something that Stone Consulting has been able to offer me. One thing that I have learnt in life is to seize any opportunity to learn new skills. Look out for my article next time.

Introduction – by Barbara Coleman

Hello everyone. My name is Barbara Coleman and I joined the Stone Consulting team in April 2008. My bookkeeping career using MYOB commenced in 1999. This was followed by working for a group of companies with entities in retail & wholesale sales & manufacturing, commercial and residential property investment and superannuation. I had my own bookkeeping service for businesses in a range of different industries. I also held a managerial position in the financial control field with a domestic & commercial cabinet making company. With two companies, I converted their accounting software to MYOB which was a real challenge running two systems simultaneously. Whilst attention to detail is my forte, I thoroughly enjoy all facets of bookkeeping and using MYOB. It is refreshing and a real pleasure to join such a friendly, supportive and professional team at Stone Consulting and I look forward to providing the equivalent to our clients.



Greening Your Workplace – Part 1 – by Barbara Coleman

You can reduce energy, save money and help the environment by buying and using 'green' office equipment.

By purchasing energy-efficient office equipment designed to work well with recycled paper and refilled toner cartridges; copying/printing double-sided whenever possible, setting up an effective paper recycling system and setting equipment to power save when you're not using it; over the seven-year life span of the equipment you may:

- Save up to 80% on your electricity bill.
- Halve your paper and toner bills.
- Reduce greenhouse gas emissions from electricity, paper and toner by 75%.
- Leave 50 trees in the ground which would otherwise have been chopped down to make paper.
- Involve your staff in doing something for the environment.
- Increase productivity through improved staff morale.
- Enhance your company's profits.

Some simple steps to reduce waste and energy are as follows:

Reuse and Recycle:

- Take your name off unnecessary or old mailing lists to reduce the amount of waste material.
- Install an easy-to-use recycling system in the office to help to reduce environmental impact.
- Re-use envelopes for internal circulation and buy reusable labels.
- Use old print copies for scrap paper. Cut down to half size and staple together to make mini notepads.
- Use an office notice board to circulate non-urgent information to staff.
- Use natural and recyclable products. Office paper can now be bought in 100 percent recycled styles.
- Purchase office goods that can be used more than once, such as refillable pens and highlighters.

General:

- Plants are decorative and help to absorb harmful gases.
- Use suppliers that have CO2 free supply chains or are completely CO2 free!
- Company car – purchase a petrol/electric hybrid – they are cheaper to run and environmentally friendly.
- Encourage car pooling for employees who live close together.

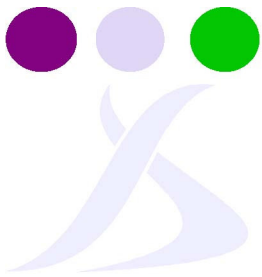
To be continued...

References: www.carbonplanet.com

<http://www.environment.gov.au:80/settlements/publications/government/purchasing/green-office-guide/>

Introduction – by Karina Thew

Hi, my name is Karina Thew and I am pleased to be one of the newer members of the Stone Consulting team. I have been working with MYOB for the past 8-9 years in Administration and Accounts positions and found it was getting boring; I needed to be challenged. Two months ago I was given the opportunity to be a part of the Stone Consulting team, where I have found the challenge I was looking for! I have learnt a lot and appreciate the level of professionalism that Stone Consulting offers its clients and staff. I'm looking forward to assisting you with your bookkeeping requirements.



Prepare Bank Deposit Window – Part 2 – by Julie Smith

Last issue we gave an example of payment going into Undeposited Funds account. This issue we show you how this will go to your account.

By using the Bank Deposit window you can now link these payments to your Cheque Account as you can see in example 1.2.

Example 1.2

| Deposit to Account: | 1-0115 | Cheque 123456* | Balance ⇄: | \$155.00 | |
|---------------------|--------------|------------------------|----------------|----------|---|
| Select Receipts by: | All Methods | ID #: | CR000166 | | |
| | | Date: | 13/05/2008 | | |
| Memo: | Bank Deposit | | | | |
| ID # | Date | Memo | Payment Method | Amount | <input checked="" type="checkbox"/> Deposit |
| ⇄ CR000160 | 13/05/2008 | Payment; Joe Smith | EFTPOS | \$16.67 | <input checked="" type="checkbox"/> |
| ⇄ CR000163 | 13/05/2008 | Payment; Joe Smith | MasterCard | \$22.00 | <input checked="" type="checkbox"/> |
| ⇄ CR000165 | 13/05/2008 | Payment; Gibbs Rhinnon | MasterCard | \$155.00 | <input checked="" type="checkbox"/> |

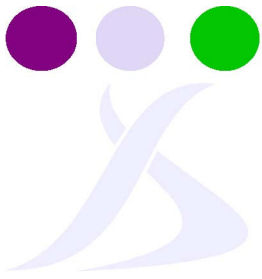
The bank deposit slip, report can be used for a bank deposit advice. This report is found in ‘Reports’, ‘Banking’, bank Deposit Slip.

You can now see in the example 1.3 below how it shows up in the bank reconciliation. If you have more than one payment by Mastercard for that day, it will group it together matching the deposit that goes to you bank account with your bank statement.

Example 1.3

| Account: | 1-0115 | Cheque 123456* | New Statement Balance: | \$0.00 |
|-------------------------------------|-------------------------------|----------------|-------------------------------|-------------|
| Last Reconciled Date: | | | Calculated Statement Balance: | \$0.00 |
| Bank Statement Date: | 30/05/2008 | | Out of Balance: | \$0.00 |
| <input checked="" type="checkbox"/> | Mark All Cleared Transactions | | Deposits | Withdrawals |
| ⇄ CR000166 | 13/05/2008 | Bank Deposit | \$177.00 | |

If you are interested to know more about this feature, please do not hesitate to give us a call. We would only be too happy to explain it in more detail. Thanks.



Public Holidays – by Lizzie Julian

Who gets paid for public holidays?

Any employee that would ordinarily be required to work on a day on which a public holiday falls is entitled to full pay for the time they would have worked on that day. This entitlement applies whether the employee works on the public holiday or not.

Casuals, school based apprentices or trainees and employees rostered off on the public holiday however do not get paid for a public holiday that they have **not** worked. In many awards and agreements employees who are rostered off on a public holiday must be given another paid day off in lieu; have another day added to their annual leave; or receive an additional day's wages.

What is the rate of pay for a public holiday worked?

An employee (other than a casual) who works on a public holiday is to be paid as follows:

If ordinarily required to work on that day - their ordinary pay for the day plus time and a half for a minimum of 4 hours.

If not ordinarily required to work that day - the rate of double time and a half for a minimum of 4 hours.

If the employee is a casual - the rate of double time and a half for a minimum of 4 hours (see Example 2 above)

If an employee works outside their ordinary working hours - double the rate stated in their award or agreement for such work

Public Holidays & MYOB:

Accruals on public holidays – all ordinary time earnings accumulate on public holidays for e.g. sick, annual & long service leave. If you require any assistance in setting up the 'Wage Category' 'Public Holidays' please contact us at Stone Consulting.

How to Break Bad News– by Jess Doherty

The need for managers and employers to break bad news can occur without any warning. Bad news can be associated with everyday work life for example, family crisis or problems, work life problems, etc. Whatever the situation may be, breaking bad news can be difficult, even distressing. Although nobody likes to be the carrier of bad news, the process can be handled effectively and empathetically, leaving the recipient appreciating your help and communicating to others your compassion and concern.

1. Prepare yourself
2. Select an appropriate medium - face-to-face may be the most suitable
3. Avoid delays
4. Plan the meeting
5. Consider involving one other person for support
6. Check for understanding - allow the person to ask questions
7. Accompany the person – if it involves an outside source, allow the person to contact someone
8. Communicate outcomes – keep others informed (memo, email, assembled group etc)
9. Stay in touch



How to say “No” – by Matt Tsimos

In difficult times, managers are often called on to exercise their powers of veto. Saying ‘yes’ is much easier, it’s certainly much easier than confrontation. But as a duty managers often have to say ‘no’- to the call for extra staff, or to new ideas and proposals from other staff; there is a right way to say ‘no’ to minimise the rejection or disappointment that may result.

1. Know when to say no:
 - to maintain integrity
 - to allow you to say yes
 - to provide breathing space
2. Be courteous in considering a request
3. Listen to the proposal
4. Do not procrastinate
5. Say no; then explain
6. Never argue
7. Don’t apologise
8. Offer a counter proposal
9. Follow up
10. And don’t forget... expect to say no several times a day. This is your right as a business operator and when it happens you shouldn’t feel too guilty.

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If you have any issues or questions that you would like answered in the upcoming newsletter; please email your question to Donna directly. If you would like to unsubscribe from our Quarterly newsletter please send an email to tracey@stoneconsulting.com.au and she will ensure you are removed from the list. Should you need any further assistance feel free to contact us:

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