



STONE CONSULTING

Newsletter

Summer 2006/07

Welcome to another edition of the Stone Consulting Newsletter. There are lots of very informative articles this quarter...happy reading! ☺

Release of MV16 by Donna Stone



As most of you will know the new version of MV16 (Premier 10) is out. There have been a few upgrades here, including:

- The ability to retain transactions for 7 years (but beware, your file is going to get HUGE if you do 7)
- The ability to combine cards ...see Amanda's article in this newsletter. Also you can combine accounts.
- Timesheets feature ... see Kate's article in this newsletter. Some of you will absolutely love this!
- Enhancements to Company File Auditor with a few things we just love.
- Substantial enhancements to Budgets.
- Audit trail featureset up different identities for your staff and track every change which is made!
- Inventory ... at last, you can sell an item you don't "have" through a new feature called "Receive Item".
- BASLink changes ... particularly to encompass the inclusion of the fuel tax credits in BASes now.
- Additional reports, particularly in payroll. One I welcome is "linked accounts".
- Payroll Liabilities Reconciliation facility ... but you have to enter things in a certain way or it won't work.
- YTD figures on payslips are now more accurate. You may have noticed if you printed a payslip for 3 weeks ago and then one for this week, the YTD (year to date) figures were exactly the same. Now, if you print a payslip for 3 weeks ago, the YTD figures are those of three weeks ago. About time!
- Recurring transactions can be copied to other cards.
- Changes to STS ... the major one being that your turnover now has to be under \$2million per annum, not \$1M. There are other criteria and certainly heaps of advantages, so again, speak to your Accountant or Tax Agent if you would like to know more about this.

Combining Cards by Amanda Chan

There is now a new feature in MYOB version 16 and Premier 10 which lets you combine cards. This is a good idea if you have two cards for someone like the ATO i.e. Australian Tax Office, Dept Commissioner of Tax, Tax Department. This feature will combine the two cards and the transactions within, leaving you with a primary card and deleting the second card. To do this go to Cards, Cards List and select and highlight the card you would like to be the primary card, down the bottom of the page click on the last button that says Combine Cards. A screen will come up where you can select which card you would like to be the secondary card which gets combined with the first card. Once you have selected the secondary card and you are sure that it's the correct card, click on Combine Cards but please make sure you double check the cards you're combining as there is **NO UNDO** button! If you make a mistake you will need to restore your last back up and enter in any changes you made to the file since the last backup.

Membership in Professional Body by Donna Stone

After completing my Advanced Diploma of Business (majoring in Accounting) in July, I successfully gained Associate Membership with NIA (National Institute of Accountants). Being a member of this professional body means I can access professional training and are able to complete BASes for clients, but they also require a standard from their members... the professionalism can only benefit clients.

• MYOB • PREMIER • BUSINESS BASICS • MICROSOFT WORD • EXCEL •

The articles contained are information only and do not constitute legal or accounting or financial advice – you should seek specific advice from a duly qualified specialist. We do not accept liability for any negligence or error on our part, in respect of the information contained herein.



Winner 2006 "Professional Services" Award

And speaking of professionalism... we are very pleased to advise that we won the 2006 Redland Chamber of Commerce Business Achievements Award for Professional Services. It was a great honour to be recognised. Below are a couple of photos from the night.



Customizing your Invoices & Forms by Jill Woodruffe

Coming into the New Year is a good time to review everything from procedures and systems right down to your Invoices and forms. If your Invoices and Statements or even your cheque remittances are looking a bit plain or even a bit drab why not let us vamp it up for you. We can do a lot of things to enhance your invoices from adding colour right up to adding your logo. Sometimes your Invoice is the first impression you make on your customers – if it is looking very plain and ordinary that may be the impression you are giving to your customers. Why not add some colour – redo your layout – add your logo so that when your customer receives your invoices not only will you make a good impression but come pay day they will remember your invoice and who knows you might be on top of the pile because it stands out and is easy for your customers to remember and find it in amongst all the other bills they may have to pay.

In the two examples below (and yes, they are just the top end and quite small) ... you'll have to agree that the one on the left with logo, colour and formatting looks much nicer than the one on the right with no customizing! Give us a call and we can tell you what is required for us to customize your forms – come on New Year, New Look! *Thanks, Jill.*

We'll keep your **M.Y.O.B.** rolling!

TAX INVOICE STONE CONSULTING

Stone Family Trust ABN: 23 700 560 936
 Phone: (07) 3206 0746 Fax: (07) 3206 0927
 Postal: 12 Traminer Court, Thornlands 4164

Invoice To:

Test Company
111 Smith Street
Smithville QLD 4000

Invoice #: Test1234
Date: 27/11/2006
Fax:

| DATE | DESCRIPTION | AMOUNT | |
|------------|--|----------|--|
| 15/11/2006 | Provision of MYOB Bookkeeping services | \$150.00 | |

Tax Invoice

Stone Family Trust
12 Traminer Court
Thornlands QLD 4164

ABN.23 700 560 936
A.C.N.

Bill To:

Test Company
111 Smith Street
Smithville QLD 4000

Invoice #: Test1234
Date: 27/11/2006
Page: 1

| DATE | DESCRIPTION | AMOUNT | CODE |
|------------|--|----------|------|
| 15/11/2006 | Provision of MYOB Bookkeeping services | \$136.36 | GST |

• MYOB • PREMIER • BUSINESS BASICS • MICROSOFT WORD • E XCEL •

The articles contained are information only and do not constitute legal or accounting or financial advice – you should seek specific advice from a duly qualified specialist. We do not accept liability for any negligence or error on our part, in respect of the information contained herein.



Christmas Parties & Gifts by Guest Writer Martin Ryland

This quarter's guest writer is Martin Ryland, Principal of Ryland Taxation Services at Manly. Martin and I know that you will very much find the following article information and of course timely. If you have any queries, Martin can be contacted on (07) 3893 0966.

If the Christmas ads haven't already informed you, Christmas is arriving soon. For most of us this is a time to spend with family and perhaps take some time off, but I am *sure* that most of you have been wondering about the tax treatment of Christmas parties. Rest assured, this article is to inform you and relieve you of at least one pre-Christmas stress.

There are two types of treatment for parties – they are either non-deductible and do not attract Fringe Benefits Tax (FBT), or they do attract fringe benefits tax and are deductible (which also allows you to claim back GST if you are registered). Which costs more? Speak to your accountant, but in a working example by the National Tax and Accountant's Association for a company, the cost for a party that attracted FBT cost 36% more than a non-deductible party.

If you have a Christmas party **at work** for employees and non-employees (ie clients and suppliers), all costs are non-deductible and do not attract FBT. If associates attend (eg family members), if the per-head cost for them is under \$100, the cost will also be non-deductible and FBT-free, but if the per-head cost is over \$100, it will attract FBT but be deductible.

However, if you go **off-site** for a Christmas party such as a restaurant, the treatment is the same, except this time employees and associates will both be subject to FBT (and the cost of the meal deductible) if the per-head cost is over \$100. Note that if an employee brings their associates and the cost per head for that employee plus their associate(s) goes over \$100, FBT will be charged and the cost will be non-deductible. For example, if the cost per head is \$40, John and his wife (total \$80) will not attract FBT and the cost will be non-deductible, but Jim and his two children (total \$120) will attract FBT and the cost will be deductible.

If you find that the party you plan will attract FBT, speak to your accountant about your costs and possible alternatives such as paying for the party from private funds.

Christmas Gifts

This is a topic with good news for all. Thanks to TD 94/55 and MT 2042, you can provide non-entertainment gifts to employees and associates and gain a full deduction for them and as long as the cost is below \$100, they will not attract FBT. You can even claim back the GST on the purchase. The gifts the ATO suggests are items such as Christmas hampers, a bottle of whisky, gift vouchers, perfume, pen set, etc. You can provide non-entertainment gifts to non-employees such as suppliers and claim a full deduction and no FBT for as much as you want.

However, entertainment gifts such as cinema tickets, sporting events and holiday accommodation are treated differently. You can claim a deduction for these if given to employees but you cannot claim the GST on these items and if the cost is below \$100, it will not attract FBT. Entertainment gifts to non-employees are FBT exempt and non-deductible.

If you provide money such as bonuses, they will be taxed as salary and wages as per normal, but note that bonuses are not subject to the 9% superannuation guarantee charge.

The warning here is that if gifts are provided in connection with a Christmas party, the cost is added to the per-head cost of the party and may exceed the \$100 threshold and attract FBT. For example, a per-head party cost of \$80 with a gift of \$35 will exceed the \$100 threshold and attract FBT. The ATO has suggested that gifts should be given at a different time to avoid liability (they have stated that hampers given two weeks before Christmas parties will not be added to the per-head cost of a party).

Note that Christmas time is not the only time you can provide gifts with this treatment – you can do it all year round as long as the gifts are provided on an infrequent and irregular basis from employer funds. It is perfectly legal for a taxpayer with a company that employs him/her to go out to the movies and have the company or trust pay for the trip and claim a deduction as long as the cost of the outing is below \$100. Just remember that it must be on an infrequent and irregular basis. Also note that for the \$100 thresholds listed above, from the 1st of April 2007 onwards the threshold goes up to \$300. **MR.**



Timesheets in MYOB 16 by Kate

One of the new features in MYOB 16 plus is the ability to generate your employee's timesheets. From this, you can also generate your invoices for the time an employee may have spent on a client. The first step is to go to Setup, Preferences, and in System, tick the last box "I use Timesheets for "Payroll" or "Time Billing and Payroll".

Using Timesheets for Payroll

Using timesheets for payroll basically means that you or your employee enters his/her hours into the Timesheet in MYOB, so when you go to process the pays, the hours he/she has worked will be already in the system, which will make payroll much easier! **NOTE: BEFORE YOU START A TIMESHEET FOR AN EMPLOYEE - Go into their Employee Card and down to Standard Pay. Make the amount 0.**

Go into Payroll, and Enter Timesheet. See the below timesheet. You will see him/her can enter all of their hours in, including any sick or holiday pay they may take.

| Payroll Category | Job | Notes | M 30 | T 31 | W 1 | T 2 | F 3 | S 4 | S 5 | Total Hours |
|------------------|-----|----------------------------|------|------|------|------|------|-----|-----|-------------|
| Base Hourly | | Normal Day | 8.00 | | 8.00 | | | | | 16.00 |
| Holiday Pay | | Annual Leave Day | | 8.00 | | | | | | 8.00 |
| Sick Pay | | Sick today | | | | 8.00 | | | | 8.00 |
| Base Hourly | | Normal Day plus overtime 1 | | | | | 8.00 | | | 8.00 |
| Overtime (1.5x) | | Overtime 1 hour | 0.00 | | | | 1.00 | | | 1.00 |
| Total Hours: | | | 8.00 | 8.00 | 8.00 | 8.00 | 9.00 | | | 41.00 |

The next step will be to pay him at the end of the week. This is the paycheque that was generated from the prior timesheet. You will notice that you will need to manually enter the Holiday Leave Loading for any holiday pay. Alternatively, you can instruct your employee to enter in his Holiday Leave Loading hours himself. This will be a real time saver for businesses with a number of employees.

| Work in Progress | Job | Billable | Bill | Adjustment | Left to Bill | Tax |
|--------------------------------------|-----|----------|----------|------------|--------------|---------|
| ⇒ 30/10/2006 Bookkeeping Honey, Keni | | \$90.00 | \$90.00 | | \$0.00 | \$9.00 |
| ⇒ 30/10/2006 Bookkeeping Honey, Keni | | \$80.00 | \$80.00 | | \$0.00 | \$8.00 |
| Totals: | | \$170.00 | \$170.00 | \$0.00 | \$0.00 | \$17.00 |

• MYOB • PREMIER • BUSINESS BASICS • MICROSOFT WORD • EXCEL •

The articles contained are information only and do not constitute legal or accounting or financial advice – you should seek specific advice from a duly qualified specialist. We do not accept liability for any negligence or error on our part, in respect of the information contained herein.



Timesheets – continued...

Using Timesheets for Payroll & Time Billing

Using timesheets for Payroll and Time Billing is great for employees who are using time billing for clients. This kills two birds with one stone by creating your invoices and paycheques at the same time.

Here is an example of a Time Billing Invoice. You will notice you can choose an activity to charge to a client, and this works if you wish to charge to more than once client in a day. You can have as many clients as you want in one day. You can also add a line that doesn't get charged out to a client, i.e. Holiday Pay.

MYOB Accounting - [Enter Timesheet]

File Edit Lists Command Centres Setup Reports Window Help

Employee ⇄: Test, Employee Week of 30 Oct - 5 Nov, 2006

| Payroll Category | Activity | Job | Customer | Notes | M 30 | T 31 | W 1 | T 2 | F 3 | S 4 | S 5 | Total Hours |
|------------------|-------------|-----|---------------|---------------|------|------|------|------|-----|-----|-----|-------------|
| Base Hourly | Bookkeeping | | Test 2 | Test activity | 8.00 | | | | | | | 8.00 |
| Base Hourly | Activity 3 | | TEST CUSTOMER | activity 3 | | 8.00 | | | | | | 8.00 |
| Overtime (1.5x) | Activity 3 | | Test 2 | | | 1.00 | | | | | | 1.00 |
| Holiday Pay | | | | | | | 8.00 | 0.00 | | | | 8.00 |

To pay your employee, use the same process as above. Then, to enter the sale with the hours generated from your Timesheets, go to Time Billing, Generate Time Billing Invoice. Click on the customer you wish to invoice, and in the below screen, click on all the hours you wish to bill. Click on prepare invoice. This will then prepare you invoice as per the hours worked by your employees in the Timesheets, and will also allow you to edit to add on or remove any other hours to be charged.

Payment Method: Cheque

Employee ⇄: Test, Employee Cheque No.: dd

Payee: [] Payment Date: 31/10/2006

Memo: Paycheque Pay Period Start: 30/10/2006

Pay Period Ending: 5/11/2006

Net Pay: \$1,322.50

| Payroll Category | Hours | Account | Amount | Job |
|------------------------|-------|---------------------------------|------------|-----|
| Base Hourly: | 24 | 6-0340 Staff - Wages & Salaries | \$1,080.00 | |
| Holiday Leave Loading: | 0 | 6-0340 Staff - Wages & Salaries | | |
| Holiday Pay: | 8 | 6-0340 Staff - Wages & Salaries | \$360.00 | |
| Overtime (1.5x): | 1 | 6-0340 Staff - Wages & Salaries | \$67.50 | |
| Overtime (2x): | 0 | 6-0340 Staff - Wages & Salaries | | |
| Sick Pay: | 8 | 6-0340 Staff - Wages & Salaries | \$360.00 | |
| Travel Allowance: | 0 | 6-0340 Staff - Wages & Salaries | | |
| PAYG Withholding: | | 2-1390 PAYG Liability | -\$545.00 | |
| ENTITLEMENTS | | | | |

• MYOB • PREMIER • BUSINESS BASICS • MICROSOFT WORD • EXCEL •

The articles contained are information only and do not constitute legal or accounting or financial advice – you should seek specific advice from a duly qualified specialist. We do not accept liability for any negligence or error on our part, in respect of the information contained herein.



Changes to Super by Donna Stone

There has been a huge amount of changes to superannuation, particularly for those contributing large amounts, reasonable benefit limits and those nearing taking of their retirement. How you do things would really impact in an extreme way – I would strongly suggest that if you have any queries, to see your Accountant or Financial Advisor and discuss your own situation. One particularly large change has been the limit of \$5K pa super (being fully deductible) has been lifted. The limits are now the same as if they were an employee.

Reminder re Sick Leave by Donna Stone

Just a reminder that Personal/Carer's Leave now replaces Sick Leave and is accrued at 10 days per annum (not 8 as most systems may have). This should be backdated to 27.3.06. If you need any help changing this in your MYOB file, or calculating the accrual, just contact Donna.

Welcome to Erica by Karyn Adams

We would like to give a 'BIG' warm welcome to Erica, our new Office Junior, who will be working here part time. Erica will have the joy of doing the filing and archiving, amongst other duties. Amanda is a great trainer so I'm sure she will find that things won't be too difficult. As a bit of the pressure has been taken off Jason, he is now taking on more of the roll as Administrator – but sorry Jason, you still don't get out of filing entirely! We are all looking forward to working with you Erica. *Karyn.*

Do you hate Debt Collecting? Or Worse, do NOT do it? By Donna Stone

We all put so much emphasis on getting the client and looking after the client, but for any business to survive, we have to get paid. Debt collecting is probably one of the chores that business owners hate the most. Also it can be quite difficult and often it's better to not have the person providing the service being the person who chases the money. The trick to debt collecting is to do it regularly and jump on delinquent accounts straight away. It's a statistical fact that the longer you let an account go overdue; the most likelihood there is of that account never being paid. If this is something which you need help with - Stone Consulting is happy to help you with this duty. We're not a debt collection agency; our approach is more in line as if you were making the call. We are always friendly and courteous to clients, but the critical thing is to be firm and get a commitment from a client as to when the account will be paid. I remember a client of mine once saying "Donna, I only pay you when you start screaming for it". Well, I started "screaming" a lot earlier; she is now a reliable and consistent payer. So, if you need some help, just call us. Remember of course, if we hit a brick wall, you may have to enlist the services of a Debt Collection Agency or your Solicitor, or you could try -

“**Legal Direct**” from **Forbes Dowling** which is essentially a pre-paid voucher system, entitling you to:

1. A pro forma Letter of Demand;
2. Immediate legal action;
3. Windup notice (statutory demand); or
4. Legal consultation of up to 15 minutes.



Each voucher can be redeemed by completing details of the customer, the debtor or other person they wish to have a legal letter of demand sent to or other legal action taken against. If other legal action is required, or a legal consultation with a solicitor, the coupon is redeemed in the same manner as a letter of demand.

Legal Direct is cost effective and easy to use. The pre-paid vouchers allow customers to effectively *have their own law firm in their top draw*, ready when they need help with any form of legal action or advice, but without the significant cost overheads and uncertainties that sometimes arise when legal help is needed. The service offered is prompt with a 24-hour turnaround on the demand letters and legal consultations.

Vouchers start from \$300.00 plus GST for 10 and are valid for 5 years. If you're interested in further information just ring them direct on (07) 3023 2300 or email Donna and we'll forward you some info.

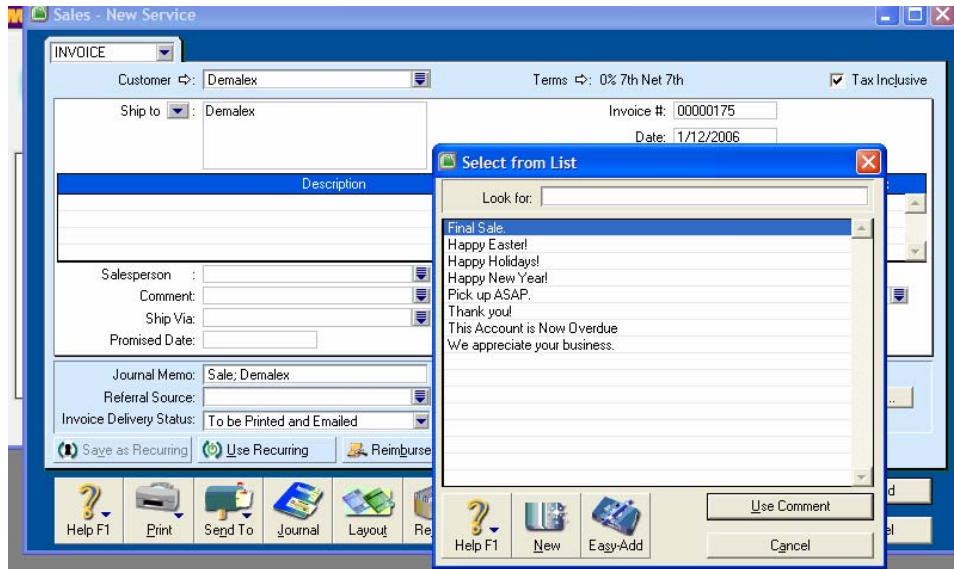
● MYOB ● PREMIER ● BUSINESS BASICS ● MICROSOFT WORD ● E XCEL ●

The articles contained are information only and do not constitute legal or accounting or financial advice – you should seek specific advice from a duly qualified specialist. We do not accept liability for any negligence or error on our part, in respect of the information contained herein.

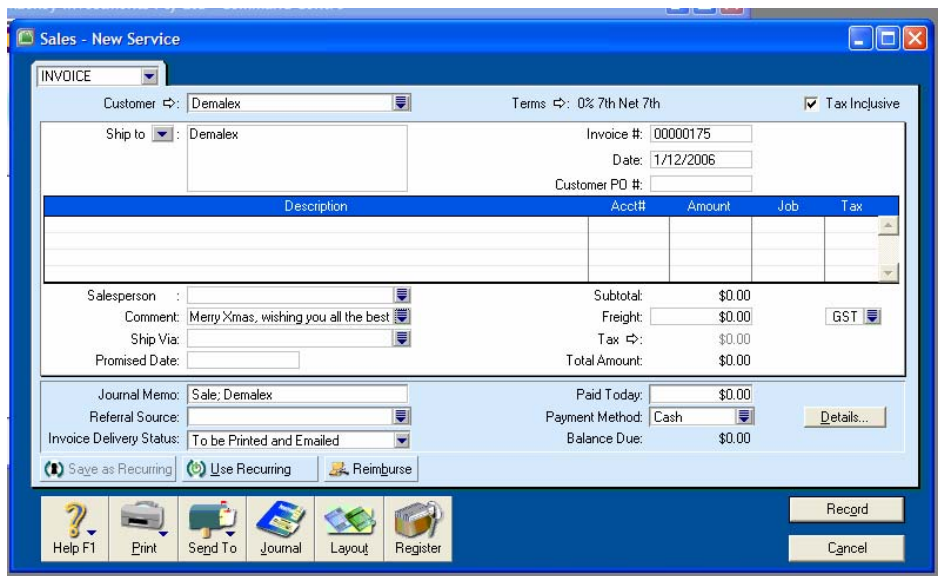


Customising Messages in Invoices by Noreen Kummerfeld

It is coming to that time of year again, and what better way to let your customers know that you are thinking about them than to add a comment to your invoices. You can add any comment you like or you can use one of the number of default comments available.



To add a comment click on the down arrow next to Comments, and it will bring up a number of comments, you can use one of these or simple click on NEW and add your own, as I have done below....



Now just because Christmas is coming up it does not mean that this is the only time you should use your comments. You can add comments to your invoices any time, for birthdays, and even just any time of the year is a nice time to say that you are thinking about your customers.

• MYOB • PREMIER • BUSINESS BASICS • MICROSOFT WORD • EXCEL •

The articles contained are information only and do not constitute legal or accounting or financial advice – you should seek specific advice from a duly qualified specialist. We do not accept liability for any negligence or error on our part, in respect of the information contained herein.



Business Showcase - Introducing... B Fabulous B Fit

Eeeeeeeek..... My Swimmers Have Shrunk!!!! Yes it's that time of year again when we suddenly look down at our slightly rounder and softer body and 'Oh my Goodness' (among other profanities) is the statement that generally comes to mind.

**B Fabulous
Fit**

We then have two choices. One is to accept the fact there is more of you than there used to be (and don't look as good in your swimmers), your second choice is to wake up and look for a solution to lose the blubber, tone up and have a seriously sexy summer.

If option 1 is your choice you really need to have a think about your health. Any doctor will tell you excess weight is dangerous, incredibly unhealthy and will cause serious health issues. If you chose option 2, Good On You! Let B Fabulous B Fit Mobile Personal Training help you to live a life you love with more passion, vitality and energy.

B Fabulous B Fit works with you to achieve your own specific goals whether it is weight loss, fitness or rehabilitation. The best part is we come to you so you don't have to take excessive time out of your busy schedule.

If groups are more your thing we also have a class on Saturday mornings at the Raby Bay Harbour Park, it starts at 7.30am to beat the heat. Call Odette on **0412 912 270** and get started TODAY because tomorrow never comes!

Christmas...

Our office will be closed from noon 22.12.06 to 8am on 2.1.07.

We wish you all a wonderful and safe Christmas and hope you have a very prosperous 2007.

If you have any issues or questions which you would like us to answer in upcoming newsletters, please email your question/s to Donna directly. Should you need any assistance with this; or any of the above matters – feel free to contact us on ...

Ph: (07)3206 0746

Fax: (07) 3206 0927

Mob: 0412 254 633 - Donna

Email: donna@stoneconsulting.com.au

amanda@stoneconsulting.com.au

karyn@stoneconsulting.com.au

jason@stoneconsulting.com.au

kate@stoneconsulting.com.au

noreen@stoneconsulting.com.au

jill@stoneconsulting.com.au

erica@stoneconsulting.com.au

Happy Myobing from Donna and the Team!

Cheers

Stone Consulting - We'll keep your MYOB rolling
and relieve you from the cost, time and stress of your bookkeeping!

• MYOB • PREMIER • BUSINESS BASICS • MICROSOFT WORD • EXCEL •

The articles contained are information only and do not constitute legal or accounting or financial advice – you should seek specific advice from a duly qualified specialist. We do not accept liability for any negligence or error on our part, in respect of the information contained herein.