



### Special points of interest:

- **Plan your stocktake now!**  
Being organized will make the task as painless as possible.
- **Look into Reportable Superannuation changes for 1 July 2009 and upgrade MYOB if you need to.**
- **Check all employee details are entered ready for printing Payment Summaries**
- **Check whether wage increases will apply from 1 October 2009**

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## Changes To Payroll

### Fair Work Bill—Changes to Awards

All of the existing state and federal awards will be replaced with new awards relevant from 1 January 2010. Some of these new awards are already available for download.

If you are employing new staff or budgeting into 2010 it might be a good idea to read through your new award to find out if there will be any increases in wage costs. Some awards have new penalties for casual staff and impose overtime for part-time staff if they exceed their normal contracted hours (eg: employee is contracted to work 25 hours per week but works an extra day - 7.6 hours - to cover for another sick employee. Overtime will be required to be paid on the 7.6 hours.)

### Unfair Dismissal Laws - 1 July 09

Under the new laws, businesses that employ less than 15 full-time equivalent staff will have 12 months to assess the suitability of the employee. However businesses with more than 15 employees will be subject to a 6 month qualifying period. Employees can be dismissed during that time but employers must comply with the Fair Dismissal Code. Make sure you keep valid and documented reasons for termination.

### Reportable Employer Superannuation Contributions

From 1 July 2009 Salary Sacrifice and other elective superannuation contributions may need to be reported on employee Payment Summaries. If this pending law is passed you will need to upgrade your MYOB file with the MYOB June compliance update/upgrade prior to processing the first payroll in July. Please check that your Add-on solutions will be compliant with the upgrade prior to loading it, some changes will be required to the ODBC format.

## Cash Flow Worksheet

To use the **Cash Flow Analysis** report:

- Go to the **Reports** menu, choose **Index to Reports** and click the **Banking** tab.
- Highlight the **Cash Flow Analysis** report then click **Customise**.
- Enter your **Cheque Account** and the **Days To Look Ahead**.
- Click **Analyse Cash Needs**.

Once the cash analysis is displayed, the transactions used for the analysis can be viewed by clicking **Return to Worksheet**.

The **Cash Flow Analysis** report can also be accessed from the **Banking** command centre by clicking **Analysis** located at the bottom of the command centre.

### What transactions are included in the Cash Flow Analysis?

The **Cash Flow Analysis** includes cash transactions that are expected to be paid or received within the **Days To Look Ahead** period.

The transaction types include **Recurring transactions** which:

- Have a **Frequency** set apart from **Never**.
- Fall due within the **Days To Look Ahead** period.
- Are currently overdue.

In addition to this, the **Frequency** of Recurring transactions may increase the number of times a transaction is included in the analysis. For example: A Recurring transaction with a **Weekly Frequency** will be included four times in the analysis if the **Days To Look Ahead** is set to 30 days.

The Recurring transaction types included in the report are:

- **Spend Money** and **Receive Money**.
- **Pay Employee** pay cheques.
- **Record Journal Entry** (formerly General Journals).
- **Bills** and **Invoices** that fall due within the **Days To Look Ahead** period, and those that are currently overdue.
- Recurring **Bills** and **Invoices** that are yet to be recorded, and who's payments are due within the **Days To Look Ahead** period, are not included in the analysis.

**Please note:** The cash flow for **Sales, Purchases** and **Payroll** will only be reported if the **Cash Flow Analysis** report is filtered for their respective linked cheque accounts. To determine the linked cheque accounts: Continued page 3

## Reconciling

### Tip 1

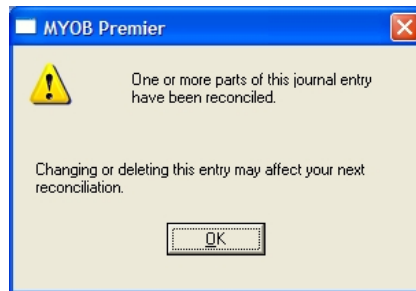
If you have made changes to the transactions while reconciling, it is sometimes necessary to close and re-enter the Reconcile Accounts window to update the Calculated Statement Balance.

## Reconciled Transactions

Reconciled transactions are treated as finalised and therefore changing or deleting them will affect your bank reconciliation. However, understanding how reconciled transactions are treated in MYOB will help you make any changes that may be needed.

Each MYOB transaction record includes a Reconciled Date field. When a transaction is reconciled, MYOB inserts the **Bank Statement Date** as entered in the **Reconcile Accounts** window in this field. MYOB then uses this field to determine the reconciliation status of a transaction.

### An alert is displayed when opening a reconciled transaction.



Ignoring this alert and changing or deleting the transaction can affect your bank reconciliation.

### How does changing or deleting a reconciled transaction affect the bank reconciliation?

Referring to the **Reconcile Accounts** window, the **Calculated Statement Balance** represents the total value of ALL deposit and withdrawal transactions which have a date in their Reconciled Date field. Changing a reconciled transaction's **Amount**, or deleting a reconciled transaction, will affect this total and the account will no longer reconcile.

### What changes can be made to reconciled transactions that won't affect the reconciliation?

Information such as a Memo or allocation account can be changed. However, changing the **Amount** of the transaction or the **bank account** nominated in the top-left of the transaction window will affect the reconciliation.

For example: A reconciled **Spend Money** payment is opened and the **Acc #** (allocation account) is changed. Because the **Amount** wasn't altered, your reconciliation won't be affected. However, changing the **Acc#** AND the **Amount** would affect your reconciliation.

**Please note:** Many fields of recorded **Pay Bills** and **Receive Payments** are locked and cannot be changed. Deleting or reversing these transactions is the only option if they have been entered incorrectly.

### Sometimes a reconciled transaction needs to be deleted.

Reconciled transactions **CAN** be deleted using the normal transaction deletion process. However, for the account to reconcile again, the deleted transaction **MUST** be replaced with a reconciled transaction of the same value.

### Check the last reconciliation balance is still correct.

Open the Reconcile Accounts window. Select the correct account, enter the previous closing balance and the previously reconciled date. Remove all ticks from the reconciliation screen. The Out of Balance figure should be zero if earlier reconciliations are still intact.

### The opening balance for the current reconciliation is wrong—what do I do?

The fastest way to determine what has caused the issue with the opening balance of a reconciliation is to compare previously printed reconciliation reports with the current reports.

1. Find the reconciliation reports printed when the account was reconciled.
2. Go to Reports > Banking
3. Customise the Reconciliation Report for the relevant account
4. Select by List of Recorded Statement Dates and choose the latest recorded date.
5. Display or print the report
6. Compare the report to the original version and find out what is different.
7. If the reports match exactly repeat the process for the previous reconciliation until you find the problem.
8. When you have found the problem you will need to develop a strategy to fix it.

## Key Aspects For Business Success

In most cases, business success will not occur unless the small/medium enterprise operator has undertaken some detailed planning and introduced systems which enable:

**Financial analysis** on a regular basis so that the business' performance can be compared against budgets and benchmarked against industry standards.

**The analysis of resources** to enable the assessment of the capabilities of the business and determination of improvement required.

**Market place review** to ensure that the business has recognised the opportunities and is also aware of threats in the market place.

**Development priorities** - this is where you list what you're going to achieve over the next three, six or twelve months as part of a business plan.

One of the key ways of developing a business plan is by conducting isolation planning meetings every six months, then re-analyse.

## Business Performance Tip 1

It is easy to get distracted and suddenly find that margins are squeezed and sales are falling. Your profit & loss statements and balance sheets are not just for year end. Keeping an eye on these reports can mean the difference between success and failure.

## Financing Your Business

Start-up and growing businesses need capital, there are many ways to finance your business:

- Bank Overdraft
- Mortgage Loan
- Hire Purchase
- Leasing Finance
- Bridging Finance
- Venture Capital
- Factoring



It is important to find the type of finance that suits your business. Some things you should consider are:-

- Why your business needs additional funds?
- How much capital does your business need?
- What stage of growth is your business in?
- What is the financial situation of your business?
- What impact would the finance provider have

For some businesses, a traditional bank loan might be the best form of finance. For others, attracting an equity investor might be better. Use a trusted financial advisor to help you determine the financing arrangements that will best meet your businesses needs.

## Cash Flow Worksheet continued from page 1.

- **Sales** - Go to the **Setup** menu, choose **Linked Accounts**, click **Sales Accounts** and you will see the **Cheque Account For Customer Receipts** field.
- **Purchases** - Go to the **Setup** menu, choose **Linked Accounts**, click **Purchases Accounts** and you will see the **Cheque Account For Paying Bills** field.
- **Payroll** - Go to the Setup menu, choose **Linked Accounts**, click **Payroll Accounts** and you will see the **Payroll Cheque Account** field.

### Can transactions be added, edited or removed from the report?

When viewing the **Cash Flow Worksheet**, transactions can be added or edited but they can't be removed. However, editing a transaction so the amount is zero will effectively remove it from the report.

Alternatively, exit the report and delete the transaction. For example: An invoice was duplicated and needs to be removed from the report. Exit the report and delete the invoice.

The same principal also applies for Recurring transactions. They can be edited so their amount is zero. Or, exit the report and delete or correct the Recurring transaction template.

### Adding transactions

Scroll down to the bottom of the **Cash Flow Worksheet**. Notice that the last line is blank. Enter the transaction details in the blank line and then press the <tab> key on your key board. You can then continue to enter additional transactions or click **Analyse Cash Needs** to view the change.

**Remember the Cash Flow Worksheet is only for a specific account.**



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## 5 Reasons Why You Need A Business Plan

### 1. To Map the Future

A business plan is not just required to secure funding at the start-up phase, but is a vital aid to help you manage your business more effectively. By committing your thoughts to paper, you can understand your business better and also chart specific courses of action that need to be taken to improve your business. A plan can detail alternative future scenarios and set specific objectives and goals along with the resources required to achieve these goals.

By understanding your business and the market a little better and planning how best to operate within this environment, you will be well placed to ensure your long-term success.

### 2. To Support Growth and Secure Funding

Most businesses face investment decisions during the course of their lifetime. Often, these opportunities cannot be funded by free cash flows alone, and the business must seek external funding. However, despite the fact that the market for funding is highly competitive, all prospective lenders will require access to the company's recent Income Statements/Profit and Loss Statements, along with an up-to-date business plan. In essence the former helps investors understand the past, whereas the business plan helps give them a window on the future.

### 3. To Develop and Communicate a Course of Action

A business plan helps a company assess future opportunities and commit to a particular course of action. By committing the plan to paper, all other options are effectively marginalized and the company is aligned to focus on key activities. The plan can assign milestones to specific individuals and ultimately help management to monitor progress. Once written, a plan can be disseminated quickly and will also prompt further questions and feedback by the readers helping to ensure a more collaborative plan is produced.

### 4. To Help Manage Cash flow

Careful management of cash flow is a fundamental requirement for all businesses. The reason is quite simple--many businesses fail, not because they are unprofitable, but because they ultimately become insolvent (i.e., are unable to pay their debts as they fall due). While the break-even point--where total revenue equals total costs--is a highly important figure for start-ups, once a business is up and running profitably, it becomes less important.

### 5. To Support a Strategic Exit

Finally, at some point, the owners of the firm will decide it is time to exit. Considering the likely exit strategy in advance can help inform and direct present day decisions. The aim is to liquidate the investment, so the owner/current investors have the option of cashing out when they want.