

Here's Numble's list of routine steps to plan for a happy EOFY

1. Bring your accounts up to date

- Enter all bills dated up to 30th June
- Enter all expense claims
- Raise (and send) all client invoices for the current financial year
- Reconcile your Payroll, Wages, PAYGW, GST, Super,
- Update your stock levels and orders; complete a stocktake, write-off obsolete and damaged stock

2. Reconcile bank accounts and credit cards

- Reconcile your bank and credit card accounts to 30 June
- Clear any errors, or unreconciled figures
- Check that the balances in your accounting system equal the balances on your actual bank statements as at 30 June
- Reconcile loan, investment and inter-company accounts

3. Review Projects

- Make sure all invoicing has been done for completed projects
- Ensure all completed projects have been closed
- Review Project reports, status and profitability

4. Review Aged Payables

- Check to make sure that all outstanding Payables as at 30th June are correct:
- Consider your financial position:
 - Do you want to defer, or prepay some supplier bills?
- Review your Aged Creditors report, look for anomalies and inconsistencies
- Ask your suppliers to provide statements so you can check your balances against their statements
- Clear duplicates and cancelled orders
- Make sure bills were not also recorded as spend money
- Make sure that there are no missing bills

5. Review Aged Receivables

- Check to make sure that all outstanding Debtors as at 30th June are correct:
- Consider your financial position

Do you want to defer, or bring forward any client invoicing?

Ensure your Client invoices are sent out on or before 30th June

Review your Aged Debtors report, look for anomalies, inconsistencies or very old unpaid invoices

Follow up outstanding invoices with clients, reminder emails and phone calls

Identify doubtful and bad debts – write off any bad debts

6. Staff & Payroll

Close off payroll year

Make sure all pay runs are processed and wages paid on/before 30th June

Reconcile payroll reports; PAYGW, Super, Net, allowances etc, against P&L and Balance Sheet accounts

Prepay Super (if appropriate) before 30th June

Consider bonus payments, dividends, Super salary sacrifice etc and make sure they are paid before 30th June

Are my payroll liabilities and lodgements up to date?

If not, what steps have I taken to address these issues to keep my business compliant

Prepare for STP finalisation

Changes in Super Contribution Guarantee (SCG) rates

Are there any SCG rate changes for the following FY?

If so, will my payroll software automatically make the change, or do I need to do this manually?

7. Complete Stock take

Prepare for your stocktake and undertake on (as close to) 30th June

A comprehensive stock take will reveal missing or obsolete stock that need to be written off

Make adjustments to reflect the accurate stock valuation on your P&L as at 30 June

8. Review your Financial Reports

Profit and Loss

Review your revenue for the year

Calculate your COS as a % of Revenue

Determine Gross and Net profit margin

how do my sales, COS and expenses compare to last FY?

how do my sales, COS and expenses compare to the last 3 FY's?

What are the trends – positive and negative?

Is it time for me to review and renegotiate any contracts; materials/goods, phone, rent, utilities etc?

Am I happy with my business performance and profitability?

What steps can I make to improve my processes?

Are all my expenses necessary for the efficient running of my business?

Am I paying for goods or services that I no longer need?

Are there ways I can improve efficiencies (software options, digitisation, online banking, bank feeds, automated debt collection etc)?

Are there any specific categories of expenditure that are higher than they should be?

Balance Sheet

Review your cash position

Do I have sufficient funds to meet my upcoming obligations?

Review your loans and investments

Are there ways to reduce loan costs, or increase investment returns?

Review your Assets

Did you sell any assets during the year? If so, have the asset/s been properly disposed of and cleared?

Are there any assets listed on the Balance Sheet that should not be there?

Are the values of assets listed current eg stock, cryptocurrency, bonds, investments current?

Review your liabilities

Are there any loans that can be repaid/cleared?

Are my ATO and payroll liabilities up to date?

Are there any liabilities listed on the Balance Sheet that should not be there?

Profit Margins

Are my profit margins healthy?

Do I need to review my Pricing?

Can I reduce my expenses, or re-negotiate any supplier contracts?

Budget

Review your current FY budget

How did your business perform Budget vs Actuals?

Where did you succeed or exceed, why?

Where did you fail, why?

Prepare your budget for the following FY, based on the results and learning from your current year performance

Cash Flow

Review your cash flow

Identify the cash flow challenges, are there patterns in the flow, specific times that money is tight

Are there surplus funds that can be invested to provide additional revenue?

9. Review Government and Tax Saving Incentives

What Government incentives have applied during the Financial Year eg CashBoost, JobKeeper, JobMaker, JobSaver

Consider what payments have been received and what are the tax implications

What grants does my business qualify for eg R&D, Covid, Flood, Bushfire

Are there specific reporting requirements that apply?

Has the business met the grant requirements?

Have the grant applications been submitted and approved?

What Government initiatives apply to the business eg Instant asset write-offs, Small business Skills and Training boost, Technology Investment boost

Do we need to identify and report on specific costs to substantiate any incentives?

10. Clients

Review your client list

Using the 80/20 rule, determine which clients take up 80% of your time and energy but only produce 20% of your revenue.

Which clients are unprofitable and time-consuming? Plan how you can replace them with more profitable customers

Create an Ideal customer profile and how you can attract them to your business

Set yourself a new business target for the coming 12 months. Make sure you monitor your progress and measure your success

Am I missing any marketing opportunities?

What are my competitors doing?

11.Products

Review your services/product list

Determine which products and services are the most popular and profitable

Are there products or services that should be discontinued?

Are there products or services that can be improved, or replaced?

Are there new products or services that my customers need, that I can offer?

What are my competitors offering that make them a more attractive option?

Review Notes