



AWESOME LANDSCAPES

Policy and Procedure Manual

[Extract]

1. Company Information

- Business Name - Tim Robbins trading as Awesome Landscapes
- Tim Robbins operates as a sole trader
- The business has an Australian business number ABN 18 764 938 062 and is registered for GST
- GST is reported quarterly on a cash basis and with payroll reported monthly
- Tim Robbins employs two landscapers
- Pay-as-you-go instalments are paid quarterly throughout the year.
- Tax Codes used by Awesome Landscapes
 - CAP - Capital Acquisitions
 - GST - Goods & Services Tax
 - FRE - GST Free
 - ITS - Input Taxed Sales
 - INP - Input Taxed
 - N-T - Not Reportable
 - VWH - Voluntary Withholdings
 - ABN - No ABN Withholding

2. Accounting System

Awesome Landscapes keeps its accounts on a cash basis using MYOB Business, accounting software. All source documents must be checked for validity.

3. General Ledger

A chart of accounts has been drawn up in consultation with the accountants, Ace Finance.

Accounts are not to be added to, edited or deleted unless there is no other account which can be used. If accounts are added, care must be taken so that the new accounts are at the correct level so that financial reports print correctly.

4. Electronic Filing

Copies of all reports printed, and documents created are stored electronically in a file named 'Awesome Landscapes'. The file name is to be by the file naming protocol "FNSTPB401_Student Name_description of the report/document]."

For example: FNSTPB401_Student Student_Awesome Landscapes policy and procedure manual.

5. Fixed Assets Register

Tim Robbins, the owner, will be responsible for the purchase of assets. [Registration and CTP are recorded as expenses.] A file is kept for each asset purchased. This file should include the tax invoice, warranties, loan arrangements and any other documentation regarding the acquisition. When sold, sales documentation should be added to the file.

The business is not taking advantage of the small business income tax concessions on depreciation rules.

6. Errors and Discrepancies

The books of the business must be accurate and correct. Andrew Black, the accountant, is in charge of reviewing any discrepancies found. Appropriate notes must be kept in the data file against each transaction that will assist with the understanding of the entry should it need to be reviewed. Where necessary, entries should not be deleted or reversed [e.g. dishonoured cheque]. The entry in your data file should be adjusted as needed with explanations of changes made recorded in the transaction. If an incorrect tax code has been used in a previous BAS, a journal entry is recorded in the current period to correct the error.

7. GST, BAS and IAS reporting

Lodging BAS and IAS

All activity statements must be lodged on time.

Even if you can't pay by the due date, you still need to lodge your BAS and IAS on time. This will give Awesome Landscapes certainty of their position with the ATO and shows we are aware of our tax obligations.

Awesome Landscapes BAS and IAS must be lodged through online services for individuals and sole traders [accessed through myGov].

Filing BAS and IAS documents

Copies of the following reports are kept for our records and filed as per the electronic filing protocol.

- IAS as lodged
- BAS as lodged

- Lodgement authorisations
- BAS Audit Reports

Authorising IAS and BAS reporting

Sign off and authorisation for lodgement must be accomplished at least seven [7] days before the due date of the reporting period.

8. End of Month Reconciliation

- **Bank Reconciliation**
 - At the end of the month all bank accounts are reconciled to ensure the MYOB Essentials bank records match the records kept by your bank.
- **Accounts Receivable Reconciliation**
 - At the end of the month, a receivables reconciliation report is printed and checked for accuracy.
- **Accounts Payable Reconciliation**
 - At the end of the month, a payables reconciliation report is printed and checked for accuracy.
- **GST Reconciliation**

The business accounts for GST on a cash basis. The following reports should be printed at the time of preparing the business activity statement:

 - GST Report - Cash for the current period
 - Profit and Loss statement for the current period
 - Balance sheet for the current period
 - GST return for the current period

The GST balance in the balance sheet should equal the amount of GST Collected to be reported on the BAS.