

EOFY Xero Tips: How to Thrive, Not Just Survive

End of financial year (EOFY) is a busy time for everyone, and if you're in charge of managing the books for a business then there's a lot that need to be done in a relatively short space of time. We've compiled the following tips & tricks that will help you not only survive the EOFY craziness, but set you up to thrive!

1. Set Aside a Weekend!

This year we are 'blessed' that June 30 falls on a Friday, because it means we can get as much done on Saturday the 1st & Sunday the 2nd of July! If you're like us then you're already at full capacity from your Monday to Friday and you'll struggle to find the time to complete a bunch of group certificates. Put your one weekend of the year aside and just get it done!

2. Follow Xero's EOFY Guide

Follow the [EOFY Guide provided by Xero](#) to make producing & distributing your group certificates a breeze, as well as lodging electronically with the ATO.

Useful Resources:

<https://help.xero.com/au/PayrollEOFY>

3. Know your State Payroll Tax Responsibilities

For your state based payroll taxes such as Return to Work SA and Payroll Tax:

- Have a strong understanding of the pay items that do and do not need to be included as earnings for each tax. If your pay items haven't been structure so that you can easily identify the different pay items then EOFY is the perfect time to fix this so you're ready for the 2018 FY.

Useful Resources:

https://www.revenuesa.sa.gov.au/taxes-and-duties/payroll-tax/guides-to-legislation/G2L_PRT_2016-17.pdf

<https://www.rtwsa.com/media/documents/Remuneration-guide-July-2016.docx>

- These taxes are both based on earnings relating to employees (and contractors) based on their state of employment (in this case we're talking South Australia). If you are managing a business that has employees located in multiple states you can report on a state by state basis by using the Employee Groups function in Xero. If you haven't had this setup for the 2017 FY then you'll either need to do it manually, or setup the groups, allocate to each employee & then revert to draft & re-post every pay run for the financial year.

Useful Resources:

https://help.xero.com/au/Settings_Tracking

4. Collate FY Compliance Documents

You know the accountant is going to ask you for bank statements as at 30 June, EOFY reconciliations for Return to WorkSA (Workcover) & Payroll Tax, copies of group certificates, new finance documents, etc. Create a folder in the Xero Files called “2017 FY Compliance Documents” and upload everything they’ll need.

5. Perform a GST Reconciliation

There’s a report under the tax reports called “GST Reconciliation”; use it to make sure your GST for the financial year reconciles before you lodge the June BAS. Remember there may have been GST adjustments from the prior year accounted for this year – take these into account.

6. Reconcile your PAYGW from your Payroll to your BAS’s

It’s easy to make a transcription error throughout the financial year (unless you’re lodging via Practice Manager like us!), but there’s no excuse for not fixing it before you lodge the June BAS.

7. Review File Errors

Review the file for errors and then know how to fix them quickly using the find & re-code function. This is one of our favourite features in Xero because it makes what was once a very time consuming task extremely easy. Everyone makes mistakes; knowing how to fix them with minimal work is the key.

Useful Resources:

<https://help.xero.com/au/Recode>

<https://www.xero.com/blog/2015/04/find-and-recode-for-bookkeepers/>

<https://tv.xero.com/detail/videos/featured/video/5127833321001>

8. Make sure your Bank Accounts and your Loans Reconcile

It should go without saying but if your bank accounts and inter-entity loan accounts (if you have them) don’t reconcile, then it’s going to cause issues for the accountant and in turn yourself when the EOFY compliance work needs to be compiled.

9. Review your Rates of Pay

At the end of every financial year industry awards are updated. If you're a business that's paying award wages it's imperative that you pay your staff the correct rate. [The Fair Work website](#) is the place to start to find an updated copy of your award.

If you're having difficulty paying your staff correctly then EOFY is the perfect time to consider a payroll add-on like [Deputy](#) or [Tanda](#); both will help you ensure staff are paid at the correct rate.

Useful Resources:

<https://www.fairwork.gov.au/awards-and-agreements/awards/find-my-award/>

10. Ask the Accountant to bring your Xero file(s) into line with the Annual Accounts for each Entity.

Xero was designed around the idea of a "single ledger" but a lot of accountants aren't quite on board yet. This will help you provide more accurate, meaningful reports throughout the financial year especially in relation to your balance sheet. If your accountant needs help with this then Xero will be all too happy to help; they can reach out to their Partner Manager for assistance.

Useful Resource:

<https://tv.xero.com/detail/videos/featured/video/5278913854001>

BONUS: Free Xero Audit for Adelaide businesses until June 30

How would you like one of our qualified accountants to identify errors in your Xero data and uncover potential improvements to managing your file? We find that most businesses are not even close to using Xero to its full capability!

Book in for your Free 15 minute strategy phone call here: <http://www.meetme.so/ProAMS>

Space is limited. We can only do so many audits each week so reserve your spot now. We look forward to meeting you!

ProAMS is a Xero Silver Partner and have been a Xero Certified Advisor since 2013.

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