



Helpful Tips for Small Business Admin

1. **Bank Accounts** - you should separate your business and personal spending. This means a separate business account in your limited company name or for sole traders a separate business account in your personal name. Use this business account ONLY for business. Doing this is essential. Do it from the time you start buying things for your business.
2. **Tax Account**- get a second account for tax. Put 15% of sales aside for your GST. Put 20% of any drawings aside. Consider putting some savings aside. This is a very basic setup. The actual financial pattern should be examined to determine a structure of money transfer as your business takes shape.
3. **Xero**- get Xero started and setup with the end goal in mind. If on Xero already check it aligns to your needs, via cods, reports and templates.
4. **Accounting Year End**- you should not have questions from your accountant at year-end. Get your bookkeeping organized enough to prevent this. You are then optimized for quick financial compliance. Use the money saved in your accounting bill for advisory from your accountant so you can save tax and maximize profit or savings for growth or to improve salaries.
5. **Bookkeeping**- do it yourself with training or outsource. You keep the invoicing and quoting. Get your bookkeeper to organise your bills. You check payables reports. You pay the bills. Big companies have a different system.
6. **Job Apps**- I like them. Keep data entry minimal. Be in the apps daily. Have staff that can use software but don't ask too much.
7. **Payroll**- keep good records. Xero Payroll only for salary or up to 2 wage staff. Over this, go to iPayroll or other. Don't skimp on payroll. It is critical to get it right. It respects your employees too.
8. **Email**- I archive emails when done and save key emails to the job via software. Write emails with a clear subject line and stay on one job or topic where possible. This way you can search easily.
9. **Purchase Orders** - use property addresses (e.g. gardeners, builders) on all purchases. Separate assets and minor tools from job purchases. This means two different invoices at Mitre 10, Bunnings etc. This is the industry norm. Suppliers will ask you for a p/o. It is essential for back costing and to stop external bookkeepers asking what job the bill is for.

10. **Oncharging**- this means charging the labour and materials to a client job. This is a big topic. Keep records as per number 8 above. Talk to your bookkeeper regarding the system after this. It will depend on the job app and how you use Xero. Always back cost with the GST exclusive rate.
11. **GST**- think in GST exclusive amounts. Then you have a more real idea of costs. Get Xero to help with GST. Code right. Check subbies have GST if small. Make sure they are clear on their invoice if GST is not on there.
12. **Continuous improvement**- we must improve. It's a step-by-step thing but it helps to be going in the right direction. This is a big topic. Just know that we get somewhere through commitment to a direction and continuous improvement. Listen to good podcasts, get a coach if you like, get perspective if this you are improving. Remember this is a big topic and your opinion matters so value your learning as well as that of the experts.
13. **Systems & Process**- I will end on this. You must start putting regular tasks into a system. You must have standards for yourself and for others. You must work towards offering quality in your trade and being able to explain why it is quality. Systems can be series of photos for staff. Just get things out of your head to some extent and into a system. A notebook, photo diary, document. Then improve the system. Sounds easy. It's not so easy but it's a must to head towards some capability in this area.

Contact for help with these tips.

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