

STARTING A BUSINESS

ARE YOU READY?
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MORE HELP

STARTING A BUSINESS

Think you're ready to take a leap of faith and go into business? Bravo! In this LifeGuide you'll find an outline of some of the key points and things to consider before starting your new venture.



ARE YOU READY?

It's a big move, going into business. From having the right skills to knowing how to look after finances and bookkeeping, there's a lot involved. And it can come with big sacrifice – late nights, weekend work and investing your personal time and money. But it can also provide great rewards and, if you're prepared, set you on a path to success.

Whether you're starting a new business or taking over an existing one, there are a few things you should ask yourself before jumping into the world of business, including:

- Do I have the right skills?
- What sets my business or idea apart?
- How much money will I need? And do I have access to such an amount?
- Will I manage day-to-day operations? Or will I need to employ someone else?
- Do I have a support network that can help when times get tough?

And if you decide not to go out on your own – that's also ok! It's a big decision and shouldn't be made lightly. You can still pursue your business idea for fun, and who knows, some extra time to think and plan might be exactly what your future business needs.



SELF-ASSESSMENT

The following will help you get a feel of whether you're ready to be self-employed. The more of these characteristics you have, the more likely starting and running your own business is viable.

- You have several years' experience in the industry you're considering entering.
- You thrive on challenges.
- You are prepared to undergo training to develop the skills you need or to get input from specialist advisers.
- You enjoy making and being responsible for your own decisions.
- You are prepared to work long hours without the security of a steady income.
- You are prepared to possibly accept a lower income until your business starts to make a profit.
- You have [sufficient savings](#) or an alternative income to live off during the start-up period.
- You naturally look to streamline processes and methods when approaching a task.
- Your family understands the impact starting a new business could have on them and support you in your aim.
- You are prepared to hire staff or use the services of a professional if needed.



KNOW YOUR MARKET

One of the most important things to consider when starting a business is your target market. Who are they? What do they want? And how can you answer their needs? Being self aware, knowing your point of difference and understanding market trends and demand are also key.

DETERMINING MARKET DEMAND

It's sensible to establish if there's a market for the type of product or service you are selling. You also need to work out your competitive advantage – why will people buy that product or service from you rather than one of your competitors?

The key things you want to establish are:

Will your target market purchase?

- Who exactly will buy your goods or services?
- Where do they live or work?
- How will you reach them?

Do you have a competitive advantage?

Why should people do business with you? You need compelling reasons for people to choose you rather than competitors. The need becomes even more urgent if your products are similar to others. A competitive advantage can take many forms. For example:

- Your product or service is clearly superior or better value for money
- Your product is unique, or new to the market
- You've identified a niche market that others have ignored or serve poorly
- You stock products or offer services that others don't
- You've patented your product, or registered your design so it can't be copied.

Is there existing demand?

The most compelling evidence is often established demand. For example,

- Have you made any sales part time?
- Do you have any orders in advance, or have you secured any contracts?
- Have you trial marketed your product or serviced on a small scale to determine its wider demand and acceptability?
- Are there existing businesses in the industry that you can use as market evidence?

UNDERTAKING MARKET RESEARCH

There are lots of ways you can research your market. By far the most common (and realistic) approach to is to simply get out and talk to as many potential customers as possible about your idea. Questions could include:

- What do you like about my idea?
- What do you think could be improved?
- Would you buy this product or service? If not, why not?
- What price range would you be prepared to pay?

Other questions your market research should answer

- The industry size, characteristics of major competitors, market segments, sales volumes and various channels to market (include \$ figures wherever possible).
- Future industry trends and predictions.
- Your ideal customer (age, life stage and budget), including how many there are in the market, how many are your customers, where and how they buy your product.
- The best way to advertise and promote and the best channels by which to sell.
- Current prices and supplier costs.

Cost-effective ways to conduct market research:

- Spend as much time as you can searching online. Google is your friend, and you'll be amazed at how much you can discover about your industry and competition.
- Dive into social media and find out as much as you can about customer preferences, comments and opinions.
- Get in touch with an experienced business owner within your industry – many owners are happy to share their knowledge and support new businesses.
- Most industries will have an industry association that produces research or can offer you some information or insight.
- [Australian Bureau of Statistics](#) has a wealth of information free of charge you can access.
- Accessing information held by universities or TAFEs may be a cheaper alternative to professional market research.
- Look at other parts of Australia and other countries. If similar products or services exist, chances are a demand has been developed. For instance, if you live in a town that does not have a bakery, but you know a similar town does (and the bakery is really busy), a demand probably exists.



Create a business plan

Every business is different so planning requirements are different also. There are a number of ways that you can format your business plan, but generally the information should flow in a logical order as suggested below:

- The business you are proposing and the products or services you will sell.
- The structure of your business (in terms of ownership, personnel, type of company etc.)
- The strengths and weaknesses of your business idea and opportunities and threats in the market.
- Your business goals. You will likely have different objectives for each major part of your business (e.g. marketing, sales, operation and distribution).

- Your marketing strategy and how you will engage with your audience.
- Your most important processes (e.g. managing suppliers, financial monitoring, marketing, sales and distribution). For each process, describe how it works now, how it should ideally work and what needs to be done to reach that point.

The secret is to keep your plan short, simple and practical, so it's easy to implement.



Download the [ANZ business plan template](#).

It will help you create your plan from scratch that you can save and print.

YOUR CHECKLIST

- Do you know your target market? And how are you appealing to them?
- Do you have a point of difference?
- Have you looked at your competitors?
- Do you have a clear idea of what sets your product or service apart?
- Do you understand the costs of running a business?
- Have you determined the best way you sell your product or service (e.g. online or in a store)?
- Have you done your due diligence?
- Is your business in a desirable location? And does it need/have a lease or mortgage?
- Do you have suppliers?
- Have you looked at the costs charged by your suppliers?
- Do you need staff? And how will you afford them?
- Do you know your legal obligations?
- Do have a contingency plan?
- Have you organised any necessary equipment (e.g. furniture)?



STARTING A BUSINESS

There's lots to think about when setting up a business – and when you're starting from scratch, ensuring it's set up in a way that works for the business, and you, is essential. You need to know that you, and any dependants, can survive off your new venture, which means planning is key.

Some of the pros and cons of starting a business include:

Advantages

- You have the satisfaction of starting a business
- You can move at your own pace
- You do not have to pay for goodwill
- You can choose the most suitable location
- You buy the most appropriate equipment
- You negotiate new deals with suppliers
- You appoint your own staff
- You invent your own operating systems
- You create the business image you want

Disadvantages

- Researching viability takes time and money
- Building a customer base and a steady revenue stream can take time to establish
- Sourcing equipment may be costly especially if you need to buy new equipment
- Your suppliers may not extend credit at first
- It takes time to select and train the right staff
- You may have to experiment to develop effective systems
- It can take months or years to be profitable



THE NAME

One of the first things you'll need to do when setting up a business is to decide on a name. And while you can call your business almost anything, it's important to remember this is the first thing people will see or hear.

Some things to consider when choosing a name include:

- Is it relevant to my business?
- Could it be interpreted as offensive or silly?
- Will it withstand the test of time?
- Is it a name people will remember easily?
- Is anyone else already using the name and are there any trademark or copyright issues?

REGISTERING YOUR BUSINESS

Before registering your business, you'll need to determine a business structure. You may want to seek expert advice on which structure best suits your needs. This may be a:

- Sole trader
- Partnership
- Proprietary company

Most businesses operating in Australia need to register for an Australian Business Number (ABN). This number is specific to your business and helps suppliers, customers and the Australian Taxation Office (ATO) identify your business.

Once you've established your business structure, you can [apply for an ABN](#) for free.

OPERATIONAL CONSIDERATIONS

Other things to think about include:

- 1. Occupation health and safety (OHS)**
All businesses are governed by OHS laws. It's imperative you understand and adhere to them.
- 2. Industry codes of conduct**
You must read and understand any industry codes of practise and ensure your business, including your pricing structure, are in line with them.
- 3. Local regulations**
Determine whether there are any local regulations you need to be aware of, such as operating from home.

INSURANCE

You've put in a lot of hard work to get your business to this point – and there'll be lots more to come, too. That's why it's important to take out insurance and protect your business, as well as you, your employees, your customers and equipment, with the right level of care.

The types of insurance you may need to consider include:

- Life and medical
- Travel
- Property (both business and personal)
- Plant and equipment, buildings
- Vehicles
- Director and product liability insurance
- Mortgage protection
- Business liabilities such as public liability, business interruption

If you employ other people through your business, you are legally required to have certain types of insurances in place, such as workers' compensation insurance. For more information on this, visit the [Australian Government's business hub](#) or speak to an advisor or licenced insurance broker.

ADVERTISING AND SELF-PROMOTION

When you're starting out, it can be hard to make a name for your business and convince people to engage with you and your services. A great way to build a reputation and gain trust is through advertising and self-promotion. In today's age, many people turn to social media to check out a business' credibility, read reviews and see pictures of their work. To capitalise on this, you might consider starting a social media page or taking out an advert online. It's also a great idea to create a website so people can search your business and view your services online.



For more information on how to get your name out there, visit [ANZ's Financially Ready Hub](#).



BUYING AN EXISTING BUSINESS

One of the advantages of buying an existing business is that you've got a proven track record to work with, as well as an established reputation.

This means you:

- Can look over the books (and determine profitability) before purchasing
- Inherit existing customers
- May have access to equipment and furniture
- Can possibly retain current staff
- Have an established brand name

You should ask for a detailed list of exactly what is included in the sale price. This includes all physical assets such as plant and equipment, stock, premises and vehicles. Don't assume that anything is included unless it is written down in the sale and purchase agreement.

RESEARCH

Two of the biggest mistakes to avoid when buying a new business include overpaying and choosing a bad business venture. Which is why research, and understanding the value you'll get for your money, is important. There are a number of reasons people sell businesses – both good and bad. But looking at how the business will perform in the long run, and understanding what're you're getting into before signing on, will hold you in good stead.

Things to consider may include the:

- Consistency of profits
- Location
- Infrastructure
- Product sourcing
- Physical assets
- Customers and staff
- Lease terms and conditions
- Cashflow
- Competition

And look out for any potential red flags like:

- Old systems or outdated stock
- Negative customer perception or reputation
- Overvalued stock
- Poorly-trained staff
- An undesirable location

Some of the pros and cons of buying an established business are:

Advantages

- Customers are established
- Equipment and plant exists and you don't need to buy new
- Systems are in place, including stock levels, purchasing arrangements and production levels
- The business's previous profit can be determined, so you have some idea of how much money you can make
- Staff will already be trained
- The business's image in the marketplace had been formed
- Copyrights, trademarks and patents are yours
- It may be easier to obtain finance than when starting from scratch as there is cash flow evidence
- It is generally quicker and easier to buy a business than to put one together from the start
- Total cost is agreed and certain

Disadvantages

- The purchase price may be higher than starting a business from scratch (as you often pay goodwill)

You may be inheriting:

- Unhappy customers
- Complicated operating systems
- Old, obsolete, or poorly maintained equipment
- Unsuitable staff due to poor training, attitude and values or personality clashes
- Out of date or old stock that may be hard to sell
- Overvalued goodwill



DEBT

It's essential that before buying a business, you have a thorough look at their books to understand what debt it carries. You may also want to have a professional advisor (such as an accountant) look over the business's books and provide advice.

- Are the debts substantial?
- Have they been factored into the value?
- Are the accounts in order?

GOODWILL

It's difficult to put a precise valuation on goodwill as it represents the 'potential future earnings' that the business is likely to produce. It compensates the previous owner for the work they have done to generate a profitable revenue stream, such as selecting the right location, recruiting and training staff, establishing supplier contracts and developing a customer base.

PURCHASING

Before entering formal negotiations, you should have already spoken to a trusted, qualified professional who is experienced in business purchases (e.g. accountant, lawyer and/or business advisor). The process that follows may look something like the below steps.

1. Signing of a confidentiality agreement

This prevents prospective buyers from disclosing confidential information about the business, and stops potential competitors from enquiring, then using the information for their own gain.

2. Making an offer

This is where any relationship you have built with the current owner, and your negotiation skills, will come in handy. When you're ready to make your offer, work with your professional advisors to determine the finer details (such as terms and conditions).

3. The contract

The contract will be drawn up based on the agreed terms and conditions and a due diligence period will likely begin. This is where you (and the current owner) can negotiate anything from the terms to the date of payment.

4. Due diligence

Often the contract of sale will be conditional on you completing your due diligence on the business. This is your opportunity to ensure everything you've been told about the business is correct and to uncover any issues, with the help of your professional advisors.

5. Warranties and indemnities

Warranties are the legal confirmation of the status of affairs, and indemnities provide protection in the event a risk arises (such as any loss or damages that occur from an event that was prior to you taking over).

6. Contract exchange

Once the due diligence period has ended and if you have not uncovered any material issues, you can buy the business. Depending on the terms of your contract, if there are no material issues uncovered during the due diligence period but you still decide not to go through with the sale, you may have to forfeit your deposit and may be liable for other costs such as legal costs incurred by the vendor.

7. Handover

Congrats, the business is yours! All that's left is the official handover, which may include a formal period of training, often provided by the outgoing owner.

BUYING A FRANCHISE

If you have minimal business experience, buying a franchise might be an option to consider. The advantages of buying a franchise can include:

- Access to an established and proven business system
- An established brand name
- Potential access to training, guidance and extra assistance
- National advertising and exposure
- The opportunity to purchase other franchises, if successful

If this is something that interests you, it's important to consider:

- If the franchise is performing well, staying steady or declining
- Whether you're happy with the level of control you have, and that exercised by the franchise operator
- Any consequences if you deviate from the operating manual, or fail to achieve the agreed sales revenue
- How committed the franchisor is to the business
- The overall fee structure
- The terms and agreements and renewal options



UNDERSTANDING BUSINESS FINANCE

It's a whole new ball game, setting up finances for a business - and something you'll need to stay on top of to ensure your business's success.

Some of the things you'll need to think about include:

- Setting up a business bank account for my business?
- How will I keep track of the business's books (and do I need a specific program or system to do this)?
- Can I manage the business's funds by myself?
- What is my budget?
- How much will I charge customers for my services (and what's the rationale behind this)?
- How will I pay employees or for products and services?
- Do I have an invoicing system?



For tips on how to manage your business finances visit [ANZ's Financially Ready hub](#)

CREATE A CASH-FLOW FORECAST

A cash flow forecast aims to predict the cash flow cycle (money in and money out) of the business over a period of time to enable you to budget effectively. It's relatively easy:

- Work out how much actual cash you think you will get from sales each month (your cash inflow). This will be the income from your cash sales that month, plus payments from debtors received that month. It doesn't include sales made that month where you have yet to be paid (e.g. sales made on credit).
- Similarly, list all your cash outflows per month, including any capital equipment or other expenses each month.
- Subtracting all of your monthly cash outflows from your monthly cash inflows will give you a monthly cash position (either surplus or deficit).

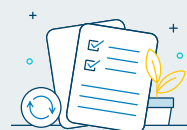
When preparing your cash flow

A good cash flow is not just a spreadsheet of numbers that you have quickly made up. It will be the document that anyone looking at your business will spend the most time on.

As you complete the cash flow, make notes as to the assumptions that underline these figures. Then write them into the additional notes so anyone reading your cash flow will have some understanding as to how the calculations were determined.

Your forecast for the business reflects a realistic balance between proper market-driven sales projections (not guessing) and an accurate costing and pricing of your goods and services.

Even though you have not started yet, the amount of time you spend on assessing a realistic sales level is crucial. You should also outline exactly how you came to the sales figures for each month (and don't forget seasonality – it is highly unlikely that you will have the same sales level for all 12 months of the year).



Download [ANZ's cash flow forecast template](#). It will help you build a cash flow for the next 12 months.

CALCULATE THE COSTS

To work out how much money you'll need to start your business, you'll have start-up and working capital costs:

Start-up costs

These are the funds required to buy equipment, the purchase price of the business/franchise and all other set-up costs, including items such as office equipment, phones, deposits on leases, legal fees, signage, vehicles and initial stock. To access our set up cost calculator, visit [ANZ's Financially Ready Hub](#).

Working capital costs

This is a buffer of regular monthly costs, such as rent, advertising, insurance, utilities, fees as well as your direct input costs such as raw materials, stock and wages.

To calculate your total working capital requirement, multiply your monthly cost estimate by the number of months before you start to break-even.

Tips to reduce funding needs

- You don't have to pay cash for everything. Look at other forms of financing capital equipment and vehicles (such as leasing or hire purchase).
- Keep on good terms with your suppliers; they might give you extended payment terms as you set up.
- Get as much money in advance as you can. This will improve your cash flow and reduce the need for working capital or drawing on an overdraft facility.
- Avoid giving credit and make sure you accept every type of immediate payment (like online banking and credit cards) possible.
- See if you can 'bootstrap' which means borrowing what you need and doing things yourself, until you have the cash flow.

GETTING FINANCE

If the cash you have available is less than the total funds required to start your business, then you may need to borrow the shortfall. If it's a significant sum of money, you may also be asked to provide evidence of your personal finances.

This will typically include:

- Statement of personal financial position – this lists what you owe (liabilities) and what you own (assets) and will help lenders to assess what you could contribute to the business in the way of equity (capital) or security for any loans advanced.
- Income/outgoings position – this shows how much income you have coming in each month and how much you spend each month. This might also be referred to as a budget.

Here are a few tips to help you get your finance approved and make the process simpler for you.

- Double check your business plan is water tight and feasible – consider asking for second and third opinions.
- Ask your accountant to help. A good accountant will be experienced in finance applications and invariably make the process a lot smoother.
- Be prepared to discuss your work and business history. Take along a copy of your CV (and your partner's, if applicable).
- Remember that having sufficient funds, or the security (collateral) to secure funding, is not sufficient in itself. You need to be sure in your own mind and convince lenders that you have the skills, experience and the right business concept to be successful.
- Allow plenty of time. We recommend starting the finance application and account opening process at least six weeks prior to your business start date. This allows time to set up your merchant facilities, transfer accounts between banks, work through any issues with the loan application and test your staff and supplier payment facilities – and it means that you won't be running around panicking about your bank accounts the day before you open the doors!
- Ask your ANZ Business Banker about anything you don't understand.

As well as providing finance to help you get started, we're happy to help set up other facilities you may need for your business.

There are a range of different finance options for your business and it is likely that you will require a combination of finance options to meet your short-term and long-term funding requirements. You should speak to your ANZ Business Banker to discuss the options that best suits your needs.

A key reason for finance being declined (and for businesses failing) is that business owners want to borrow more money than the business can realistically repay, and often don't make a provision for working capital during the start-up phase. So you need to demonstrate that your business has the ability to cover costs and finance any borrowings.

TIP

Read our article about [preparing for lending](#) for tips on what banks are looking for.

ACCOUNTANTS

An accountant is a registered tax agent and can help you with your yearly tax return, however they can't give you financial advice unless they're licensed by ASIC to do so. If you're in the market for an accountant, make sure you find someone who is reliable, trustworthy and accredited.

Speak to other businesses in your field and see if they recommend anyone or try the industry bodies below:

Institute of Chartered Accountants of Australia/New Zealand
www.charteredaccountantsanz.com
1300 137 322

Certified Practising Accountant (CPA) Australia
www.cpaaustralia.com.au
1300 737 373

Institute of Public Accountants (IPA)
www.publicaccountants.org.au
1800 625 625

You should also consider:

- Is the accountant registered with one of the professional bodies listed above?
- What are the fees (and how will you be charged)?
- Does the accountant have experience with your specific business needs?
- Will they give you a letter of engagement and provide any advice in writing?



TAX

It's important you understand the tax needs of your business before launching your business to avoid fines and ensure you are registered and taxed accordingly. It's important to keep thorough records so you know how much money you've spent and how much you've made. Depending on the size and structure of your business, you may also need to file a Business Activity Statement (BAS). There are a number of taxes you may have to pay, or at least know about. The main ones are:

Income tax

The amount of tax you pay is based on your net profit. This is your business income (all the goods and services you have sold) less the expenses used in gaining your business income. Profits earned are taxed at different rates depending on if you are trading as a company, sole trader or partnership.

Talk to your tax adviser on when you will need to make tax payments. It's good idea to set money aside as you earn it to pay for this as there are penalties for late payment.

The Australian Taxation Office has a great [tax summary](#) for new start-up businesses.

TIP

You can apply for an Australian Business Number from the Business Registration Service [here](#).

To help account for GST, remember to keep proper tax invoices of all goods or services you supply as well as invoices for all the goods and services you buy for the business.

Pay as you go (PAYG)

If you employ staff or pay yourself a wage as a shareholder employee, you have to make PAYG deductions from your employees' earnings and pay these deductions to the ATO.

Business.gov.au has a useful outline on [how PAYG instalments work](#).

Goods and services tax (GST)

You must register for GST if your business has a GST turnover of \$75,000 per year or more, otherwise registration is optional below that threshold.

For further detail, visit the [GST page](#) on Business.gov.au

Fringe benefit tax (FBT)

FBT is payable on most benefits (perks) given to your employees or shareholder-employees (including yourself).

Examples include motor vehicles, subsidised or free goods and services, low-interest loans and employer contributions to superannuation schemes and specified insurance policies. There are different methods (and different rates) for calculating FBT – you should speak to a tax adviser for more information.

For more information, check the [Australian Tax Office](#) page on Fringe Benefit Tax.

Because everybody's individual circumstances are different, it's important that you get professional advice specific to you and your business. Australian Taxation Office offers a free business tax information service for businesses that are starting up or changing the way they operate.

TIP

Find out more about these services and the other resources at the [Taxation Office](#).

YOUR FINANCES

For many business owners, it can sometimes be hard to separate your personal finances from your business finances. If you're a small business owner, you'll likely not be receiving a wage.

It's also a great idea to make a budget so you know how much money you have, and will have in the future. If you need a hand doing this, ANZ's estimating tools are a great way to break down and categorise your spending.

These resources include:

- [Budget planner](#)
- [Savings goals calculator](#)
- [Home loan deposit calculator](#)
- [Borrowing calculator](#)
- [Financial Wellbeing Score Calculator](#)

The government's [MoneySmart](#) resource has a dedicated budget planning section, too.



ANZ FINANCIALLY READY BUSINESS HUB

If you're looking for insights, tips or tools help your business achieve big things, then check out [ANZ's Financially Ready Business Hub](#) – a free online resource designed to help business be prepared for today, tomorrow and the unexpected. From managing day-to-day financials, to planning and attracting customers, there's lots to unpack.

RECORD KEEPING

Setting up good accounting and record keeping systems is essential to running an efficient and successful business. You may like to get help from your accountant or bookkeeper to set these systems up, too.

Having good systems will help you to:

- Determine whether your business is making enough money to meet its expenses.
- Make purchasing decisions depending on budget.
- Have enough money to pay taxes.
- Demonstrate to investors, bankers and others that your business is sound and is being run professionally.
- Save time. A good system will allow you to get a realistic picture of your business when you need.
- Save money on accountant fees. If you're doing the day-to-day book keeping, your accountant won't have to spend valuable time (that you're paying for) getting your books in order.

WHAT TO MONITOR WITH SYSTEMS

- **Sales revenue** – it is important to understand where your income comes from and when. This will allow you to improve underperforming parts of your business or put more energy into areas where sales are high.
- **Direct costs** – your direct costs of sales are usually variable costs and likely to fluctuate month to month. You should monitor these in relation to your sales revenue to maintain your gross profit margins.
- **Operating expenses** – usually these are fixed costs and don't vary much from month to month, but they need monitoring to ensure they don't get out of control.
- **Stock levels** – having too much money tied up in slow-moving stock can produce cash flow problems, while running short of stock can adversely affect sales and customer satisfaction. Some things to consider when monitoring stock levels are volume of turnover, reliability of supply, most economical size of deliveries, wastage and costs of storage.
- **Taxation liabilities** – even though you are not required to pay provisional tax in your first year of business, you may be eligible for a tax discount for making voluntary payments in your first year. This can reduce your tax liability and help you manage your cash flow better if you pay tax on a pay as you go basis throughout the year rather than paying a lump sum when the bill is due for payment.
- **Debtors** – cash flow is king for small businesses so you have to ensure that where you extend credit to customers, they pay their bills on time. This means having a sound invoicing system and following up any overdue debts.
- **Working capital** – producing a working capital statement regularly will show you your current assets against your current liabilities (the difference being your available working capital).

WHAT RECORDS TO KEEP

The key elements in your record-keeping system should be:

- **Cashbook** (often via software like MYOB and Xero) – this records all transactions, payments and receipts. The transactions should be coded into different categories (e.g. sales, wages, electricity) to give you useful information on patterns of income and spending.
- **Records of payments** (online banking, credit cards, cash, invoices and receipts).
- **Records of sales** – these should distinguish between credit sales and cash sales.
- **Orders** – a centralised system for orders is invaluable for management and forward planning.
- **Worksheets** – if you are issuing invoices for products or services, you will need an efficient, accurate system for capturing information on work done and costs to be passed on.
- **Invoices** – if you issue invoices, ensure you can easily extract information on outstanding accounts.
- **Accounts payable** – these should be stored in such a way that it's easy to summarise your bills and prioritise them for payment.

With the proliferation of accounting software systems, apps and technologies, there should be a way to track and follow everything in your business.

COMPARING MANUAL VERSUS SOFTWARE SYSTEMS

You can start off with a manual cashbook or keep track of your sales and outgoings on an Excel spreadsheet. But if you are serious about being in business you should consider using accounting software to manage and track your business finances. Some of the benefits include:

- Real time information, especially if you use cloud based software that links to your bank account information.
- You will save money with your accountant/bookkeeper as they can log in and see/load your data.
- Reduce the chance of a error for tax reporting purposes.
- It will be quicker, more accurate and you can access exactly what is happening anywhere you have a device connected to the internet.

The main accounting software providers in Australia are MYOB and Xero. Search online or seek recommendations from other business people or your accountant/bookkeeper.

MORE HELP

BUSINESS

Australian Government Business information portal

Provides business owners with resources and advice.

www.business.gov.au

Australian Government Fair Work Ombudsman

Helps employees understand their work entitlements.

www.fairwork.gov.au

FINANCIAL

Certified Practising Accountant (CPA) Australia Grants and business support

Has financial advice and information for businesses.

www.cpaaustralia.com.au

Australian Government Attorney-General's Department

Includes state and territory-specific legal resources.

www.ag.gov.au/legal-system/legal-assistance-services

LEGAL

Law Council of Australia

Has links and details of state and territory specific lawyers

www.lawcouncil.asn.au

National Legal Aid

Connects people with legal aid lawyers in their local state or territory.

www.nationallegalaid.org

EMOTIONAL

Lifeline

Supports people facing hardship and distress.

www.lifeline.org.au or 13 11 14

Relationships Australia

Helps individuals, families and communities with relationship matters.

www.relationships.org.au or 1300 364 277.

Mensline

Wellbeing support for men.

www.mensline.org.au or 1300 789 978





ABOUT LIFEGUIDES

ANZ has a proud history of helping customers across Australia and New Zealand, especially in times of change. Through these LifeGuides, ANZ is furthering its commitment to the broader community by providing general resources and useful information about key life moments – helping make them a little easier on you.

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