



BUSINESS

# BUSINESS STRUCTURE ADVICE

BUILDING STRONG FOUNDATIONS



ADVICE



## About Us

ITP Business Advisory was founded to offer small businesses with a relevant and affordable accounting support and advice.

We offer support and expertise to all business sizes from micro 'side hustles' to large scale multi-location corporations. We've grown significantly from our humble beginnings and have a dedicated network of staff to assist with your every business need.

### GREAT SUPPORT

We aim to offer flexibility for our clients with a variety of support options offered via face-to-face, phone, email and skype.

### FLEXIBLE SERVICES

We scale our services - as no two businesses are the same we understand that no two service plans will be the same so we are here for what ever you need help with.

### FIXED FEES

We quote all works upfront so there are no nasty surprises about our fees or our expected performance objectives.

### CONTINUOUS IMPROVEMENT

We value learning and support feedback - we appreciate all our clients' continued support of our local business.



BUSINESS



ADVICE



COMPLIANCE



PAYROLL



BOOKKEEPING



TECHNOLOGY



## STRUCTURES

### SIMPLE STRUCTURE | OPTIONS

#### SOLE TRADER

A SOLE TRADER IS THE SIMPLEST BUSINESS STRUCTURE FOR A SINGLE OWNER BUSINESS.

IT IS AN INDIVIDUAL RUNNING THE BUSINESS

- YOU RUN AND CONTROL THE BUSINESS SOLELY.

#### PARTNERSHIP

A PARTNERSHIP IS THE SIMPLEST BUSINESS STRUCTURE FOR A MULTI OWNER BUSINESS.

IT IS A GROUP OF PEOPLE WHO CARRY ON A BUSINESS TOGETHER.

- PARTNERS RUN AND CONTROL THE BUSINESS JOINTLY.

### ADVANCE STRUCTURE | OPTIONS

#### TRUST

A TRUST IS A COMPLEX BUSINESS STRUCTURE USED FOR ASSET PROTECTION AND TAX PLANNING PURPOSES

IT IS GENERALLY USED FOR FAMILY WHO CARRY ON BUSINESS TOGETHER

- TRUSTEES AS GUARDIANS RUN AND CONTROL THE BUSINESS JOINTLY.

#### COMPANY

A COMPANY IS RUN BY ITS DIRECTORS AND OWNED BY ITS SHAREHOLDERS.

IT HAS INDIVIDUAL(S) RUNNING THE BUSINESS WHO ARE ACCOUNTABLE TO THE SHAREHOLDERS.

- YOU MAY RUN AND CONTROL THE BUSINESS SOLELY AS DIRECTOR AND SHAREHOLDER.





# STRUCTURES

## BUSINESS STRUCTURES | CHOOSING YOUR STRUCTURE

### THE COSTS OF STRUCTURE

- THE INITIAL OUTLAY FOR THE SET UP OF THE STRUCTURE
- ONGOING COSTS ASSOCIATED WITH THE STRUCTURE
- WIND UP COSTS FOR DISSOLVING THE STRUCTURE
- LEGAL COSTS FOR COMPLEX SET UPS AND BUY OUT OPTIONS
- ACCOUNTANT FEES FOR COMPLIANCE OBLIGATIONS

### STRUCTURES SUITABILITY FOR YOUR BUSINESS NEEDS

- STRUCTURE COMPLEXITY VS. BUSINESS COMPLEXITY & RISKS
- DO THE BENEFITS WARRANT THE COST ASSOCIATED WITH THE STRUCTURE
- IS THE LIFE SPAN OF THE STRUCTURE MIRRORED TO THE BUSINESS?
- ARE THE BUSINESS RISKS SUITABLY MITIGATED?

### LICENCING & LEGAL REQUIREMENTS FOR STRUCTURE

- WHAT ARE THE LEGAL OBLIGATIONS OF THE STRUCTURE?
- WHAT LEGAL BENEFITS ARE GAINED FROM THE STRUCTURE?
- ARE ADDITIONAL LICENCING OBLIGATIONS IMPOSED ON THE STRUCTURE?
- ARE CERTAIN ACTIVITIES PROHIBITED BY THE STRUCTURE IN MY INDUSTRY?

### COMPLIANCE OBLIGATIONS AND COSTS FOR EACH STRUCTURE

- WHAT ARE THE MINIMUM COMPLIANCE OBLIGATIONS OF THE STRUCTURE?
- WHAT ARE THE LIKELY COSTS ASSOCIATED WITH THE COMPLIANCE?
- WHAT ARE THE OTHER REQUIREMENTS OF MY STRUCTURE?







## STRUCTURES

### BUSINESS STRUCTURES | SET UP COSTS & HOW TAX IS CALCULATED

#### STRUCTURE | SOLE TRADER

- LOW INITIAL START UP COST
- SIMPLE REGISTRATION COSTS
- LOW ONGOING COMPLIANCE COSTS
- SINGLE TAX RETURN REQUIRED AS SUPPLEMENTARY ITEM IN PERSONAL RETURN
- TAX ON PROFIT IS APPLIED AT MARGINAL TAX RATE OF BUSINESS OWNER

#### STRUCTURE | PARTNERSHIP

- LOW INITIAL START UP COST
- SIMPLE REGISTRATION COSTS
- MEDIUM ONGOING COMPLIANCE COSTS
- ADDITIONAL TAX RETURN REQUIRED FOR PARTNERSHIP
- PROFIT IS EVENLY SPLIT BETWEEN PARTNERS
- TAX IS APPLIED AT MARGINAL TAX RATES FOR EACH BUSINESS PARTNER

#### STRUCTURE | TRUST

- HIGH ESTABLISHMENT COSTS
- COMPLEX LEGAL AND TAX FORMALITIES
- MEDIUM ONGOING COMPLIANCE COSTS
- ADDITIONAL TAX RETURN REQUIRED FOR TRUST
- ADVANTAGE OF DISCRETIONARY PROFIT DISTRIBUTION
- TAX IS APPLIED AT MARGINAL TAX RATES OF BENEFICIARIES

#### STRUCTURE | COMPANY

- HIGH ESTABLISHMENT COSTS
- COMPLEX LEGAL AND TAX FORMALITIES
- HIGH ONGOING COMPLIANCE COSTS
- ADDITIONAL TAX RETURN REQUIRED FOR COMPANY
- ANNUAL ASIC COMPLIANCE & COSTS
- TAX IS APPLIED AT THE CORPORATE TAX RATE 27.5%
- SHAREHOLDERS RECEIVE FRANKED PROFIT WITH PRE-PAID TAX CREDITS





# STRUCTURES

## BUSINESS STRUCTURES | SOLE TRADER OVERVIEW

### STRUCTURE | ADVANTAGES

- THE STRUCTURE IS INEXPENSIVE TO SET UP BECAUSE THERE ARE FEW LEGAL AND TAX FORMALITIES
- TRADE ON YOUR OWN AND CONTROL AND MANAGE THE BUSINESS SOLELY
- SINGLE TAX RETURN REQUIRED FOR BUSINESS AND INDIVIDUAL

### STRUCTURE | DISADVANTAGES

- YOU ARE LEGALLY RESPONSIBLE FOR ALL ASPECTS OF THE BUSINESS INCLUDING DEBT
- BUSINESS CAPITAL IS DEPENDENT UPON THE OWNERS FUNDS
- ABILITY TO ACCESS CREDIT IS OFTEN DIFFICULT

## BUSINESS STRUCTURES | PARTNERSHIP OVERVIEW

### STRUCTURE | ADVANTAGES

- A SOLE TRADER IS THE SIMPLEST JOINT BUSINESS STRUCTURE TO ESTABLISH
- THE STRUCTURE IS INEXPENSIVE TO SET UP BECAUSE THERE ARE FEW LEGAL AND TAX FORMALITIES
- ADVANTAGE OF POOLING RESOURCES TO OBTAIN CAPITAL FOR BUSINESS
- SHARED BUSINESS GOALS AND PARTNER SUPPORT FOR TOUGH TIMES

### STRUCTURE | DISADVANTAGES

- YOU ARE LEGALLY RESPONSIBLE FOR ALL ASPECTS OF THE BUSINESS INCLUDING PARTNER DEBT
- BUSINESS DECISIONS ARE JOINT AND REQUIRE COMPROMISE & COMMUNICATION
- SHARED PROFITS
- MULTIPLE TAX RETURN REQUIRED ONE FOR BUSINESS AND ONE INDIVIDUAL(S)







## STRUCTURES

### BUSINESS STRUCTURES | TRUST OVERVIEW

#### STRUCTURE | ADVANTAGES

- THE STRUCTURE OFFERS THE ABILITY FOR DISCRETIONARY PROFIT DISTRIBUTIONS
- CAN EMPLOY BUSINESS OWNERS IN TRANSPARENT MANNER
- LESS ANNUAL COMPLIANCE THAN A COMPANY
- CAPITAL GAINS TAX CONCESSIONS ARE DIFFERENT TO A COMPANY

#### STRUCTURE | DISADVANTAGES

- YOU ARE LEGALLY RESPONSIBLE FOR ALL ASPECTS OF THE BUSINESS INCLUDING DEBT
- BUSINESS CAPITAL IS DEPENDENT UPON THE OWNERS FUNDS
- ABILITY TO ACCESS CREDIT IS OFTEN DIFFICULT
- COMPLICATED PROFIT DISTRIBUTION METHODS
- MULTIPLE TAX RETURNS REQUIRED

### BUSINESS STRUCTURES | COMPANY OVERVIEW

#### STRUCTURE | ADVANTAGES

- ADVANCED ASSET PROTECTION
- LIMITED LIABILITY AS SEPARATE LEGAL ENTITY TO BUSINESS OWNER
- CAN EMPLOY BUSINESS OWNERS IN TRANSPARENT MANNER
- AVAILABILITY OF LOWER CORPORATE TAX RATE 27.5%
- MULTIPLE PROFIT DISTRIBUTION OPTIONS AVAILABLE
- CAPITAL GAINS CONCESSION FIXED

#### STRUCTURE | DISADVANTAGES

- EXPENSIVE AND ONGOING ANNUAL COSTS WITH ASIC
- BUSINESS DECISIONS ARE JOINT AND REQUIRE COMPROMISE & COMMUNICATION ALONG WITH SHAREHOLDER APPROVAL
- SHARED PROFITS AMONG SHAREHOLDERS
- MULTIPLE TAX RETURN REQUIRED ONE FOR BUSINESS AND ONE INDIVIDUAL(S)





# STARTING OUT

## STARTING A BUSINESS | TECHNOLOGY CONSIDERATIONS

WHEN STARTING A BUSINESS THE KEY ASPECTS TO BUSINESS FINANCES ARE:

1. SET UP CORRECT BANK ACCOUNTS
  
2. CHOOSE A SUITABLE RECORD KEEPING SYSTEM TO MANAGE:
  - . INCOME & EXPENSES
  - . BANKING
  - . GST
  - . STOCK, INVENTORY & ASSETS
  - . EMPLOYEE RECORDS

### ACCOUNTING SOFTWARE ADVANTAGES

- UNDERSTAND YOUR REAL-TIME CASH POSITION
- RUN YOUR BUSINESS ON THE GO - CLOUD BASED ON ANY DEVICE
- RECONCILE WITH ACCURACY TO YOUR DAILY BANK DATA
- SYNC WITH THIRD-PARTY APPS
- EASILY TRACK INVENTORY AND STOCK
- STREAMLINE PAYING YOUR STAFF WITH SEAMLESS ONLINE PAYROLL.

### SOFTWARE INTEGRATIONS WE LOVE :

- PAYMENT SERVICES
  - STRIPE
  - SQUARE
  
- WORKFLOW MANAGEMENT
  - SERVICE M8 | JOBBER
  - SHOPIFY
  
- RECORD KEEPING SOLUTIONS
  - ONE DRIVE | DROPBOX
  - RECEIPTBANK



## BOOK ONLINE







## STARTING OUT

### STARTING A BUSINESS | BUSINESS DEDUCTIONS OVERVIEW

#### ALLOWABLE BUSINESS DEDUCTIONS

- COST OF SALES | STOCK | INVENTORY
- MOTOR VEHICLE EXPENSES
- OCCUPANCY COSTS | RENT | UTILITIES
- INSURANCES & WORKCOVER COSTS
- HOME OFFICE EXPENSES
- SUBSCRIPTIONS, LICENCES & DUES
- STATIONARY & PRINTING
- ADVERTISING & MARKETING
- BOOKKEEPING & ACCOUNTANT FEES
- TRADE TOOLS
- CONSUMABLES & MATERIALS COSTS
- TRAVEL & MEALS
- INTEREST ON BUSINESS LOANS
- \*STAFF WAGES & SUPERANNUATION

#### COMMON DEDUCTION ERRORS

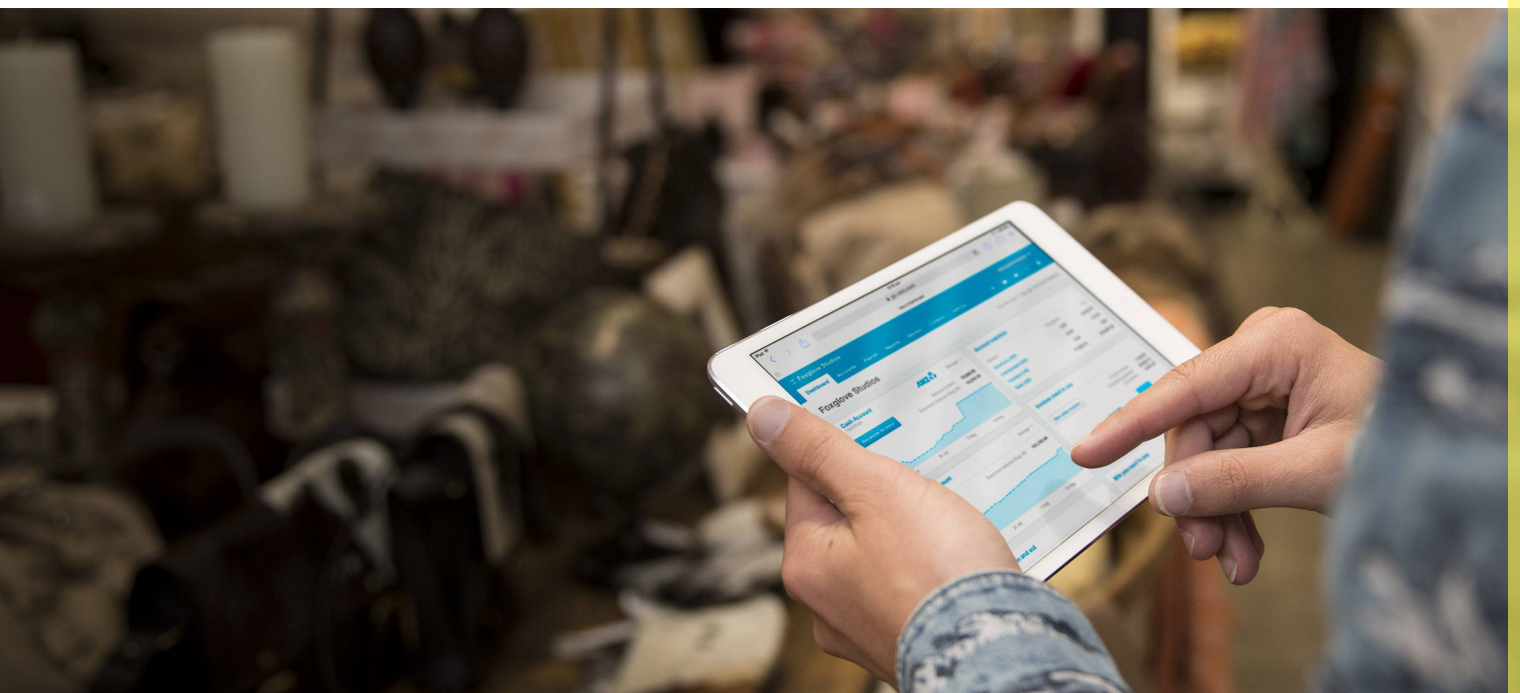
- CLAIMING 100% FOR NON-BUSINESS USE ITEMS - PHONE, MOTOR VEHICLES & OCCUPANCY COSTS
- CLAIMING DEDUCTIONS & GST CREDITS WITHOUT A TAX INVOICE
- CLAIMING MOTOR VEHICLE EXPENSES WITHOUT KEEPING A LOGBOOK FOR REQUIRED TIME

#### DEDUCTIONS YOU MIGHT HAVE MISSED...

- BUSINESS ITEMS PAID FOR ON PERSONAL ACCOUNTS
- MEMBERSHIPS & ASSOCIATION FEES

#### THREE SIMPLE STEPS TO CLAIM A DEDUCTION:

1. YOU MUST HAVE SPENT THE MONEY
2. IT MUST BE DIRECTLY RELATED TO EARNING YOUR INCOME
3. YOU MUST HAVE A RECORD TO PROVE YOU PAID FOR IT





# STARTING OUT

## REGISTRATIONS | COMPLIANCE

### BUSINESS REGISTRATIONS

- ABN
- BUSINESS NAME
- GST
- PAYG WITHHOLDING (WAGE TAXES)
- STATE LICENCING | LOCAL GOV. ADVICE

### COMPLIANCE OBLIGATIONS

- ANNUAL TAX RETURNS
- ANNUAL TAXABLE PAYMENT REPORTS
- QUARTERLY PAYG WITHHOLDING
- QUARTERLY BAS | GST REPORTS
- ATO PAYROLL REPORTING (NEW )

### SUPERANNUATION OBLIGATIONS

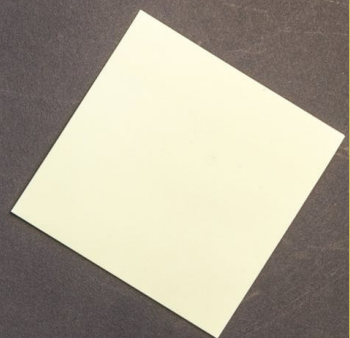
- SUPER DEFAULT FUND SETUP
- BEST PRACTICE SUPER REPORTING
- PAYING BUSINESS OWNERS SUPER

### GST

- GST REGISTRATION IS A REQUIREMENT ONCE TURNOVER EXCEEDS \$75,000
- YOU COLLECT 10% GST WHEN YOU MAKE SALES
- YOU GET CREDITS WHEN YOU SPEND MONEY ON ITEMS (PURCHASES)
- NOT ALL PURCHASES HAVE GST
- YOU MUST PAY THE ATO THE GST YOU COLLECT LESS THE CREDITS FOR THE GST YOU HAVE SPENT
- STREAMLINED GST REPORTING OPTIONS

### ATO COMMUNICATIONS

- WE TALK TO THE ATO FOR YOU!
- PAYMENT PLANS
- ADVICE & QUERIES





## BUSINESS ADVICE PRICING



### SMALL BUSINESS SET UP & REGISTRATIONS

ABN APPLICATION	\$ 100
BUSINESS NAME REGISTRATION (3 YR)	\$ 150
COMPANY SET UP	\$ 1650
DISCRETIONARY TRUST SET UP	\$ 650
TRUST WITH CORPORATE TRUSTEE	\$ 2000

### INITIAL SMALL BUSINESS ADVICE | START UP ADVICE 30 MINS **\$ FREE**

- DISCUSS GOOD BUSINESS PRACTICE STRATEGIES VITAL TO SMALL BUSINESS
- EVALUATE PROS & CONS OF A VARIETY OF BUSINESS STRUCTURES
- REVIEW START-UP PROCESS WITH PBS
- DISCUSS COMPLIANCE (ATO REPORTING, INSURANCES & GST)

### GENERAL BUSINESS ADVICE SESSION **\$ 130**

- REVIEW CURRENT & FUTURE BUSINESS OPERATION
- ASSESS TRADING CONDITIONS & CLIENT OBJECTIVES
- INFORMAL REVIEW OF FINANCIAL PERFORMANCE & GOALS
- DISCUSS OPERATIONAL OBJECTIVES & OUTSTANDING ATO COMPLIANCE

## BOOKKEEPING SUPPORT PRICING



### EXPENSE / CREDITORS SUPPORT **\$ 70 P/HOUR**

- RECEIPTS COLLATION & DIGITAL STORAGE
- DATA ENTRY & ADVANCED TAX EFFECTIVE CODING OF BUSINESS ITEMS
- END TO END ACCOUNTS PAYMENT SUPPORT - INVOICE TO PAYMENT - ABA FILE UPLOAD
- TREASURY ACCOUNTING SUPPORT - BANK RECONCILIATION AND DATA ENTRY REVIEW

### INCOME / DEBTORS SUPPORT **\$ 70 P/HOUR**

- INVOICING SUPPORT & ADVANCED INVOICING - ON-CHARGES AND PO'S
- INCOME MANAGEMENT SUPPORT FOR SOFTWARE INTEGRATIONS
- END TO END DEBTOR MANAGEMENT - QUOTE - INVOICE - STATEMENTS - DEBT COLLECTION
- TREASURY ACCOUNTING SUPPORT - BANK RECONCILIATION AND DATA ENTRY REVIEW

### PAYROLL SUPPORT **\$ 70 P/HOUR**

- END TO END PAYROLL - TIME SHEETS - PAYROLL PROCESSING - PAYMENT- ABA FILE UPLOAD
- SUPERANNUATION ACCRUALS PROCESSING & PAYMENT (DIRECT DEBIT OR ABA FILE UPLOAD)
- ATO COMPLIANCE - PERIODICAL PAYROLL REPORTING & PAYMENT - ABA FILE UPLOAD
- TREASURY ACCOUNTING SUPPORT - BANK RECONCILIATION AND DATA ENTRY REVIEW



## SOFTWARE MANAGEMENT SUPPORT



### SMALL BUSINESS SOFTWARE SET UPS \*

XERO SET UP	\$ 199
PAYROLL SET UP (PER 10 EMPLOYEES)	\$ 50
CUSTOMIZATION OF INVOICES, QUOTES & STATEMENTS	\$ 70 P/hour
SERVICE M8   JOBBER SET UP	\$ 650
SQUARE   STRIPE SET UP	\$ 55

### SUBSCRIPTION BASED PRICES | EXTERNAL CHARGES LESS 15% DISCOUNT

XERO STARTER - BASIC MICRO SOFTWARE	\$ 22 P/M
XERO WITH PAYROLL (INCREASES EVERY 5 EMPLOYEES)	\$ 43 P/M
RECEIPT BANK FOR DIGITAL RECEIPT COLLECTION	FREE
SQUARE   STRIPE SET UP	P/TRANS

### ADVANCE SOFTWARE FEATURE SUPPORTS \$ POA

- CUSTOMISED REPORTING SET UP
- EXCEL & THIRD PARTY APPLICATION INTEGRATION
- POLICIES AND PROCEDURES - BUSINESS SPECIFIC CREATED & SUPPLIED IN PDF

### ADHOC TECHNOLOGY SUPPORT \$ POA

- DOMAIN & WEBSITE SET UP
- BUSINESS EMAIL CONFIGURATION - G-SUITE OR MICROSOFT 365

## SOFTWARE TRAINING SOLUTIONS



### XERO TRAINING \$ 90 P/hour

- ESSENTIAL BUSINESS BOOKKEEPING - PROCESSING (1 HR)
- INTERMEDIATE BUSINESS BOOKKEEPING - CONCEPTS AND PROCESSING (3 HR)
- ADVANCED SPECIFIC XERO TRAINING (1 HR)

### PAYROLL PROCESSING TRAINING \$ 90 P/hour

- ESSENTIAL PAYROLL - PROCESSING (1 HR)
- ADVANCED PAYROLL HR - CONCEPTS AND PROCESSING (3 HR)
- SPECIFIC PAYROLL SUPPORT TRAINING - EOFY | PAYROLL SETTINGS AND DESIGN (1 HR)





## BOOKKEEPING COMPLIANCE PRICING

### SMALL BUSINESS COMPLIANCE

FROM:



#### BUSINESS ACTIVITY STATEMENT (BAS / GST)

\$ 250

- REVIEW DATA ENTRY & GST CODING FROM ELECTRONIC BOOKKEEPING SOFTWARE
- EVALUATE DEDUCTABILITY OF EXPENSE CODING FROM TRANSACTIONS
- LODGE BAS DIGITALLY WITH THE ATO
- UPLOAD ATO BILLS FOR PAYMENT - ABA FILE OR ARRANGE ATO PAYMENT PLAN

#### MONTHLY PAYROLL REPORTING (IAS / SUPER )

\$ 95

- REVIEW MONTHLY PAYROLL JOURNALS & ALLOCATE ACCORDINGLY
- LODGE PAYROLL REPORTS DIGITALLY WITH THE ATO
- PROCESS SUPER ACCRUALS FOR PAYMENT MONTHLY /QUARTERLY PAYMENT OPTIONS
- UPLOAD ATO BILLS FOR PAYMENT - ABA FILE OR ARRANGE ATO PAYMENT PLAN

#### MONTHLY MANAGEMENT REPORTS

#### INCLUDED FOR MANAGED CLIENTS

- REVIEW MONTHLY PERFORMANCE COMPARED TO PREVIOUS PERIOD
- PERIOD TO DATE COMPLIANCE SCHEDULE
- PERIOD TO DATE ESTIMATED GST PROJECTIONS & EOFY TAX POSITION
- LIST OF AGED RECEIVABLE (WHO OWES YOU MONEY) & PAYABLES (WHO YOU OWE)

## TAXATION COMPLIANCE PRICING

### SMALL BUSINESS TAX RETURNS

FROM:



SOLE TRADER	\$ 260
PARTNERSHIP   TRUST	\$ 600
COMPANY	\$ 600
BUSINESS OWNER STANDARD TAX RETURN	\$ 205
RENTAL SCHEDULE - PER PROPERTY	\$ 85
CAPITAL GAINS TAX - SHARES	\$ POA
CAPITAL GAINS TAX - PROPERTY	\$85
CAPITAL GAINS TAX - BUSINESS SALES	\$POA

### TAXATION PROCESS

- TAX RETURNS FOR YOUR BUSINESS MUST BE PROCESSED PRIOR TO INDIVIDUAL RETURNS
- OPTION FOR IN PERSON CONSULTATION OR DIGITAL CONSULTATION
- ALL COMPLIANCE WORK IS SCHEDULED SO BOOKINGS ARE ESSENTIAL