Business Action Plan

**Week 3: Demystifying Financial Numbers in Tourism**

The masterclass for week three addressed getting to know your numbers, creating budgets, the activity drivers that determine your revenue and reporting.

The following 10 questions are designed to delve into your business and discover how much you know about your numbers. For feedback, please complete and send to info@tict.com.au so one of our Industry Advisers can review.

**Q1. Do you account for your profit on a Cash or Accrual basis?**

|  |  |  |
| --- | --- | --- |
|  | **Cash** | **Accrual** |
| Deposits for Accommodation | When paid | When used (stayed) |
| Invoices sent to Customers | When paid | When and invoice is sent |
| Bills received from suppliers | When paid | When received |
| Cost of Sales (Direct Costs) | When paid | When sold |
| PAYG withholding on wages | When paid | When accrued (payroll run) |
| Superannuation | When paid | When accrued (payroll run) |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

**Q2. Does your Balance Sheet show the following:**

|  |  |  |
| --- | --- | --- |
| Debtors/Accounts Receivable | Invoices sent but not yet paid to you | Asset |
| Inventory | Stock items on hand that have not yet been sold  | Asset |
| Goodwill | The difference between your business value today and what you paid for it at cost | Asset |
| Creditors/ Payables | Bills received but not yet paid | Liability |
| Superannuation Payable | Super accrued from employee pays but not yet paid  | Liability |
| PAYG Withheld | The tax withheld on wages that has not been paid to the ATO yet | Liability |
| Provision for Income Tax | The expected tax on your profit not yet paid less any quarterly instalments paid | Liability |
| Deposits on Hand | Deposits received but not yet income as it has not been spent on goods or services yet by the customer i.e. haven’t stayed yet. | Liability |

**Q3. What items from the below list can you identify that may affect your bank balance but don’t show up on your Profit and Loss Statement**

|  |  |
| --- | --- |
| Drawings/Transfers | Owner contributions or drawings  |
| Inventory/Stock | Stock items on hand that have not yet been sold  |
| Borrowing and Refinancing Costs | Often claimed over the lesser of life of the loan or 5 years.  |
| Old Superannuation Payments | If not paid within 28 days of the end of the quarter they are not deductible  |
| BAS/IAS Payments | GST , tax withheld on wages and income tax instalments |
| Large Equipment  | Often claimed over the life of the asset and appear as Depreciation on the Profit & Loss |
| Loan proceeds | Funding from a loan you have taken out |

**Q4. Which Accounting Software do you use and can it be used to create a budget?**

|  |  |  |
| --- | --- | --- |
|  | **Accounting Software** | **Can it create Budgets** |
| 1 | Xero | Yes |
| 2 | *MYOB Essentials* |  |
| 3 | MYOB Account Right Live/Edge |  |
| 4 | Quickbooks |  |
| 5 | Reckon/ Reckon One |  |
| 6 | Sassu |  |
| 7 | Excel |  |
| 8 | Other |  |

**Q5. What are the Key Performance Indicators (KPI’s) that are most important for you in your business?**

🞎 Daily Sales

🞎 Weekly Revenue

🞎 Occupancy %

🞎 Forward Bookings

🞎 Covers (PAX)

🞎 Gross Profit or Margin

🞎

🞎 Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

🞎 Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Q6. What professional development programs do you participate in to ensure you and your business are the highest quality?** *Tick all that apply.*

🞎 Daily Sales

🞎 Weekly Revenue

🞎 Occupancy %

🞎 Forward Bookings

🞎 Covers (PAX)

🞎 Gross Profit or Margin

🞎

🞎 Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

🞎 Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Email your completed copy to info@tict.com.au for one of our helpful advisers to review.