
ACCOUNTING AND RECORD KEEPING

Moving to a paperless and digitalised method of accounting and record keeping can help removed large amounts of paper, but also significantly reduce the amount of data entry. The following points provide some direction.

Digitising Your Transactions

The first step to removing paperwork and reducing data entry is through using a digital Point of Sale (PoS) system. Since the pandemic, more small businesses are moving to larger PoS systems to be able to handle their physical transactions, as well as their website sales. This means you will only have one system to use for both sales channels. This results in one set of report (no reconciliation of different reports), and easier inventory management (only you only have to put in available inventory into one system, and not juggle between physical and online sales). Please be mindful of the cost of the hardware, and cost per transaction.

One example of these tools is Square (<https://squareup.com/>).

Accounting Software

Using Accounting software can take out all the manual work (and accountant costs!) of working out your tax obligations. There are two options now – On premise (installing it onto your computer) or on the Cloud (using accounting software on the Internet). These tools now have a regional focus, include Australian tax rules, and will let you see up to date information about your business. Of course, discuss this with your Accountant before any major changes.

Some examples of these tools are Xero (<https://www.xero.com/au/>) and MYOB (<https://www.myob.com/au>)

Combining the Two

Having one system handle your PoS and another looking after your accounts will mean data will have to be moved from the PoS to the accounting system manually. However, this is not always the case. If your PoS and Account software can talk to each other (be integrated), the manual process of transferring data from one system to the other can be automated.

One example of this is the partnership between Square and Xero (<https://www.xero.com/au/partnerships/square/>).