



FNSTPB411

ASSESSOR GUIDE

## Complete business activity and instalment activity statements

Assessment 2 of 4

Project

## Tax Practitioners Board (TPB) BAS agent registration

In Australia, if you want to provide BAS services for a fee or other reward, you must be registered with the Tax Practitioners Board (TPB).

To become a registered BAS agent, you must satisfy specific qualifications and experience requirements set out in the Tax Agent Services Regulations 2022 (TASR).

You may apply to register as a BAS agent through one of two options outlined in the TASR (item 101 or 102), depending on your experience.

	Primary qualification	Board approved course in GST/BAS taxation principles	Voting member of a recognised BAS or tax agent association	Relevant experience
Accounting qualifications	At least Certificate IV Financial Services in bookkeeping or accounting	✓	✗	1,400 hours in past four years
Professional association membership	At least Certificate IV Financial Services in bookkeeping or accounting	✓	✓	1,000 hours in past four years

### Summary of qualifications and experience requirements

- Item 101 - Accounting qualifications
  - A Certificate IV Financial Services (or a higher award) in bookkeeping or accounting from a registered training organisation or an equivalent institution
  - Board approved course in basic GST/BAS taxation principles (GST/BAS course)
  - 1,400 hours of relevant experience in the past four years.
- Item 102 - Professional association membership
  - A Certificate IV Financial Services (or a higher award) in bookkeeping or accounting from a registered training organisation or an equivalent institution
  - Board approved course in basic GST/BAS taxation principles (GST/BAS course)
  - A voting member of a recognised BAS or tax agent association
  - 1,000 hours of relevant experience in the past four years.

### Board approved courses

Board approved courses are nationally recognised units approved by the Tax Practitioners Board (TPB) for registration purposes.

FNSTPB411 - Complete business activity and instalment activity statements, and FNSTPB412 - Establish and maintain payroll systems are included in this FNS40222 Certificate IV in accounting and bookkeeping qualification. Together they meet the TPB approved course in basic GST/BAS taxation principles (GST/BAS course) academic requirements for registration as a BAS agent.

More information on [BAS agent registration](#) can be found on the TPB website.

## Education requirements of the Tax Practitioners Board (TPB)

This assessment is designed to meet the education requirements of the Tax Practitioners Board (TPB), which stipulates that a significant amount (at least 40%) of the assessment must be completed under some form of independent supervision.

Tasks that must be completed under independent supervision are:

- Task 5a
- Task 5b
- Task 5c

Please refer to the additional independent supervision instructions.

## Assessment Instructions

### Task overview

This assessment task is divided into five (5) tasks. Read each question carefully before typing your response in the space provided or in the attached document.

### Additional resources and supporting documents

To complete this assessment, you will need:

- Access to learning materials on the learning portal
- Access to a computer, the internet and email
- Access to a suitable simulated computer workstation environment
- Access to Microsoft Word, MS Excel and Adobe Acrobat Reader
- Basic calculator (handheld or on a computer)
- Access to ATO and TPB materials from the ATO and TPB websites, including the Letter of engagement template
- Awesome Landscapes P & P Manual
- GST Calculation Worksheet for BAS (accessed from the ATO website)
- BAS Data



## Assessment Information

### Submission

You are entitled to three (3) attempts to complete this assessment satisfactorily. Incomplete assessments will not be marked and will count as one of your three attempts.

All questions must be responded to correctly to be assessed as satisfactory for this assessment.

Answers must be typed into the space provided and submitted electronically via the LMS. Hand-written assessments will not be accepted unless previously arranged with your assessor.



### Reasonable adjustment

Students may request a reasonable adjustment for assessment tasks.

Reasonable adjustment usually involves varying:

- the processes for conducting the assessment (e.g. allowing additional time)
- the evidence gathering techniques (e.g. oral rather than written questioning, use of a scribe, modifications to equipment)



However, the evidence collected must allow the student to demonstrate all requirements of the unit.

Refer to the Student Handbook or contact your Trainer for further information.



Please consider the environment before printing this assessment.

## Student Instructions

This is assessment two (2) of four (4) for FNSTPB411 Complete business activity and instalment activity statements.

This is an open book written assessment. You can use your learning materials as a reference. This assessment has five (5) tasks; some tasks have sub-parts.

This assessment uses a simulated business called Ace Finance. To complete the assessment tasks, you will need to access information, documents, and templates associated with Ace Finance and one of Ace Finance's clients, Tim Robbins, from Awesome Landscapes. The supporting documents you need to complete the assessment can be downloaded from the learning platform. You must complete all tasks and their parts correctly in the spaces provided or attached documents to achieve a satisfactory outcome for this assessment.

For this assessment, you will assume the role of Sam Morgan, a trainee accountant with Ace Finance. Andrew Black is your manager.

## Supporting documents

- Awesome Landscapes P & P Manual
- BAS Data

## Assessor Instructions

### Purpose of the Task

This assessment requires students to complete five (5) tasks to demonstrate that they understand the knowledge and skills required for this unit.

### Reassessment Arrangements

If students answer any questions in this assessment incorrectly, they must be given an appropriate time to resubmit. Students should only redo incorrect questions but must resubmit the entire assessment.

### Guidance to Assessors About this Assessment

Students can be given the opportunity to answer questions verbally if appropriate. Benchmark responses for each question have been provided.

## Task 1 – Document regulatory requirements

### Supporting Documents

- Awesome Landscapes P & P Manual

### Student Instructions

For this assessment task, you must assume the role of Sam Morgan, a trainee accountant with Ace Finance. Andrew Black, your manager, has asked you to research and document:

- the due dates for lodging and paying a Business Activity Statement (BAS) and Instalment Activity Statement (IAS)
- how to adjust a BAS

for a client, Tim Robbins, from Awesome Landscapes.

Download and review Awesome Landscapes Policy and Procedures Manual to complete this task.

Research:

- Due dates for lodging and paying a BAS and IAS
- Adjusting your activity statements

In Awesome Landscapes Policy and Procedures Manual, under the heading GST, BAS and IAS reporting, add to the BAS and IAS procedure the following information in line with statutory requirements so that it includes:

- a. Due dates for lodging and paying an IAS and BAS, including online lodging dates.
- b. When to make activity statement adjustments, including:
  - i. working out adjustments for sales
  - ii. working out adjustments for purchases.

Include a link to the statutory requirements information from which you have sourced your information. Clearly mark the information you have included in the policy and procedure manual, highlighting it in colour for your assessor.

(Approximate word count: 300-350 words)

### Assessor Instructions

The student must add to the Awesome Landscapes Policy and Procedure Manual by including under the heading GST, BAS and IAS reporting:

- a. The due dates for lodging and paying a BAS and IAS, including online lodging dates
- b. When to make activity statement adjustments, including:
  - working out adjustments for sales
  - working out adjustments for purchases.

The student must include a link to the information on the statutory requirements from which they have sourced their information.

The student should clearly mark the information they have included in the policy and procedure manual, highlighting it in colour to identify which information has been added.

The due dates for lodging and paying BAS and IAS included in the Awesome Landscapes Policy and Procedure Manual must match the exemplary answers below. It must also include a link to where the information was sourced.

When to make activity statement adjustments, must reflect the exemplar answers below.



- a decreasing adjustment if Awesome Landscapes originally paid more than the amount payable once the adjustment event is taken into account. In this case, you pay less GST for the reporting period. Awesome Landscapes must reimburse the customer before reporting it on their activity statement.
- an increasing adjustment if Awesome Landscapes originally paid less than the amount payable once the adjustment event is taken into account. In this case, you pay more GST for the reporting period.

### Working out adjustments for purchases

If Awesome Landscapes have to make an adjustment for a purchase they made, the adjustment amount is:

- an increasing adjustment if Awesome Landscapes claimed more for the purchase in the earlier tax period than the amount they could have claimed if the adjustment event had been taken into account.
- a decreasing adjustment if Awesome Landscapes claimed less for the purchase in the earlier tax period than the amount they could have claimed if the adjustment event had been taken into account.

[When to make adjustments | Australian Taxation Office \(ato.gov.au\)](#)



## Task 2 – BAS and Tax Agents scope of services

### Student Instructions

To complete this task, read the email from Andrew Black and complete the instructions that follow.



**To:** Sam Morgan (s.morgan@acefinance.student.com.au)  
**From:** Andrew Black (a.black@acefinance.student.com.au)  
**Date/time:** Monday 15 June 2020 10:45 a.m.  
**Subject:** Scope of services Ace Finance offer

Good morning, Sam,

Thank you for the work you did in updating Awesome Landscapes Policy and Procedure manual.

Tim Robbins has contacted me and asked if we can explain the different services we offer and if we are registered to provide BAS services.

Could you please email Tim and outline the scope of services Ace Finance can provide as a Registered BAS Agent and a Registered Tax Agent under the Tax Agent Services Act?

Kind Regards,  
Andrew



Andrew Black  
Director – ACE Finance  
PO Box 298 Geebung Qld, 4220  
Phone: 1800 111 222  
[www.ace.finance.studnet.com.au](http://www.ace.finance.studnet.com.au)

You are required to assume the role of Sam Morgan, a trainee accountant with Ace Finance.

To successfully complete this task, you must use the email template below and draft an email to Tim Robbins from Awesome Landscapes. The email must include:

- The limitations of services offered by a BAS Agent compared to those of a Tax Agent
- The scope of services Ace Finance can provide as a Registered BAS and Tax Agent under the Tax Agent Services Act.
- Three (3) examples of BAS Agent services
- Three (3) examples of Tax Agent services

(Approximate word count: 350-400 words)

## Assessor Instructions

The student must use the email template below to draft an email to Tim Robbins from Awesome Landscapes. The email must include:

- The limitations of services offered by a BAS Agent compared to those of a Tax Agent
- The scope of services Ace Finance can provide as a Registered BAS and Tax Agent under the Tax Agent Services Act.
- Three (3) examples of BAS Agent services.
- Three (3) examples of Tax Agent services.

The student response must reflect the exemplar answers below and include three examples of BAS and Tax Agent service.

Other examples of BAS agent services can be found on the TPB website [BAS services | TPB](#)

Other examples of Tax agent services can be found on the TPB website [Tax agent services | TPB](#)

## Email Template

To:	Tim Robbins (t.robbs@awesomelandscapes.student.com.au)
From:	Sam Morgan (s.morgan@acefinance.student.com.au)
Date:	Monday 15 June 2020 10:55 a.m.
Subject:	Scope of services Ace Finance offer

Good morning, Tim,

My name is Sam Morgan, and I work with Andrew Black. Andrew has asked me to email you and outline the BAS and Tax Agent service Ace Finance offer.

The difference between a BAS Agent and a Tax Agent is a BAS Agents cannot provide Tax Agent services, e.g., preparing and lodging tax returns

Ace Finance is a registered BAS Agent and Tax Agent with the Tax Practitioners Board.

Under the Tax Agent Services Act, BAS services we can provide include:

- advising clients about their obligations under BAS provisions, including:
  - GST
  - fuel tax
  - luxury car tax
  - wine equalisation tax (WET)
  - fringe benefits tax (FBT)
  - pay as you go (PAYG) withholding
  - PAYG instalments
- preparing and lodging approved forms about a client's liabilities, obligations or entitlements under BAS provisions
- dealing with us on behalf of a client in relation to their obligations under BAS provisions.

Examples of BAS services Ace Finance can offer on behalf of our clients, as indicated by the Tax Practitioners Board, include:

- calculating and lodging income statements, employee termination payments, gross wages, allowances and other taxable and non-taxable payroll items
- completing and lodging Single Touch Payroll reports to the ATO
- calculating, paying, verifying and reporting super guarantee (SG) contributions
- determining and reporting an SG shortfall amount and any associated administrative fees
- dealing with super payments made through a clearing house
- completing and lodging a taxable payments annual report to the ATO
- sending a tax file number declaration to the Commissioner
- applying to the Registrar for an Australian business number.

Under the Tax Agent Services Act, Tax Agent services Ace Finance can provide include services relating to:

- ascertaining (that is, working out) or advising about liabilities, obligations or entitlements of entities under a taxation law
- representing entities in their dealings with the Commissioner of Taxation in relation to a taxation law
- where it is reasonable to expect the entity will rely on the service to satisfy liabilities or obligations or to claim entitlements under a taxation law.

**Examples of services that constitute a tax agent service under the TASA, if provided for a fee or reward, include:**

- preparing returns, notices, statements, applications or other documents about your client's liabilities, obligations or entitlements under a taxation law
- lodging returns, notices, statements, applications or other documents about your client's liabilities, obligations or entitlements under a taxation law
- assisting clients with tax concessions for expenditures incurred on research and development activities where the service involves the application of taxation laws
- preparing depreciation schedules on the deductibility of capital expenditure
- preparing or lodging objections on behalf of a taxpayer under Part IVC of the Taxation Administration Act 1953 (TAA) against an assessment, determination, notice or decision under a taxation law
- giving clients advice about a taxation law that they can reasonably be expected to rely on to satisfy their taxation obligations
- installing computer accounting software, and determining default goods and services tax (GST) and other codes tailored to clients
- ascertaining the withholding obligations for employees of your clients, including preparing income statements
- dealing with the Commissioner on behalf of clients
- applying to the Commissioner or the Administrative Appeals Tribunal (AAT) for a review of, or instituting an appeal against, a decision on an objection under Part IVC of the TAA
- reconciling BAS provision data entry to ascertain the figures to be included on a client's activity statement
- filling in an activity statement on behalf of a client or instructing them which figures to include.
- coding transactions, particularly in circumstances where it requires the interpretation or application of a taxation law
- providing tax-related advice specific to client's circumstances regarding PAYG withholding liability, Superannuation Guarantee obligations, fringe benefits tax laws, and termination and redundancy payments
- undertaking a payroll compliance review, providing an assessment and/or opinion as to whether the client is compliant with their taxation obligations under one or more taxation laws
- providing a payroll service that involves interpreting and applying a taxation law, including reporting employee payroll information through single touch payroll (STP) enabled software.

Kind Regards,  
Sam Morgan

Sam Morgan  
Trainee Accountant – ACE Finance  
PO Box 298 Geebung Qld, 4220  
Phone: 1800 111 222  
[www.ace.finance.studnet.com.au](http://www.ace.finance.studnet.com.au)



## Task 3 – Compliance with Code of Conduct

### Student Instructions

To complete this task, read the email from Andrew Black and follow the instructions.



**To:** Sam Morgan (s.morgan@acefinance.student.com.au)  
**From:** Andrew Black (a.black@acefinance.student.com.au)  
**Date/time:** Friday, 20 June 2020 10:45 a.m.  
**Subject:** Letter of Engagement

Good morning, Sam,

Thank you for sending the information on the scope of services Ace Finance can offer Tim Robbins. I spoke to him this morning, and he has decided to use our BAS services permanently. As per Ace Finance's policy, before we provide BAS services to new clients, we must have a written agreement with the client to set out the engagement's terms and conditions.

I would like you to use the template below to draft a letter of engagement for Awesome Landscapes, setting out the terms and conditions of the BAS service arrangement. Please date the letter 20/06/2020, and address the letter to:

Awesome Landscapes  
123 Golden Grove,  
Spring Hill QLD 4004  
ABN: 89 061 598 756

Attn: Tim Robbins

Include the following points in the letter:

- Ace Finance will review Awesome Landscape's quarterly accounts to ensure all transactions have been coded correctly. Awesome Landscape must provide data to Ace Finance no later than seven (7) days after the end of the reporting period (e.g., for April – June BAS, we require the data by 7 July). Tim's partner, who currently manages his accounts, will perform all other bookkeeping work.
- Ace Finance will submit Awesome Landscapes quarterly BAS on time.
- Ace Finance will provide Awesome Landscapes with an electronic copy of the quarterly BAS once submitted for their records and for them to organise payment.
- Ace Finance will be paid \$150 for each BAS form submitted.
- If Awesome Landscapes has tax-based questions other than BAS form information, the Ace Finance rate will be \$150.00 per hour.
- Ace Finance's Payment terms are 14 days from the date of invoice.

The letter of engagement should adhere to the guidelines set out by the Tax Practitioners Board website <https://www.tpb.gov.au/letters-engagement>.

(Approximate word count: 500-600 words)

Kind Regards,  
Andrew



Andrew Black  
Director – ACE Finance  
PO Box 298 Geebung Qld, 4220  
Phone: 1800 111 222  
[www.ace.finance.studnet.com.au](http://www.ace.finance.studnet.com.au)

## Assessor Instructions

The student must create a letter of engagement for Tim Robbins from Awesome Landscapes. The letter of engagement should adhere to the guidelines set out by the Tax Practitioners Board website <https://www.tpb.gov.au/letters-engagement>. The student response must reflect the exemplar answer below.

### Letter of Engagement Template

Awesome Landscapes  
123 Golden Grove  
Spring Hill QLD 4004  
ABN: 89 061 598 756

Attn: Tim Robbins

20/06/2020

Dear Tim

**Re: Engagement of Ace Finance as your BAS Agent**

Confirming your discussions of 20 June 2020 with Andrew Black, we are pleased to accept your appointment as your BAS Agent for 2020 and beyond. This document sets out the terms of our engagement with you. In accepting this engagement, Ace Finance, a registered BAS agent under the Tax Practitioners Board (TPB), are subject to the provisions of the [Tax Agent Services Act 2009](#).

#### Scope

We are engaged to provide you with BAS services. As such, we are not engaged to provide tax advice. Only a registered tax agent may provide such services for a fee.

Work to be performed will be limited exclusively to engagement-related ones. As your BAS agent, we will:

- Review accounting transactions to ensure they have been coded correctly. Data must be provided by Awesome Landscape to Ace Finance no later than seven (7) days after the end of the reporting period.
- Submit your quarterly BAS on time
- Provide you with an electronic copy of the quarterly BAS once submitted for your records and for you to organise payment

We will not be responsible for any errors brought about by your failure to provide information, documentation or material that is later found to be central to your bookkeeping requirements. You are responsible for the timely provision of information, and we will not be liable for any consequences brought about by your failure to act in a timely manner.

### **Our obligations as BAS Agents**

- Always act honestly and with integrity.
- Act lawfully in your best interests and advise you of any conflicts of interest.
- Take reasonable care to ascertain your state of affairs.
- Take reasonable care to apply the BAS provisions correctly.
- Provide BAS services competently.
- Not knowingly obstruct the administration of the taxation laws.
- Advise you of your rights and obligations under the taxation laws on a timely basis and return funds due to you.
- Not make false or misleading statements to the ATO.

### **Professional Fees and Payments**

Our standard professional fees are (subject to notification of any changes to the rates):

BAS submission fee is \$150.00 per BAS

### **Terms of Payment**

Unless other terms have been agreed upon, our terms are strictly 14 days from the date of each invoice.

### **Standards**

You will be provided with the highest standard of professional service. If for any reason you feel you have not received the service expected, please, in the first instance, contact us to discuss.

Furthermore, as a member of the Institute of Certified Bookkeepers and a registered BAS Agent, we are subject to the ethical and professional requirements of the Institute of Certified Bookkeepers and Tax Practitioners Board and its investigations and disciplinary processes. These requirements cover issues such as a Code of Conduct and requirements to undertake continued professional development.

Should there be an issue regarding our ethical or business practices, such matters may be referred to the Institute of Certified Bookkeepers for investigation. As a member of the Institute Certified Bookkeepers and Tax Practitioners Board, we are also obliged to hold current Professional Indemnity insurance. We warrant that our insurance coverage is in accordance with these requirements.

### **Privacy Statement**

We are bound by the provisions of the Privacy Act to maintain all records securely and in accordance with the provisions of that Act. Any breach of these requirements should be notified to the Privacy Commissioner.

### **Client Acknowledgement and Confirmation**

I, Tim Robbins, acknowledge and accept the terms of this engagement as they have been provided. I shall be personally liable for all fees for services performed under such agreement.

.....

.....

Signed

Print Name

Date .....



## Task 4 – Professional Development

### Student Instructions

To complete this task, read the email from Andrew Black and follow the following instructions.



**To:** Sam Morgan (s.morgan@acefinance.student.com.au)  
**From:** Andrew Black (a.black@acefinance.student.com.au)  
**Date/time:** Friday, 20 June 2020, 3:45 p.m.  
**Subject:** Professional Development

Good afternoon, Sam,

We have received notification from the Tax Practitioners Board (TPB) that your registration as a BAS Agent is up for renewal.

To renew your registration, you must demonstrate that you have completed continuing professional education (CPE) that meets the TPB's 1 July legislated requirements.

To help us plan for this, please complete the professional development plan below by indicating what professional development opportunities you would like to undertake over the next three years.

There are many types of professional development opportunities, some of which are listed on the TPB website. The professional development opportunities you plan to undertake must be relevant to your job and meet the reregistration requirements.

Kind Regards,  
Andrew



**Andrew Black**  
Director – ACE Finance  
PO Box 298 Geebung Qld, 4220  
Phone: 1800 111 222  
[www.ace.finance.studnet.com.au](http://www.ace.finance.studnet.com.au)

You are required to assume the role of Sam Morgan, a trainee accountant with Ace Finance.

To complete this task, you must use the professional development template below to identify and document your three (3) year competency development plan. The plan must:

- include at least one activity relating to changes in legislation
- include activities that align with your job role
- have no more than 25% of CPE undertaken through relevant technical/professional reading
- meet the TPB 1 July 2022 regulated requirements.

## Assessor Instructions

The student must research professional education opportunities they could undertake to meet the TPB and ICB continuing professional education requirements.

### TPB continuing professional education requirements

- You should complete a minimum of 90 hours of Continuing Professional Education (CPE) within a standard three (3) year registration period, with a minimum of 20 hours each year.
- If you have a condition of fuel tax credits on your registration, you should complete a minimum of 6 hours of CPE within a standard three (3) year registration period, with a minimum of two (2) hours each year.
- If your registration period is other than three (3) years, you should complete CPE on a pro-rata basis.

### ICB continuing professional education requirements

- Twenty hours of Continuing Professional Education (CPE) per membership year and complete the Annual Skill Review (ASR) every two years.

They must use the professional development template to identify and document a three (3) year competency development plan.

The competency development plan must reflect the exemplar activities below and must:

- include at least one activity relating to changes in legislation
- include activities that align with your job role
- have no more than 25% of CPE undertaken through relevant technical/professional reading
- include a minimum of 90 hours of CPE.

### Types of CPE activities

- seminars, workshops, webinars, courses and lectures
- structured conferences and discussion groups (including by phone or video conference)
- tertiary courses provided by universities, registered training organisations (RTOs), other registered higher education institutions or other approved course providers
- other education activities, provided by an appropriate organisation
- research, writing and presentation by a registered tax or BAS agent of technical publications or structured training
- peer review of research and writing submitted for publication or presentation in structured training
- computer/internet-assisted courses, audiotape or videotape packages
- relevant technical or professional reading
- attendance at structured in-house training on tax related subjects by persons or organisations with suitable qualifications and/or practical experience in the subject area covered
- attendance at appropriate Australian Taxation Office (ATO) seminars and presentations
- relevant CPE activities provided to members and non-members by a recognised professional association
- a unit of study or other CPE activity on the Tax Agent Services Act 2009 (TASA), including the Code of Professional Conduct (Code).



## Ace Finance BAS Agent Professional Development Plan for Trainee Accountants

### TPB Continuing Professional Education Requirements

You should complete a minimum of 90 hours of Continuing Professional Education (CPE) within a standard three (3) year registration period, with a minimum of 20 hours each year.

If you have a condition of fuel tax credits on your registration, you should complete a minimum of 6 hours of CPE within a standard three (3) year registration period, with a minimum of two (2) hours each year.

If your registration period is other than three (3) years, you should complete CPE on a pro-rata basis.

### ICB Continuing Professional Education Requirements

20 hours of Continuing Professional Education (CPE) per membership year and complete the Annual Skill Review (ASR) once every two years.

CPE Provider	Details of CPE activity undertaken, including format	Outcome / Learning	Link to the learning activity	Hours
<b>Example</b> Tax World	Fundamental Business Activity Statements - workshop	Increase understanding of BAS requirements and skills in preparing BAS forms	<a href="http://www.taxworld.training.au">www.taxworld.training.au</a>	8 hours - 1 hour lunch break, 7 hours total
<b>TOTAL Continuing Professional Education Hours</b>				

## Task 5 – Manage business cash flow

### Student Instructions

This assessment is designed to meet the education requirements of the Tax Practitioners Board (TPB), which stipulates that a significant amount (at least 40%) of the assessment must be completed under some form of independent supervision.

### Supporting Documents

- [GST calculation worksheet for BAS](#)
- [BAS data](#).

### Student Instructions

To complete this task, read the email from Andrew Black and follow the instructions.



**To:** Sam Morgan (s.morgan@acefinance.student.com.au)  
**From:** Andrew Black (a.black@acefinance.student.com.au)  
**Date/time:** Friday, 20 June 2020, 3:45 p.m.  
**Subject:** Professional Development  
**Attachment:** [BAS data](#)

Good afternoon, Sam,

Cathy Goodwin, the owner of Cathy's Clothing, would like us to help her prepare her July – Sept 2020 BAS. She has sent us the attached BAS data documents, hoping they contain all the information we need to assist her.

Please review the information that Cathy has sent. She would eventually like to be able to prepare the BAS herself and has asked if we can explain what figures she needs to include in each field. I suggest you use the GST calculation Worksheet for BAS from the ATO website, calculate the GST on Sales and Purchases amount and then contact Cathy to discuss filling out her BAS.

Cathy has also asked us if we can assess her cash flow situation to ensure she has sufficient funds to meet her September 2020 tax requirements.

Kind Regards,  
Andrew



Andrew Black  
Director – ACE Finance  
PO Box 298 Geebung Qld, 4220  
Phone: 1800 111 222  
[www.ace.finance.studnet.com.au](http://www.ace.finance.studnet.com.au)

## Task 5a

To complete this task, download and review the BAS data information.

Access the [GST calculation worksheet for BAS](#). Use the BAS data to complete the GST calculation worksheet. Use the snipping tool to capture a screenshot of the completed GST calculation worksheet for BAS and paste the screenshot into the table below.

### Assessor Instructions

The student must download and review the information in FNSTPB411\_02\_Project\_BAS data.

They must then access the GST calculation worksheet for BAS and use the BAS data to complete the GST calculation worksheet.

### Additional Information for the assessor

#### G1 Calculation - Total sales

	Ex GST	GST	Total inc GST
Sales	500,000.00	50,000.00	550,000.00
Export Sales	125,000.00		125,000.00
Other GST-free Sales	4,400.00		4,400.00
Residential rent	11,000.00		11,000.00
Commercial rent	20,000.00	2,000.00	22,000.00
Interest received	660.00		660.00
Sale of Asset	500.00	50.00	550.00
	<u>661,560.00</u>	<u>52,050.00</u>	<u>713,610.00</u>

#### G4 Calculation - Input taxed sales

Residential rent	11,000.00
Interest received	660.00
	<u>11,660.00</u>

#### G14 Calculation - Purchases without GST

Bank Fees	1,300.00
Interest	630.00
Rates & Water	1,750.00
Staff amenities (NO GST)	130.00
	<u>3,810.00</u>

#### G17 Calculation - Total purchases subject to GST

Delivery expenses	136.36	150.00
Stock purchases	200,000.00	220,000.00
Accounting fees	1,909.09	2,100.00
Advertising	22,727.27	25,000.00
Bank fees	1,300.00	1,300.00
Electricity and gas	3,181.82	3,500.00
Insurance business	2,505.45	2,756.00
Interest paid	630.00	630.00
Lease expenses	8,636.36	9,500.00
Motor vehicle expenses	3,181.82	3,500.00
Other expenses (subs and office)	181.82	200.00
Post, printing and stationery	1,272.73	1,400.00
Rent expenses (Commercial)	86.36	95.00

Replacement tools	136.36	150.00
Rates and water	1,750.00	1,750.00
Repairs and maintenance	2,409.09	2,650.00
Staff amenities (no GST)	130.00	130.00
Software expenses	409.09	450.00
Telephone	1,604.55	1,765.00
	<u>252,188.18</u>	<u>277,026.00</u>

The screenshot provided by the student must match the sample answer below.

GST calculation worksheet for BAS

# GST calculation worksheet for BAS

(If you want to use the calculation sheet method to work out GST amounts)

Tax period

Name

**1** You can find information to help you complete this calculation worksheet on our website [ato.gov.au/GSTforBAS](http://ato.gov.au/GSTforBAS)

**1** Do not lodge the calculation sheet with your BAS. We recommend you file it with a copy of the BAS to which it relates.

Show amounts at these labels on your BAS

## GST amounts you owe the Tax Office from sales

<b>G1</b> Total sales (including any GST)	<b>G1</b> \$	<input type="text" value="713610"/>	5¢	<b>G1 on the BAS</b>
<b>How much of your total sales (G1) are:</b>				
<b>G2</b> Export sales	<b>G2</b> \$	<input type="text" value="125000"/>	5¢	<b>G2 on the BAS</b>
<b>G3</b> Other GST-free sales	<b>G3</b> \$	<input type="text" value="4400"/>	5¢	<b>G3 on the BAS</b>
<b>G4</b> Input taxed sales	<b>G4</b> \$	<input type="text" value="11660"/>	5¢	
<b>G5</b> G2 + G3 + G4	<b>G5</b> \$	<input type="text" value="141060"/>	5¢	
<b>G6</b> Total sales subject to GST (G1 minus G5)	<b>G6</b> \$	<input type="text" value="572550"/>	5¢	
<b>G7</b> Adjustments (if applicable)	<b>G7</b> \$	<input type="text" value="0"/>	5¢	
<b>G8</b> Total sales subject to GST after adjustments (G6 + G7)	<b>G8</b> \$	<input type="text" value="572550"/>	5¢	<b>1A in the Summary section of the BAS</b>
<b>G9</b> GST on sales (G8 divided by eleven)	<b>G9</b> \$	<input type="text" value="52050"/>	5¢	

## GST amounts the Tax Office owes you from purchases

<b>G10</b> Capital purchases (including any GST)	<b>G10</b> \$	<input type="text" value="3300"/>	5¢	<b>G10 on the BAS</b>
<b>G11</b> Non-capital purchases (including any GST)	<b>G11</b> \$	<input type="text" value="277026"/>	5¢	<b>G11 on the BAS</b>
<b>G12</b> G10 + G11	<b>G12</b> \$	<input type="text" value="280326"/>	5¢	
<b>How much of your purchases (G10 and G11) are:</b>				
<b>G13</b> Purchases for making input taxed sales	<b>G13</b> \$	<input type="text" value="0"/>	5¢	
<b>G14</b> Purchases without GST in the price	<b>G14</b> \$	<input type="text" value="3810"/>	5¢	
<b>G15</b> Estimated purchases for private use or not income tax deductible	<b>G15</b> \$	<input type="text" value="0"/>	5¢	
<b>G16</b> G13 + G14 + G15	<b>G16</b> \$	<input type="text" value="3810"/>	5¢	
<b>G17</b> Total purchases subject to GST (G12 minus G16)	<b>G17</b> \$	<input type="text" value="276516"/>	5¢	
<b>G18</b> Adjustments (if applicable)	<b>G18</b> \$	<input type="text" value="0"/>	5¢	
<b>G19</b> Total purchases subject to GST after adjustments (G17 + G18)	<b>G19</b> \$	<input type="text" value="276516"/>	5¢	<b>1B in the Summary section of the BAS</b>
<b>G20</b> GST on purchases (G19 divided by eleven)	<b>G20</b> \$	<input type="text" value="25137"/>	5¢	

**Reset form**

Now go to the GST section on the front of the BAS and follow the instructions on the form. You will need to transfer amounts from this calculation sheet to the BAS.

NAT 5107-07.2019

**Sensitive** (when completed)

Page 1

## Task 5b

Use the information in the GST calculation worksheet for BAS and the additional information provided in the BAS data to complete the fields in the BAS Summary report below.

### Assessor Instructions

The student must use the information in the GST calculation worksheet for BAS and the additional information provided in the BAS data to complete the field in the BAS Summary report. The student has been provided with the following additional information.

#### *Cathy's Clothing Additional Information*

<i>Purchased new office equipment for cash</i>	<i>\$3,300</i>
<i>PAYG liabilities for the last financial year were fully paid to the ATO on 20/06/2020</i>	
<i>FBT estimated</i>	<i>0</i>
<i>PAYG instalment rate</i>	<i>3.75%</i>
<i>Rental income is paid on the last day of the month</i>	
<i>Projected sales for October</i>	<i>\$167,000.00</i>
<i>Stock due for delivery 01/10/2020. Payment due 15/10/2020</i>	<i>\$80,000.00</i>
<i>Monthly wages expense</i>	<i>\$53,333.00</i>

### Additional Information for the assessor

W1 Total salary and wages figure is from the profit & loss statement.

W2 Amount withheld from payments shown in the W1 figure is from the balance sheet report.

#### T1 PAYG Instalment Income (GST Excl Amount) - Calculation

	GST Incl	GST Excl
Sales	550,000	500,000
Export Sales		125,000
Other GST-free Sales		4,400
Residential Rent Received		11,000
Commercial rent Received	22,000	20,000
Interest Received		660
		661,060

#### 5A Income TAX Instalment Calculation

\$ 661 060 * 3.75%	24,789.75
Rounded to	24,790

The answer provided by the student must match the sample answer below.

Contact phone number <input style="width: 100px; height: 20px;" type="text"/>	0408 111 999
Contact person who completed the form <input style="width: 100px; height: 20px;" type="text"/>	Students Name







## Task 5c

Use the table below to assess Cathy's Clothing's cash flow situation as of 28 October 2020 to ensure sufficient funds are available to meet tax, super and other statutory requirements.

Projected Cash Flow Cathy's Clothing as at 28/10/2020	
Balance as per ANZ Trading Account	\$ 21,500.00
Balance as per ANZ Term Saver Account	\$ 80,000.00
Accounts Receivable recoverable by 28 October 2020 (75% September Balance)	\$ 39,015.75
Sales (projected revenue 28 October 2020)	\$167,000.00
<b>Total projected cash available</b>	<b>\$307,515.75</b>
<b>Liabilities</b>	
BAS liability	\$ 70,453.00
Superannuation	\$ 14,400.00
Accounts Receivable Payable by 28 October 2020 (90% of September Balance)	\$ 86,400.00
Stock (committed purchases)	\$ 80,000.00
Wages October 2020	\$ 53,333.00
Other Expenses (33% of July - September amount)	\$ 21,929.10
	<b>\$326,515.10</b>
<b>Net Projected Cash Position as at 28/10/2020</b>	<b>-\$ 18,999.35</b>

Using the email template below, draft an email to Cathy explaining the Net Projected Cash position of Cathy's Clothing as of 28 October 2020. In the email, you must:

- Explain the net projected cash position of Cathy's Clothing as of 28/10/2020.
- Identify the due date to lodge and pay the quarterly BAS when lodging by mail
- Explain what options Cathy has if she cannot pay and lodge her BAS by the due date.

(Approximate word count: 300-350 words)

### Assessor Instructions

The student must draft an email to Cathy explaining the Net Projected Cash position of Cathy's Clothing as of 28 October 2020. In the email, they must:

- Explain the net projected cash position of Cathy's Clothing as of 28/10/2020.
- Identify the due date to lodge and pay the quarterly BAS when lodging by mail
- Explain what options Cathy has if she cannot pay and lodge her BAS by the due date.

The answer provided by the student must reflect the sample answer below.

## Email Template

To: Cathy Goodwin (c.goodwin@cathysclothing.student.com.au)  
From: Sam Morgan (s.morgan@acefinance.student.com.au)  
Date: Friday, 6 May 2020, 11:10 a.m.  
Subject: Net Projected Cash flow position



Good morning, Cathy,

I hope you are well.

I have reviewed the cash flow position of Cathy's Clothing to assess if there will be sufficient funds to meet your September 2020 tax requirements.

Based on the information you have provided in FNSTPB411\_02\_Project\_BAS data, the business will have a net cash deficit of approximately \$19K at the end of October. This will result in there being insufficient funds to pay your statutory requirements, including BAS liabilities, when they fall due on 28/10/2020.

I have included a copy of my calculation which provides for the cash at bank balances as at 30 September 2020, projected cash inflows and outflows for October, and current liabilities that will fall due in October.

Balance as per ANZ Trading Account	\$ 21,500.00
Balance as per ANZ Term Saver Account	\$ 80,000.00
Accounts Receivable recoverable by 28 October 2020 (75% September Balance)	\$ 39,015.75
Sales (projected revenue 28 October 2020)	\$167,000.00
<b>Total projected cash available</b>	<b>\$307,515.75</b>
<b>Liabilities</b>	
BAS liability	\$ 70,453.00
Superannuation	\$ 14,400.00
Accounts Receivable Payable by 28 October 2020 (90% of September Balance)	\$ 86,400.00
Stock (committed purchases)	\$ 80,000.00
Wages October 2020	\$ 53,333.00
Other Expenses (33% of July - September amount)	\$ 21,929.10
	<b>\$326,515.10</b>
<b>Net Projected Cash Position as at 28/10/2020</b>	<b>-\$ 18,999.35</b>

You are obligated to lodge and pay your BAS before the due date. If you cannot meet this deadline, you should contact the ATO as soon as possible. They may be able to work with you to set up a payment plan that lets you pay by instalments rather than all at once. However, you still need to lodge your activity statement on time, even if you cannot pay by the due date.

If you have any further questions, please do not hesitate to contact me.

Kind Regards,  
Sam Morgan

Sam Morgan  
Trainee Accountant – ACE Finance  
PO Box 298 Geebung Qld, 4220

Phone: 1800 111 222  
[www.ace.finance.com.au](http://www.ace.finance.com.au)

## Assessment Checklist

Students must have completed all questions within this assessment before submitting. This includes:

Task 1	Updated Awesome Landscapes Policy and Procedure Manual	<input type="checkbox"/>
Task 2	Completed Email Templated - Scope of services Ace Finance offer	<input type="checkbox"/>
Task 3	Client Engagement Letter	<input type="checkbox"/>
Task 4	Completed Professional Development Plan	<input type="checkbox"/>
Task 5	a. Completed GST Calculation Worksheet for BAS b. Completed BAS Summary Report c. Completed Cash Flow Statement Completed Email Template - Net Projected Cash Flow Position	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

**Congratulations! You have reached the end of Assessment 2.**

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