

# Radio Days – 2010-05-29

## ***Tip of the Week – Mobile Phone Charges***

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There have been many recent references to people who received massive telephone bills in various media outlets. I have just bought a new mobile phone, and during the sign-up process I noticed that there was a provision for the maximum excess usage charge that I could get each month. This was set at \$100, which is much less than the bills reported in the media for tens of thousands of dollars.

If you have a mobile phone with internet access (and this seems to be the main source of excess charges) you may want to see if you can limit your excess telephone charges. Perhaps things have now changed, but I received a text message from Telstra after I had used my new phone for three days stating that I had used about 80% of my monthly allocation! This meant that, if I had not had the safety net in place, I could easily have been up for a monstrous phone bill.

This may save you from paying more for your phone bill than for your house!

## ***Get Your Accounting Program Working***

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There are many accounting programs on the market, and they all have one thing in common: they are all harder to use than you expect. This is contrary to all the advertising, as each program states that it is easy to use. If you are running a small business, and you do not have an accounting program, this is a good time to start thinking about getting one and learning how to use it before the start of the financial year. I see many clients who have setup their own accounting program and are convinced that it is working correctly and giving them the reports that they need.

Unfortunately, in many cases, they do not know enough about accounting to know that their records are in a mess. I remember one call that I had in my last job in telephone tech support: the caller had been using her program for some months before her boss noticed that there were no cost of sales in the profit and loss. The business was a very busy pub which had many people drinking in the bar and eating in the dining room. It sold a lot of beer (as pubs tend to do) but none of the expense for those beer sales were appearing in the reports. It turned out that she had set her items up so that they were storing all the beer bought, but that she was then not selling any of this beer.

This meant that the accounting program was increasing the amount of beer as stock on hand but never selling any. This was not how the business operated so, of course, the reports were wildly inaccurate. I suggested that she should get a competent person to help her setup her program correctly, and then re-enter all transactions up to date, but she refused. I have often wondered what happened: did she get fired for incompetence or did the business just pay far too much tax. I do not know, but I do know that using your accounting program incorrectly will lead you to create more problems for yourself than it can solve. Have you ever got a competent person to check your accounting data?

If you run a small business, and you have an accounting program but have not understood one word of what I have said, then please ring me for help setting up your program correctly.

## ***Websites***

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None this week