



# CONSTRUCTOR

Construction Business Management Software

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*BAS Reporting*

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# **BAS GUIDE**

**Revision 2 – November 2019**

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## 2. Terms used in this guide

- **Accounts** – an **Account** refers to **Assets, Liabilities, Income, Expenses** and **Equity**, represented by individual codes.
- **Accrual** – an accounting method that records income and expenditure when they are incurred, regardless of when funds change hands.
- **BAS – Business Activity Statement** – a form submitted to the Australian Tax Office by registered businesses entities to report their tax obligations.
- **Cash Based** – an accounting method where income is recognized when cash is received and expenses are recognized when they are paid.
- **Company** - Refers to your **Company**. This is opposed to **Clients** and **Suppliers/Trades**.
- **Field – Fields** are where you enter your data, an **Entry** is made up of different **Fields**.
- **Report** - A **Report** in Constructor is a document generated from information stored in Constructor.
- **General Ledger** – a set of numbered **Accounts** a business uses to keep track of its financial transactions and to prepare **Reports**.
- **Grid** - The **Grid** refers to the table of **Entries** on a **Screen** made up of rows and columns.
- **GST – Goods and Services Tax** – a value added tax levied on most goods and services sold for domestic consumption.
- **ID** – a unique identifier for every new **Project, Account, Client, Supplier** etc AND every transaction.
- **Invoices** – are **Accounts Payable** tax **Invoices** that are received from **Supplier / Trades**. These can be generated automatically from **Purchase Orders** or created manually.
- **Journals** – a record of financial transaction – these can be automatically generated by the system or manually entered by the user.
- **PAYG – Pay As You Go** – a withholding tax which requires you to pay incremental amounts of your business's income to the Australian Tax Office.
- **Reconciliation** – an accounting process that uses two sets of records to ensure figures are correct and in agreement.
- **Summary** - A **Summary** is a more detailed output of the selected **Entry** or open **Screen**. **Entries** can have multiple **Summary Tabs**, each detailing a particular category of that **Entry**. These categories are used as the tab name for the **Summary**.
- **Suppliers / Trades** – are all of your **Accounts Payable** business contacts that the **Company** can owe money to.
- **Transactions** – are all the accounting entries made in Constructor and include (but are not limited to), **Journals, Claims, Receipts, Invoices, Payments**.

### 3. Overview

If your business is registered for **GST**, you will need to lodge a **Business Activity Statement (BAS)**. A **BAS** statement is submitted to the **ATO** to report on tax obligations, including **GST**, **PAYG** (Pay as you go withholding tax and instalments), fringe benefit and other applicable taxes.

In Constructor, the figures are calculated for you, in the format of the **BAS** so that all you need do is fill in the amounts in the appropriated boxes. However, as with any accounting software, the information produced is only as good as the information entered, so every **BAS** return should be reconciled **BEFORE** the return is submitted to the ATO.

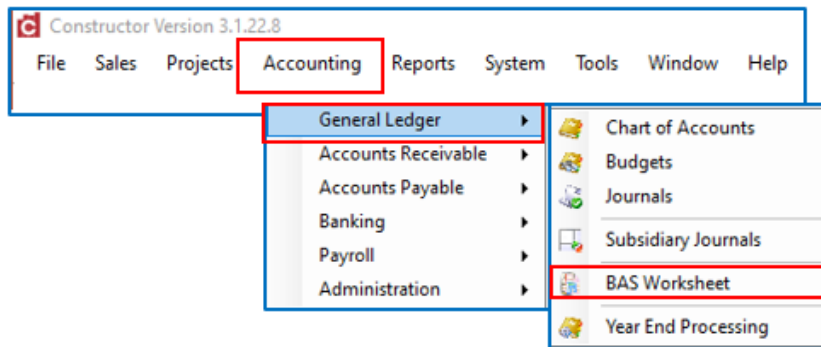
Once the **BAS** return is saved in Constructor, the periods associated with it will become closed for posting, except by **Administrator Users**.

## 4. BAS Worksheet

Your GST reporting and payment cycle will be one of the following:

- **Monthly** – if your GST turnover is \$20 million or more.
- **Quarterly** – if your GST turnover is less than \$20 million – and the ATO have not told you that you must report monthly.
- **Annually** – if you are voluntarily registered for GST. That is, you are registered for GST; and your GST turnover is under \$75,000 (\$150,000 for not-for-profit bodies).

The **BAS Worksheet** is where the system will collate the information needed to prepare your **BAS** (Business Activity Statement) return for the ATO. To open the **Worksheet**, please go to **Accounting, General Ledger, BAS Worksheet**:



## 4.1 BAS CONFIGURATION

The **BAS Worksheet** is divided into a number of tabs. It will open on the **Configure** tab (1). Start by entering the **BAS Period End Date** (2).

Ensure the **Frequency** (3) is set to the correct option for your **Company**.

- **Monthly**
- **Quarterly**

Choose the **Accounting Basis** you use for submitting your returns, either **Cash** or **Accrual** (4).

**GST Reporting Options** (5) are defined by the ATO. Each one has a slightly different set of disclosures. It is your responsibility to ensure you have chosen the correct Reporting **Option**.

- **Option 1** – Calculate GST and report each Monthly/Quarterly
- **Option 2** – Calculate GST and report Annually
- **Option 3** – Pay GST Instalment Amount.

The screenshot shows the 'BAS Worksheet' window with the 'Configure' tab selected. The window title bar includes 'Close', 'Print', and 'Save Configuration' buttons. The 'Configure' tab is highlighted with a red box and labeled '1'. The 'BAS Period Ends' dropdown is set to 'March 2019' and is labeled '2'. The 'Frequency' dropdown is set to 'Quarterly' and is labeled '3'. The 'Accounting Basis' dropdown is set to 'Accrual' and is labeled '4'. The 'Reporting Option' dropdown is set to 'Option 1 (Calculate GST and report each)' and is labeled '5'. The 'Prepare Worksheet and Statement for Printing' button is labeled '6'. The window also displays 'GST: for the Quarter from 1/01/2019 to 31/03/2019' and 'PAYG Withheld: for the Quarter from 1/01/2019 to 31/03/2019'. The 'GST Settings' section includes 'Frequency: Quarterly', 'Accounting Basis: Accrual', 'Reporting Option: Option 1 (Calculate GST and report each)', and 'Instalment Amount: \$0.00'. The 'PAYG Withholding Settings' section includes 'Frequency: Quarterly', 'FBT, WET or LCT obligations' checkbox, and 'FBT Instalment: \$0.00'. The 'PAYG Instalment Settings' section includes 'Frequency: Not Registered', 'Instalment Options: None', and 'Instalment Amount: \$0.00'.

The bottom half of the screen contains settings you can use if you are **Withholding PAYG** or paying **PAYG** in instalments. It is your responsibility to ensure these settings are correct for you **Company**.

When the configuration is set correctly, click **Prepare Worksheet and Statement for Printing** (6). This will populate the remainder of the tabs.

## 4.2 WORKSHEET - GST

The **GST Worksheet** tab contains the collated information on **GST** that is recorded in your system.

The information is gathered from the system and placed into the appropriate classification (**G1** through to **G15**).

The default link between this screen and your transaction information is held against each **Chart of Account** record (**Accounting, General Ledger, Chart of Accounts**).

In the example below, whenever a transaction is posted to the account **4.1001 Sales – Residential Housing**, the **GST Default** for Income will be assigned to whatever is set against the **Account** for **Default Code – Supplies (1)**. If this is incorrect, you can change it here:

General Ledger Account : 4.1001-Sales - Residential Housing

Close Save Save & Close New

Income/Sales - Residential

Description: Sales - Residential Housing ID: 4.1001

Classification: Operating Income

Type: ☐ Header (Group) ☒ Postable

GST:

Default Code - Acquisitions: NG : Non-capital payments - including GST : (10 %)

Default Code - Supplies: IG : GST Taxable Income : (10 %)

CF : Capital payments - GST Free : (0 %)

CG : Capital payments - including GST : (10 %)

CI : Capital payments - for Input Taxed Supplies : (10 %)

CW : Capital payments - Withholding (no ABN quoted) : (-48.5%)

DW : Distribution - Withholding (no TFN quoted) : (-48.5%)

NA : Not Applicable : (0 %)

NF : Non-capital payments - GST Free or Input Taxed : (0 %)

NG : Non-capital payments - including GST : (10 %)

NI : Non-capital payments - for Input Taxed Suppliers : (10 %)

NV : Non-capital payments - Withholding (voluntary) : (-20%)

NW : Non-capital payments - Withholding (No ABN quoted) : (-48.5%)

SW : Salary, Wages and related payments - Withholding : (-30%)



Whenever a transaction is raised for this **Account** code (1), the **Detail** line will default to **IG**, as set above (2). This can be changed at the time the transaction is raised.

Accounts Receivable Claim : New Entry

There are unsaved changes on this screen. - click here for more information

Close Save Save & Close Save & New Print Email

Type: Standard Claim

Claim #:

Client: Actron Air

Claim Date: 1/10/2019

Due Date: 2/10/2019

Unclaimed Progress Claims and Variations

Unclaimed Project Claim Stages for Actron Air as at 1/10/2019

Trading Terms: 1 days From Date of Transaction

| Reference    | Claim Details | Value | Claimed |
|--------------|---------------|-------|---------|
| Add to Claim |               |       |         |

Details

| Type | Proj | Item   | Description      | Details (on) | Qty | Price  | Subtotal | Disc (%) | Disc   | Tax | Tax (%) | Tax (\$) | Total  |
|------|------|--------|------------------|--------------|-----|--------|----------|----------|--------|-----|---------|----------|--------|
| G    |      | 4.1001 | Sales - Resid... |              |     | \$0.00 | \$0.00   |          | \$0.00 | IG  | 10.00   | \$0.00   | \$0.00 |
| *    | G    |        |                  |              |     |        |          |          |        |     |         |          |        |

1

2

2

IE : Exports - GST Free : (0 %)  
 IF : GST Free Income : (0 %)  
 IG : GST Taxable Income : (10 %)  
 II : Input Taxed Income : (0 %)  
 NA : Not Applicable : (0 %)

The GST codes (**IE**, **IF**, **IG** etc) are hardcoded in the system to link to the **G1 – G15** categories that the ATO require you to report by.

The **GST Worksheet** is broken into two sections:

- **GST** you owe from **Claims** (1)
- **GST** you are owed from **Invoices** (2)

You can click on any of the **G** code links (3) to see the transactions that are included in any particular section:

The screenshot displays the 'BAS Worksheet' window for 'Maas Homes Pty Limited.' The 'Worksheet - GST' tab is active, showing calculations for the quarter from 1/01/2019 to 31/03/2019. The interface is divided into two main sections: 'Supplies: GST you owe from Invoices (Claims)' and 'Acquisitions: GST you are owed from Purchases'.

**Supplies Section (Claims):**

- Total Sales Including GST: **G1** \$1,576,154
- Export Sales: **G2** \$0
- Other GST Free Sales: **G3** \$6,330
- Input Taxed Sales: **G4** \$0
- G2 + G3 + G4** **G5** \$6,330
- Total Sales subject to GST (G1 minus G5): **G6** \$1,569,824
- Adjustments (if applicable): **G7** \$0
- Total Sales subject to GST after adjustments (G6 + G7): **G8** \$1,569,824
- GST on Sales (G8 divided by 11): **G9** \$142,711

**Acquisitions Section (Purchases):**

- Capital Purchase including GST: **G10** \$0
- Non-capital purchases including GST: **G11** \$1,310,589
- G10 + G11** **G12** \$1,310,589
- Purchases for making Input Taxed Sales: **G13** \$0
- Purchases without GST in the price: **G14** \$872
- Estimated purchase for private use or not income tax deductible: **G15** \$0
- G13 + G14 + G15** **G16** \$872
- Total purchases subject to GST (G12 minus G16): **G17** \$1,309,717
- Adjustments (if applicable): **G18** \$0
- Total purchases subject to GST (G17 plus G18): **G19** \$1,309,717
- GST on purchases (G19 divided by 11): **G20** \$119,065

The 'Net GST Payable (Claimable)' is calculated as **\$23,646**.

A callout box labeled '3' points to the **G1** link, which opens the 'BAS Code Information' window. This window shows the details for **G1**: 'Total Sales Includes GST. All Claims, less credits, plus Receipts not relating to claims.' It lists transactions for the **G1** field, including dates, transaction types, IDs, and amounts.

At this point, it is also possible to produced a report for comparison to the figures on the screen. Go to **Print, GST Transaction Lists, Details Accrual Based**:

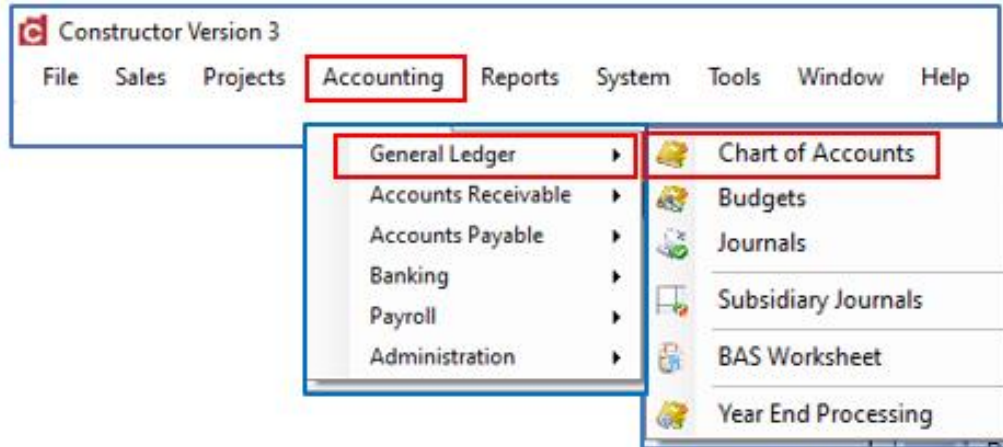
The screenshot shows the 'Print' menu in the software. The 'Print' option is selected, and a dropdown menu is visible. The dropdown menu contains the following options:

- Business Activity Statement (Client Copy)
- GST Transaction Lists
- Summary Accrual Based
- Details Accrual Based

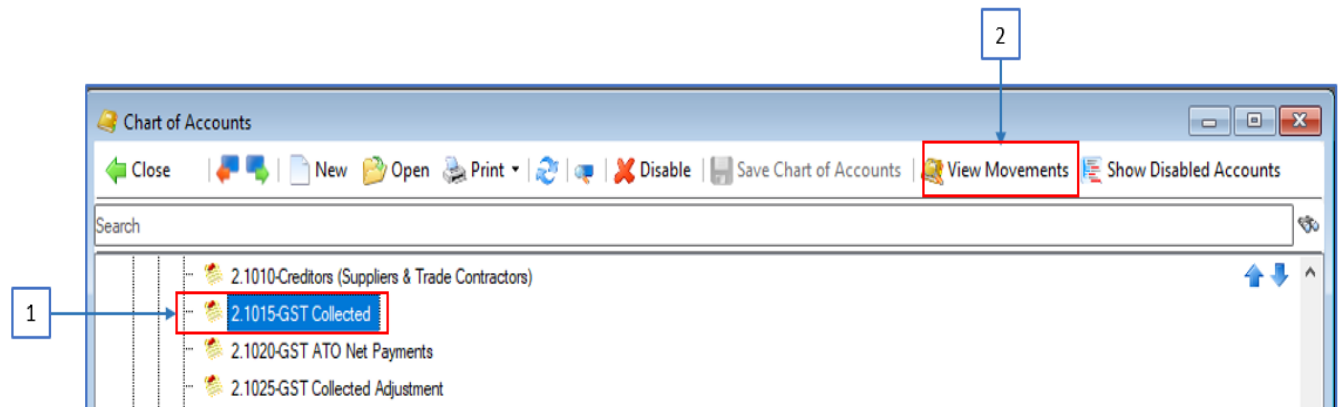
The 'GST Transaction Lists' and 'Details Accrual Based' options are highlighted with red boxes, indicating the path to the desired report.

If the figures are different, you should perform a reconciliation. Generally, the GST control account will be the account to reconcile this report to.

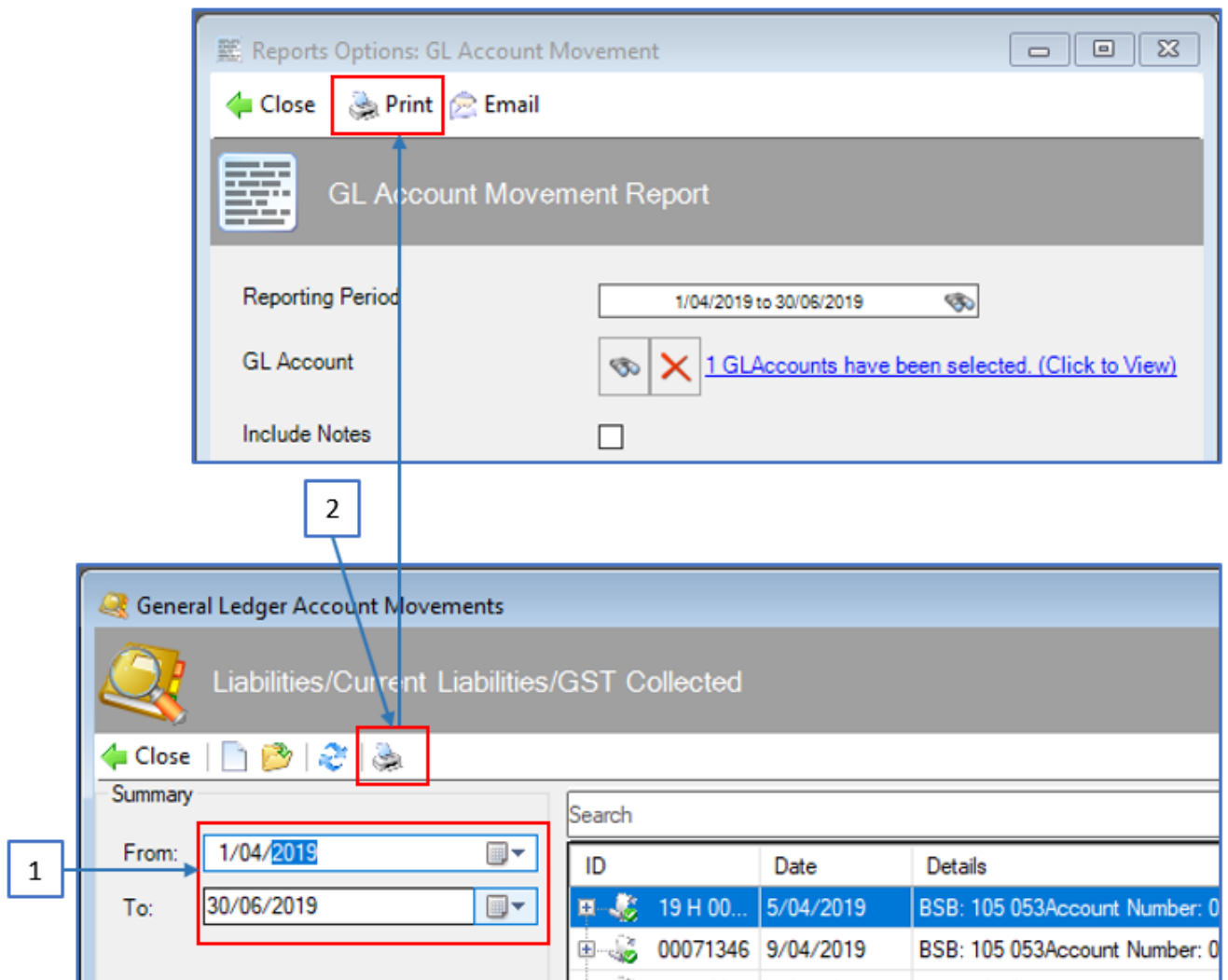
Go to **Accounting, General Ledger, Chart of Accounts**.



Navigate to the **GST Account** that is being reconciled (1) and click **View Movements** (2):



Enter the correct date range (1) and click **Print** (2). The **Report** options screen will pop up. Click **Print** again.



The Report will pop up in the same date order as the BAS report for ease of reconciliation.

During your GST reconciliation, if you find any of the information to be incorrect, please check the **GST** defaults set against your **Chart of Account** records, which may have been incorrectly set. Also check the transactions as they may have an incorrect tax coding set against them.

## 4.3 WORKSHEET PAYG

This **Worksheet** summarises your **PAYG** information. As for the **GST Worksheet**, you can drill down on any of the **W** codes (1) to see the detailed information.

The screenshot shows the 'BAS Worksheet - PAYG' window for the period ending March 2019. The 'Worksheet - PAYG' tab is selected. The 'PAYG Withheld for the Quarter from 1/01/2019 to 31/03/2019' section is displayed. The following table shows the withholding details:

| Field   | W1        | W2       | W3  | W4  |
|---|-----------|----------|-----|-----|
| Total of Salary, wages and other payments:                            | \$127,607 |          |     |     |
| Amounts withheld from salary, wages and other payments:               |           | \$26,450 |     |     |
| Amounts withheld from investment distribution where no TFN is quoted: |           |          | \$0 |     |
| Amounts withheld from payment of invoices where no ABN is quoted:     |           |          |     | \$0 |

A red box highlights the 'W2' code next to the amount '\$26,450'. A blue arrow points from this box to a '1' in a blue box, which then points to the 'BAS Code Information' window for W2.

The 'BAS Code Information' window for W2 shows the following details:

**W2** W2: Amounts withheld from salary, wages and other payments Total amount of tax withheld on Employee Pays (payroll) plus withheld amounts on invoices (less credits). Payments posted directly to General Ledger and General Ledger Journals entered with a tax code of SW, NV.

Transactions for W2 field:

| Date  | Transaction Type | ID   | Amount |
|-------|------------------|--|--------|
| 3/... | Payroll Pay Run  | Employee pay for Mr Nigel E Bourke made on 3/01/2019 for 27/12/2018 to 2/01/2019 | \$     |

## 4.4 BAS PAGES AND SUMMARY

The remaining tabs show the **BAS** Information in the same format as the forms themselves, so that you can fill in the forms and submit to the ATO.

Please make sure you Reconcile the return. The reports available to assist you in this can be accessed from the **Print** button (1) and include:

- **BAS (Client Copy)** to keep for your own records
- **GST Transaction Summary** (for both Accrual and Cash based accounting)
- **GST Transaction Detailed** (for both Accrual and Cash based accounting)

**BAS Worksheet**

There are unsaved changes to the BAS settings for Maas Homes Pty Limited. - click here for more information

1 **Print** Save Configuration

BAS Period Ends: March 2019

Prepare Worksheet and Statement for Printing

Configure Worksheet - GST Worksheet - PAYG BAS Page 1 BAS Page 2 **BAS Summary**

**Summary**

| Amounts you owe the ATO  |                 | Amounts the ATO owes you                                     |                 |
|--|-----------------|--|-----------------|
| GST on sales or GST instalment   | 1A \$142,711.31 | GST on purchases   | 1B \$119,065.21 |
| Wine Equalisation Tax  | 1C \$0.00       | Wine equalisation tax refundable                             | 1D \$0.00       |
| Luxury car tax   | 1E \$0.00       | Luxury car tax refundabl                                     | 1F \$0.00       |
| PAYG tax withheld  | 4 \$26,458.00   | Credit from PAYG income tax instalment v                     | 5B \$0.00       |
| PAYG income tax instalment   | 5A \$0.00       | Credit from FBT instalment variation                         | 6B \$0.00       |
| FBT Instalment   | 6A \$0.00       |  |                 |
| Deferred company/fund instalment   | 7 \$0.00        |  |                 |
| GST Deferred on Imported goods   | 7A \$0.00       |  |                 |
| 1A + 1C + 1E + 4 + 5A + 6A + 7 + 7A  | 8A \$169,169.31 | 1B + 1D + 1F + 5B + 6B                                       | 8B \$119,065.21 |
| <b>Is 8A more than 8B? (indicate with an x)</b><br><input checked="" type="checkbox"/> Yes then write the result of 8A minus 8B at 9. This amount is payable to the ATO.<br><input type="checkbox"/> No then write the result of 8B minus 8A at 9. This amount is refundable to you (or offset against any other tax debt you gave). |                 | <b>Your payment or refund amount</b><br><b>9 \$50,104.10</b> |                 |