

# Growing your business with trade dollars

**W**ith the new financial year ahead for many, now is the ideal opportunity to assess your business needs to make sure you have the best systems and practices in place to ensure financial success.

Financial success encompasses various components. To help build customers and preserve cash, Bartercard offers an innovative funding option using an alternative, electronic currency (Trade Dollars) that is exchanged between members to pay for goods and services. Trade Dollars are a well-recognised and accepted method of payment in New Zealand. One Trade Dollar is equivalent to one New Zealand dollar for all accounting and taxation purposes.

Bartercard is a registered Financial Services Provider and operates in the same way as a credit card or another bank account. There is no difference between cash and Trade Dollars, with sales being recorded as income and purchases being recorded as an expense or asset.

Here Bartercard share some useful tips on how to plan for the new financial year.

## START PLANNING FROM DAY 1

Avoid the last-minute tax crunch and minimise the amount you have to pay back by planning early. Set up the systems and processes that support your business goals, especially if you are looking to expand or tackle a new direction. The more profitable you become, the more complicated finances get so implementing fail-safe strategies early on will set you on the right track.

If you're looking to get your business off the ground, it pays to find an accountant who's ruthless with money, as you'll want to make every cent stretch in the early days. Bartercard has a range of bookkeepers, accountants and financial planners available without the cash price tag so you can put your cash towards other business expenses.

## LOSE THE PAPER

If you're storing shoeboxes full of faded paper receipts, stop! Photograph receipts as you spend and file them away to declutter and reduce time searching in the last-minute tax rush. Many accounting software apps will let you photograph and file receipts – so you won't get buried under paper.

## CUT THE NON-ESSENTIAL SPENDS

Do you still have that magazine subscription? If it's outdated, redundant or no longer applicable, cancel or sell it to make room in your budget for spending that will work harder.

There are hundreds of media outlets within Bartercard where you can conserve cash on advertising while gaining exposure and cut-through in

the cash market. Review your budget, cut any unnecessary spending and reallocate your funds.

Bartercard members have the option to purchase products from other Bartercard suppliers at wholesale or retail rates, adding new stock to their product line which they can then on-sell in the cash and/or trade economy.

## RECONCILE YOUR BANK ACCOUNTS AND CREDIT CARDS

Reconciling bank accounts takes time and is important to ensure your tax is correct. Bartercard is linked with Xero and MYOB which makes reconciliation simple and takes the manual work out of recording every Bartercard transaction into your accounting software. Win win!

## RE-VISIT YOUR PERSONAL WEALTH

As a business owner it's easy to get caught up in the present and take your focus off the future. A new financial year is a good time to revisit your long-term wealth-building strategies, including real estate, that can really set you up for the future. Listing a property through Bartercard is an effective way to sell relatively quickly compared to the cash market and conserves costs in a range of areas. There're no upfront costs including advertising; and transaction fees are charged on the Bartercard component only when it sells.

## KNOW THE BASICS OF BOOKKEEPING

Even if you already have a reliable bookkeeper or accountant, knowing how to do your own bookkeeping means you will know exactly what information you should be taking to your advisor to get the most out of tax time. You will also know what your accountant is talking about, so you'll get the maximum value out of every meeting. Even if you're short of time, it's worth investing in a short course or reading up on the basics of bookkeeping.

For more information on what Bartercard is (and what it isn't), access the free eBook 'How to use Bartercard to grow your business' by visiting <http://content.bartercard.co.nz/how-to-use-bartercard-to-grow-you-business-ebook-download>.

*Bartercard does not provide any financial advice and it is recommended clients consult a Chartered Accountant from the Bartercard directory or their own tax specialist before acting on this information.*

