SML Bookkeeping & Tax

BAS Preparation Checklist

KS-002

A practical guide to the records and review steps needed before lodging a Business Activity Statement.

TOPIC	PREPARED BY	FORMAT
Small business education	SML Bookkeeping & Tax	Knowledge Sheet

Key message

A BAS is only as reliable as the bookkeeping behind it. Before lodging, the business should have complete records, reconciled bank accounts, reviewed GST codes and a clear understanding of any payroll or PAYG withholding amounts included in the period.

BAS preparation - from records to lodgement

1 **Keep records**
Keep invoices, receipts, payroll records and bank information organised.

2 **Reconcile**
Match bank transactions and review GST coding before preparing figures.

3 **Review**
Check unusual transactions, private expenses and payroll amounts.

4 **Lodge and pay**
Submit the BAS by the due date and plan payment early.

What is a BAS?

A Business Activity Statement is used by many Australian businesses to report tax obligations such as GST, PAYG withholding and other amounts. The exact labels on a BAS depend on the business registration and obligations.

Records to prepare before BAS

- Sales invoices and income reports for the BAS period.
- Purchase invoices, receipts and expense records.
- Bank statements and completed bank reconciliations.
- Payroll summaries and PAYG withholding reports where applicable.
- Details of asset purchases, private expenses or unusual transactions.

Review points before lodgement

- Check that all bank transactions for the period are reconciled.
- Review GST coding for income, expenses and asset purchases.
- Confirm private or non-deductible expenses have not been treated incorrectly.
- Compare BAS figures with accounting software reports.
- Investigate large changes from the previous period before lodging.

Common BAS mistakes to avoid

- Preparing BAS before bank reconciliation is complete.
- Relying on software reports without reviewing GST coding.
- Missing cash sales, online platform income or merchant fee records.
- Treating private expenses as business expenses.
- Leaving BAS preparation until the due date.

Example

A retail business notices its BAS payment is much higher than last quarter. Before assuming the figure is wrong, the owner should check whether sales increased, large expenses were missing, GST coding changed, payroll withholding increased, or bank reconciliation is incomplete.

Common Questions

Can accounting software prepare BAS automatically?

Software can generate BAS reports, but the figures still depend on accurate coding, complete records and proper reconciliation.

What if I cannot pay the BAS by the due date?

You should seek advice early. Lodgement and payment are separate issues, and options may be available depending on circumstances.

How often is BAS lodged?

Frequency depends on the business registration and ATO requirements. Common cycles include quarterly or monthly reporting.

Reference Sources

Source	Used for
Australian Taxation Office	BAS reporting, lodgement and payment obligations.
Xero	Practical bookkeeping workflow and software reporting context.
MYOB	Small business BAS preparation and bookkeeping guidance.

Important note

This Knowledge Sheet provides general information only. It does not take into account the full circumstances of any business. Speak with SML Bookkeeping & Tax before making tax, payroll or compliance decisions.