

# Ten questions to ask when hiring a bookkeeper

If you're sick of dealing with the shoebox full of receipts it could be time you considered hiring a bookkeeper. Here are ten questions to ask before you do.

### 1. What qualifications and professional memberships do you hold?

The [Tax Agent Services Act 2009 \(TASA2009\)](#) and as of 1st March 2010, this means that anyone providing BAS services for a fee will need to be a registered BAS agent. If your bookkeeper is processing BAS work, then this is something they should be transitioning towards.

At a minimum, your bookkeeper should have qualifications such as Certificate IV in Financial Services. Look for someone who is a member of one of the various professional bookkeeping associations in Australia such as [The Institute of Certified Bookkeepers \(ICB\)](#).

### 2. What insurances do you have?

At a minimum, professional indemnity insurance is required under TASA2009.

### 3. Who will undertake the data entry and BAS preparation?

Establish whether the work will be consistently undertaken by the same bookkeeper or by any member of the team and whether the work will be reviewed.

### 4. What experience / references do you have?

References may not always be reliable, but it is worth taking the effort to do a little research before hiring a bookkeeper. Many websites offer independent reviews of professional services.

### 5. If the work is done in an accounting package, who retains the ownership of the datafile?

Many bookkeeping organisations will process the work on their own datafile, which will save you the expense of purchasing the software upfront. If at a future date you wish to bring the bookkeeping in-house, the transfer of ownership will cost a nominal fee; currently a MYOB datafile transfer costs upwards of \$25.

### 6. Where will the work be done?

Will the bookkeeper work onsite, offsite, or remotely?

### 7. Who will be responsible for rectification work?

Mistakes may date back years; corrections can be costly exercises, involving re-keying data, reworking BAS, and reviewing end-of-year financial statements. Will the bookkeeping work be redone free of charge or will the charges be reimbursed?

### 8. What does the bookkeeper require to process the work?

Before hiring a bookkeeper establish what your bookkeeper will need from you on a regular basis. Do they want the receipts sorted? Are you required to write account codes or explanations on the receipts? Unless you're paying extra for mind reading services I would expect this to be the case.

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### 9. How will the bookkeeper communicate with your accountant?

Unfortunately we have come across instances where the business tax accountant treats the bookkeeper in a derogatory fashion and open lines of communication suffer.

When this happens you suffer too, so you need to establish how the bookkeeper will communicate with the accountant, and how the accountant will charge you. We strongly advise you to introduce your bookkeeper to your accountant, and to encourage a professional relationship between them.

### 10. What will it cost?

The elephant in the room is that the work of bookkeepers is vastly undervalued. Staying with the jungle theme, if you pay peanuts you get monkeys.

Once you have found your bookkeeper don't simply outsource and ignore. You need to look at your management reports on a timely basis and incorporate them into your decision-making processes.

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