

THE DIGITAL PLUMBER

PAUL ELLIS

THE ACADEMY OF PLUMBING 11 – GETTING ORGANISED: BANISH CATATONIA

‘Noun: a condition, often associated with schizophrenia, characterised by periods of inertia or apparent stupor and rigidity of the muscles,’ says the definition of catatonia in Word’s dictionary. Does that feel familiar? Does reading my articles bring it on? More to the point, is it brought on by the idea of having to do the admin associated with being a photographer? If so, let’s banish it straight away by making your Macintosh do more of what it oughta: namely, the donkeywork.

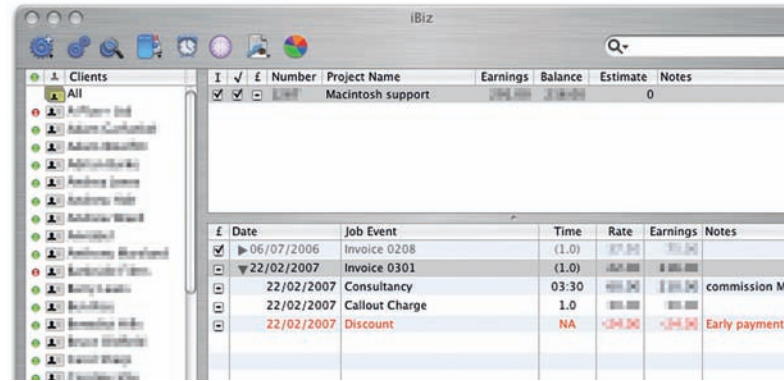
DOING SUMS

Over the last few years I’ve wasted countless hours with applications as diverse as MYOB, Studiometry, and Job Order. I have set up ‘accounts’ and of an evening diligently filled in my income and expenditure for the day and been appalled at the time spent, and how my figures bore no relation to reality as expressed on my bank statements. These apps are full of nasty little dialogue boxes variously known as transaction slips, time slips, expense slips and so on, all of which could only excite an accountant. After you’ve filled them in, you then have to ‘reconcile’ this stuff with your actual bank accounts. C’mon. This is the 21st century. We can download our actual bank statements. Why don’t we do just that, import them into these financial applications and go from there? Perhaps because doing so might put accountants and book-keepers out of business?

I’m a firm believer in only doing a job once. We’ve already paid our banks to assemble and collate this data for us. Why repeat the effort, and introduce errors? Furthermore, I’m a photographer. If I’d wanted to be an accountant I’d have trained as one and endured the boredom in return for the salary and job security. I didn’t, and neither did you. Nonetheless, this stuff is inescapable, so let’s do it right first time and with the minimum of duplicated work, user input or error. Lets start with applications that keep track of your work and enable you to quickly and easily issue invoices. There are stacks of them out there, as a VersionTracker (<http://www.versiontracker.com>) search for ‘invoice’ will reveal. Most of them are dreadfully half-baked, but of the flock the one I’ve used for a couple of years now and like a lot is iBiz (<http://www.iggsoftware.com/>).

Not only is iBiz easy on the eye, it’s also easy to set up. You can create long lists of ‘Custom Job Events’ which include a name, rate, tax amount; whether the event is timed, a quantity or a flat rate etc. When you come to fill in your invoice you simply start typing the name of one of these events and the invoice fills itself in. Add a quantity and bingo. iBiz can also time you as you work and automatically add this time to the ‘project’ you’re currently working on, which is useful if you bill retouching by the hour. With iBiz I can generate accurate, itemised, good-looking invoices within a few seconds. Furthermore, iBiz can also generate estimates that can be turned into invoices when the client accepts them, as they invariably do. iBiz can then generate reports telling you about your work performed, projects worked on and how incomparably successful you are. With some careful tweaking of the default invoice and report templates you can create most of the paperwork required to give you a proper audit trail including estimates, order confirmations, invoices and statements.

Nothing’s perfect, though. iBiz (and just about everything else in its class) only concerns itself with timing or documenting your work, generating invoices and logging your income. The concept of expenses, whether attached to projects or general operating overhead, doesn’t even part its hair. To be fair, IGGSoftware also publish a companion application, iBank, which logs and categorises



banks accounts and their contents and can import downloaded banking data, but integration between the two applications is rudimentary. iBiz is currently at version 3.1, which has introduced some expense tracking and various other features. I continue to use version 2.5.3, still available for purchase, because I feel that version 3 has become bloated and ugly while still lacking the integrated features I’d like to have, and might yet get if IGGSoftware would only roll their two applications into one.

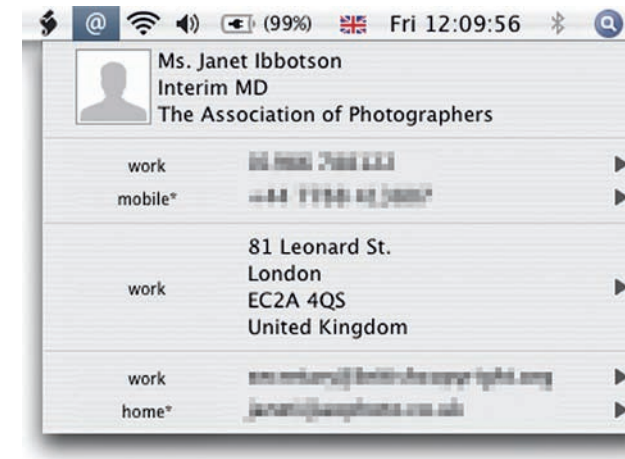
Apart from that, iBiz’s only real weaknesses are the built-in invoice and report templates, which are hideous, and a lack of invoice aging, meaning it won’t warn you when an invoice becomes overdue for payment. I overcame the first problem by painstakingly designing my own invoice templates and the second problem by using Hazel (<http://www.noodlesoft.com/>), a clever little add-on I’ve mentioned before. In my current year’s Invoices folder I’ve created sub-folders named Awaiting Payment, Paid and Overdue. Hazel watches these folders for me and moves any file that is 30 days old or more out of the Awaiting Payment folder and into the Overdue folder. It then watches that folder and, if a file becomes older than 60 days, labels it in red. A Folder Action tells me when files are added to the Overdue folder. Presto: invoice aging in the Finder. Hazel is a clever little app with loads of potential uses.

iBiz is not the only game in town, though. iRatchet (<http://www.prettygoodsoftware.org/>) and Billings (<http://www.marketcircle.com>) are both well worth a look. At some point before the end of this financial year I’ll take a close look at these two, plus iBiz 3, and consider jumping ship from iBiz 2. Then again, I might not.

SOME DOING

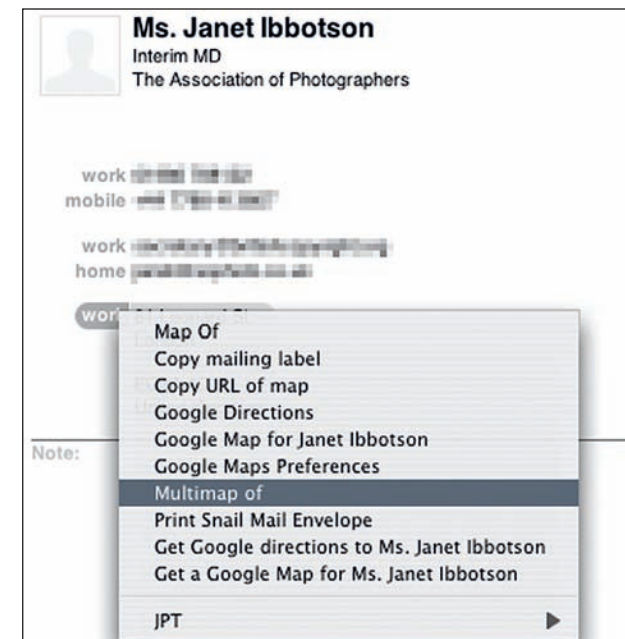
Over the last ten years I must have been through about five or six different PIM (Personal Information Manager) applications. None of them do exactly what you want; they’re all buggy; they all lock you into proprietary data formats; they all leave you stranded if their developers dump them or pack it in. It reminds me of RAW formats! When Apple announced the Address Book and iCal in Panther I breathed a huge sigh of relief. At last! And, furthermore, they use open data file formats, meaning a plethora of applications could be expected to appear, all of which would read the same data source and offer extensions to the functionality provided by the Apple applications. And so it came to pass. Address Book and iCal have developed nicely, and although neither of them can be considered ‘professional’ applications, they’re good enough for most things, especially when you start to augment them with cheap or free add-ons. Let’s look at Address Book.

Of all the add-ons to Address Book, the one I couldn’t live without is iAddressX (<http://www.mibasoft.com>). It puts a little @ icon in your menu bar, from which you can quickly find contact details. It can be hot-keyed and can even dial the phone for you! Its



programmer has recently accepted a job with Apple and development is currently suspended. A free alternative, ABMenu (<http://tinyurl.com/2drkxa>) is very similar.

Address Book can accept plug-ins, and two of the most useful are Multimap and Snail Mail. Address Book’s ‘Map of’ feature doesn’t work well or at all in some countries. The Multimap plug-in obtains maps from <http://www.multimap.com> instead. It works well with North American, Australasian and many European addresses (<http://tinyurl.com/2adhs2>). Excellent for a plumber like me! Snail Mail (<http://nixanz.com/>) is a free label and envelope-printing application that makes printing runs of addresses for mail-outs dead easy. If you regularly do postcard mail-outs, this is the application for you. On the other hand, if you find even Snail Mail too restricted, Mail Factory (<http://tinyurl.com/2ubsr6>) can do just about anything you can think of.



I’ve already run out of space for this month, so next month I’ll consider iCal calendars and calendar sharing; moving data to and from Address Book and iCal; making them talk to FileMaker Pro; and wrapping them all up into that mighty, integrated Holy Grail, a Customer Relations Management system, or CRM as it’s known to the boys and girls in the business suits. Welcome to Spring.

Do your VAT in 20 minutes

After enduring the record-keeping tribulations described earlier and getting into a terrible tangle, I finally hit upon the following solution to VAT Hell. This method only works for me because I keep my business very simple, but if you can, too, you might find this procedure helpful.

- 1) ALL outputs are sales. No exceptions. Therefore, all items that appear on my invoices incur VAT. I don’t reclaim expenses from clients: I include them in my bill for services and charge VAT on them.
- 2) I operate through my own limited company. It has a business bank account with the Co-operative Bank. This account is unusual because, I think uniquely, the Co-op offer a Business Debit Card as opposed to a Credit Card. I use this for ALL purchases.
- 3) On the rare occasions when I must pay cash for business expenses, I log the payments separately in a spreadsheet. This cash-expense account is called a Director’s Loan Account. I reimburse myself from the company quarterly. This disbursement is not a reimbursement of expenses but repayment of a Director’s loan to the Company, and makes cash accounting very straightforward, my accountant tells me.
- 4) All invoices, receipts and bank statements simply go into a concertina file organised by month. Five quid from Smiths. I use a new one for each financial year.
- 5) I use the VAT Cash Accounting scheme: I pay VAT based on when I’m actually paid, not when I issue invoices. Every quarter I download my transaction history from the Co-op banking website as a CSV (Comma-Separated Values) text file, which Microsoft Excel can open directly. Because of my above procedures, this download accurately represents my entire transaction history minus my Director’s Loan Account. I’ve been reliably told that the VAT-man is always happy when your figures tally with your bank statements. My figures ARE my bank statements.
- 6) The downloaded CSV file goes into Excel. Credits are sorted from debits; everything gets sorted by transaction type and description.
- 7) All the figures are, of course, gross: it’s necessary to find the VAT component and the net transaction amount. This is done by the formula (transaction amount cell) x 0.14895, which strips off the 17.5% VAT accurately enough. Net amount is calculated (transaction amount) - (VAT amount). These calculation cells are then filled down so that ALL entries have a VAT value calculated for them.
- 8) Expenses that didn’t incur VAT (travel tickets, payments to non-registered assistants, take-away meals and so on) have the VAT cell calculation replaced with a 0.
- 9) Check all credits against issued invoices and all issued cheques for whether they include VAT or not. Adjust VAT cells accordingly. Watch out for tax payments and payments to yourself!
- 10) Include the figures from your Director’s Loan Account spreadsheet.
- 11) Sum the columns. Replicate the boxes on the VAT form and calculate the appropriate figures. Fill in the form and send it, or do it online. Include a cheque, or better still, pay by BACS.

This method saves me from a massive amount of book-keeping and paperwork and avoids the dumb errors I had always previously made in entry and calculation. It also enables me to keep on top of my business, which is difficult to do when other people handle everything. When it comes to annual accounts, I can send my VAT spreadsheets as they are to my accountant for inclusion in his calculations. I’ve made a sample spreadsheet that you can download from <http://tinyurl.com/2pf76h>. Go ahead: make Gordon’s day.