

# SIMPLE+

## For Non-Complex Business Lending up to \$5M<sup>1</sup>

SEPTEMBER 2024

Westpac acknowledges the traditional owners as the custodians of this land, recognising their connection to land, waters and community. We pay our respects to Australia's First Peoples, and to their elders, past, present and future.



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# We've made it faster and easier for business customers to access lending up to \$5M<sup>1</sup>

- ✓ Available for new and existing business customers
- ✓ Up to \$500K overdraft or business loan with no requirement for property as security<sup>2</sup>
- ✓ Simplified assessment criteria for residential and commercial property investors ineligible for Lease Doc<sup>3</sup>
- ✓ Borrowing structures up to 4 business entities and 4 households
- ✓ Extended LVRs available against residential and commercial security, even for property investment<sup>4</sup>
- ✓ Customers under formal ATO payment arrangements are eligible
- ✓ ATO Business Activity Statements (BAS)<sup>2</sup> now accepted in place of full financials for eligible customers for loan sizes up to \$1.5M



Brokers may now use the new SIMPLE+ Serviceability Calculator to assess prospective SIMPLE+ transactions for serviceability in just ~10 minutes, using the same assessment criteria as our internal teams.



Eligibility criteria <sup>2</sup>	SIMPLE+ BAS applications	All other SIMPLE+ applications
Maximum lending amount	Business lending up to \$1.5M <sup>1</sup>	Business lending up to \$5M <sup>1</sup>
Business trading history	≥12 months' trading history and no losses for past 12 months (Post adjustments)	
Borrowing structure	4 business entities and guarantors from up to 4 households	
Products	Business Loan, Business Overdraft, Equipment Finance and Insurance Premium Finance	
Credit history	No adverse credit bureau report	
Tax position	Tax liabilities including any formal payment arrangements are up to date	
Security	Either one or a combination of: <ul style="list-style-type: none"> <li>• Non-specialised commercial property or standard residential property</li> <li>• Cash, acceptable equipment finance assets or acceptable guarantees</li> <li>• General Security Agreement (GSA) where applicable</li> </ul>	
SIMPLE+ BAS exclusions	Customers reporting under the GST Instalment method. Excluded Industries within Agriculture, Aged care and nursing homes, Childcare, Food wholesalers and retailers, Hospitals and pharmacies, Property developers, Religious organisations, Franchises, Not-for-profits and Travel agents.	
Minimum required documents	<ul style="list-style-type: none"> <li>• Signed SIMPLE+ Application form and signed Business Finance Consent form (<a href="#">available on our website</a>)</li> <li>• Latest 12 months' ATO statements for business inclusive of Integrated Client Account<sup>6</sup></li> <li>• 1 year individual tax return for self-employed, including notice of assessment</li> </ul>	<ul style="list-style-type: none"> <li>• Latest annual accountant prepared financial statements or most recent business tax return<sup>6,7</sup></li> </ul>
Additional documents may be applicable	Payslips for PAYG income; trust deed; contract of sale; ATO payment plan; rental income statement (if not in tax return); 3 months' bank statements <sup>5</sup> (for external loans being refinanced); 3 months' business transaction statements <sup>5</sup> (for new to bank customers). <b>For BAS:</b> 12 months' instalment activity statements (only required if BAS reported quarterly but salary and wages reported monthly). <b>For property investment lending:</b> signed copy of current lease agreement(s); the latest accountant prepared financials or latest tax return for the property investment entity.	

1. Certain products and credit pathways have maximum limits less than \$1.5M or \$5M, please confirm these with your BDM. These amounts cover the aggregate amount of business lending with the Bank. 2. Refer to your Senior BDM or Relationship Manager to discuss the suitability of SIMPLE+ and SIMPLE+ BAS. Excludes consumer lending, construction lending, sector policy & specialised lending. 3. Only specific Property finance – Investment lending scenarios are allowed under SIMPLE+. All other Property Finance Sector lending (including Lease Doc) are excluded 4. Where the customer's income is predominately self-employed. 5. Six months' statements required for seasonal businesses. 6. Financials must not be older than 18 months. 7. When both 12 months most recent BAS and the latest financial statements are obtained, the latest financial statements must be used for the serviceability calculator and SIMPLE+ BAS is not to be used.

# How do your customers apply?

**1** Confirm your customer meets the relevant **SIMPLE+ and other eligibility criteria**

**2** Conduct a preliminary assessment using the **BAS Calculator** (*where applicable*) and the **SIMPLE+ Serviceability Calculator**

**3** Complete **SIMPLE+ Application & Business Finance Consent Forms**, then submit all financial information to your Senior Business Development Manager

The image displays three overlapping screenshots of the SIMPLE+ application process. The top screenshot shows the 'SIMPLE+ Application form' with a 'Bank use only' section where 'Scale Up / SIMPLE+' is selected. Below this is the 'Business Entity 1' section with fields for 'Full legal name of Borrower', 'ABN/ACN/ARBN', and 'Existing customer'. The middle screenshot shows the 'BAS CALCULATOR - QUARTERLY' interface with a table for quarterly and annualised data. The bottom screenshot shows the 'SIMPLE+ SERVICEABILITY CALCULATOR' with a 'How to use the calculator?' guide and a progress indicator for four steps.

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total of Inputs	Annualised
BAS Item						
G1						
1A						
1B						
W1						
GA						
Total Sales						
Total Sales includes GST						
GST on Sales						
Sales Net of GST						
LESS						
GST on Purchases						
Purchases Net of GST						
Total Salary, wages and other payments						
Staff OnCosts						
FBT						
Total Expenses Net of GST						
BAS Profit						



Once the credit assessment is completed, if approved, your customer will receive a letter of offer for the finance.

02

# **SIMPLE+ SERVICEABILITY CALCULATOR**

## **How-to guide**

# SIMPLE+ Serviceability Calculator

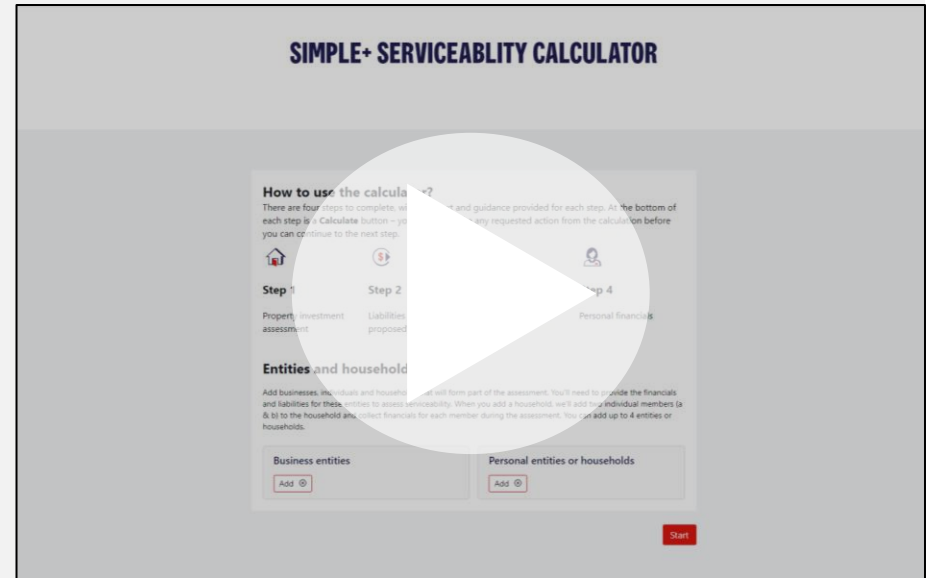
## Instructional Video

**SIMPLE+ is our simplified business lending submission pathway, making it faster and easier** for new and existing business customers to apply for eligible business loans up to \$5M (and up to \$5M in total aggregate amount of business lending with the Bank). You should refer to the SIMPLE+ Broker Flyer for full eligibility details.

The **SIMPLE+ Serviceability Calculator** allows you to assess prospective SIMPLE+ transactions for serviceability in less than ~10mins, using the same assessment criteria as our internal teams. Load the calculator from the [SIMPLE+ page](#) on our Introducer website. When accessing the calculator, refer to the “*Things you should know*” disclaimer located at the very bottom of the page.

### A few important things to note:

- **The SIMPLE+ Serviceability Calculator does not allow you to enter personal information** that may identify a customer. For example, you’ll need to identify different applicant entities as Business or Personal Entity 1, 2, 3 or Household 1, Household 2 etc.
- **The Calculator will redirect you back to the first page if not completed within 4 hours.** Information you’ve entered will be retained.
- **If your browser window is closed or refreshed**, you’ll need to re-enter all information from the beginning.
- Throughout the Calculator there are help icons marked with a blue question mark or on-screen prompts. **If you’re unsure of what you need to do, contact your Westpac Group Business Development Manager for assistance.**





# SIMPLE+ Serviceability Calculator

## Entities and households – Business entities

### Adding a Business Entity:

1. Select the **Add** button under **Business entities**
2. Select the relevant **Legal structure** (Company, Partnership / Unit Trust, Trust, Sole Trader)
3. Select the **Business Type**, if the entity is an Operating entity or its shareholder OR an Asset holding entity or its shareholder

Once the drop downs are completed, select **Add**.

4. You can continue to add more entities using the **Add** button, or remove entities using the **Remove** button

### Entities and households

Add businesses, individuals and households that will form part of the assessment. You'll need to provide the financials and liabilities for these entities to assess serviceability. When you add a household, we'll add two individual members (a & b) to the household and collect financials for each member during the assessment. You can add up to 4 entities or households.

The screenshot shows the 'Add business entity' dialog box. It has two tabs: 'Business entities' and 'Personal entities/households'. The 'Business entities' tab is active. A red circle with the number '1' points to the 'Add' button in the 'Business entities' tab. The dialog box has two dropdown menus: 'Legal structure' with a red circle '2' and 'Business type' with a red circle '3'. A dropdown menu is open for 'Legal structure', showing options: 'Company', 'Partnership / Unit Trust', 'Trust', and 'Sole Trader'. Another dropdown menu is open for 'Business type', showing options: 'Operating entity or its shareholder' and 'Asset holding entity or its shareholder'. At the bottom right of the dialog box are 'Cancel' and 'Add' buttons. A red circle with the number '4' points to the 'Add' button.

### Completed Business entity example

The screenshot shows the 'Completed Business entity example' in the 'Business entities' tab. It displays a list of business entities. The first entity is 'Business entity 1' with a grid icon and a red circle '4' next to a minus sign icon. Below it, the text reads 'Company - Operating entity or its shareholder'. At the bottom of the list is an 'Add' button with a plus icon.



# SIMPLE+ Serviceability Calculator

## Entities and households – Personal entities or households

Adding a **Personal entity or household**:

1. Select the **Add** button under **Personal entity or households**
2. Select either **Personal entity or Household**
3. Enter the **Postcode** of primary residence
4. Select the appropriate **Relationship status**
5. Enter the **Number of dependants**

Once all fields are completed, select **Add**.

6. You can continue to add more entities using the **Add** button, or remove entities using the **Remove** button

Once all entities and households are entered, select **Start** to [continue to Step 1](#).

### Entities and households

Add businesses, individuals and households that will form part of the assessment. You'll need to provide the financials and liabilities for these entities to assess serviceability. When you add a household, we'll add two individual members (a & b) to the household and collect financials for each member during the assessment. You can add up to 4 entities or households.

#### Business entities

**Business entity 1**  
Company - Operating entity or its shareholder

#### Personal entities or households

**Add**

#### Add personal entity or household

Select entity or household **2**

Personal entity Household

Postcode **3**  
Enter a valid 4 digit Australian postcode

Relationship status **4**  
Select

Number of dependants **5**  
You can enter 0 to 10 dependants

Cancel **Add**

#### Select

Single / Other  
Partnered  
Married

#### Completed Personal entity and Household example

**Personal entities or households**

**Personal entity 1**  
Postcode 2000 - Single / Other - No dependant

**Household 1 (Members 1a & 1b)**  
Postcode 2000 - Partnered with 1 dependant

**Add**

# SIMPLE+ Serviceability Calculator

## Call outs – Removing Entities and Households

Removing **Entities and Households** after completing *Step 2 – Liabilities* and *Step 3 – Business Financials*. If you need to remove an entity after completing the above steps, you will receive an **Entity can't be removed** warning.

To remove from a liability, you need to either:


1. Follow the instructions to **remove the borrower linked to liability**

Navigate to the Liability in Step 2 then select 'Edit'

2. Select the **Borrower** that the liability needs to be applied to and unselect the borrower you wish to remove
3. Select the **Update liability** button to save

You will need to ensure there are no other liabilities that are linked to the borrower you are removing. Once completed, proceed back to the **Entities and households** to remove the entity.

**Alternatively**, you can just **remove the liabilities linked to the Borrower** by selecting the 'Remove liability' button in each liability within Step 2.


 Entity can't be removed


**1** Business entity 2 is associated with the following liabilities. Please remove the entity from the borrower's list:


- Business Loan, \$500,000


### How to use the calculator?

There are four steps to complete, with help text and guidance provided for each step. At the bottom of each step is a **Calculate** button – you'll need to take any requested action from the calculation before you can continue to the next step.

 **Step 1** Property investment assessment

 **Step 2** Liabilities (existing and proposed)



 **Step 3** Business Financials

 **Step 4** Household

### Entities and households

Add businesses, individuals and households that will form part of the household and liabilities for these entities to assess serviceability. When completed, return to Step 2 (a) and (b) to the household and collect financials for each member and household.

**Business entities**




-  **Business entity 1**  
Company - Operating entity or its shareholder
-  **Business entity 2**  
Company - Asset holding entity or its shareholder

**Edit liability**

Purpose: **Business** | Personal

Liability type: Business Loan

Who are the borrowers for this liability? **2**

-  **Business entity 1** ✓  
Company - Operating entity or its shareholder
-  **Business entity 2**  
Company - Asset holding entity or its shareholder
-  **Household 1 (Members 1a & 1b)**  
Postcode 2000 - Partnered - 1 dependant

Cancel **Update liability** **3**

# SIMPLE+ Serviceability Calculator

## Call outs – Removing Entities and Households

If you receive a warning:

1. To remove entity from the Owner / shareholder's list


Navigate to the Business entity in *Step 3 – Business Financials* and select it to expand:

2. Head down to **Distribution of business income**
3. Unselect the entities that are being removed
4. Ensure any distributions total 100%

Select **Save** then **Calculate**.

Ensure this is completed for any other Business entity that is distributing income or shortfall to any entity being removed.

Once completed, proceed back to the **Entities and households** to remove the entity.

 Entity can't be removed

**1** Household 1 (Members 1a & 1b) has received income distribution from the following business entities. Please remove Household 1 (Members 1a & 1b) from the Owner/shareholder's list:

- Business entity 1

### How to use the calculator?

There are four steps to complete, with help text and guidance provided for each step. Each step is a **Calculate** button – you'll need to take any request you can continue to the next step.



#### Step 1

Property investment assessment



#### Step 2

Liabilities (existing and proposed)



#### Step 3

Business financials

### Entities and households

Add businesses, individuals and households that will form part of the assessment and liabilities for these entities to assess serviceability. When you add a household (a & b) to the household and collect financials for each member during the assessment, you can remove the household.

#### Business entities



##### Business entity 1

Company - Operating entity or its shareholder

#### Personnel



##### Household 1

Position

Household member 1a

Household member 1b

Other shareholders outside of the assessment

% 100

Total

100 % **4**

### Distribution of business income **2**

Distribution of business income	Available income
Income available after debt service	\$116,250
Fully distribute surplus	<input type="checkbox"/> Distribute to the shareholders
Business income distribution surplus	\$ 50000
Owner/Shareholder	Ownership
<input type="checkbox"/> Household member 1a	
<input type="checkbox"/> Household member 1b	
<input checked="" type="checkbox"/> Other shareholders outside of the assessment	% 100
<b>Total</b>	<b>100 % <b>4</b></b>

# SIMPLE+ Serviceability Calculator

## Step 1 – Property Investment Assessment

A new screen will load for completion of Steps 1-4.

1. Select Yes/No to **Is this a property investment transaction?**
2. If Yes, select if **Property Finance** or **Trading Business ANZSIC** applies.

If you select the **Property Finance ANZSIC** it will load **Property Investment Assessment** to be completed, [proceed to the next page](#).

3. If No, select **Next** to proceed to [Step 2 – Liabilities \(existing and proposed\)](#)

### Step 1 of 4

#### Property investment assessment

Is this a property investment transaction?

Answer no if the property is being purchased for a related operating entity to occupy

Yes No **1**

Is this a Property Finance ANZSIC or a Trading Business ANZSIC?

Apply Trading Business ANZSIC if the predominant sources of earnings/profit before tax that contributes to loan repayments is from non-property activities of the business.

Property Finance ANZSIC Trading Business ANZSIC **2**

#### Property investment assessment **3**

Is this a property investment transaction?

Answer no if the property is being purchased for a related operating entity to occupy

Yes No

Is this a Property Finance ANZSIC or a Trading Business ANZSIC?

Apply Trading Business ANZSIC if the predominant sources of earnings/profit before tax that contributes to loan repayments is from non-property activities of the business.

Property Finance ANZSIC Trading Business ANZSIC

Property investment assessment: Not applicable

Back

Next

# SIMPLE+ Serviceability Calculator

## Step 1 – Property Investment Assessment

You'll need to complete **Property Investment Assessment** details if applicable.

1. Select the **Asset type**
2. Select Yes/No if **financials available/held?**
3. Provide gross **Rental income**<sup>^</sup>
4. Provide any **Outgoings payable by owner**
5. Provide a **CAPEX Allowance**
6. Provide any **Other adjustments**
7. Provide the proposed **Loan amount**
8. Provide the estimated **Actual interest rate + Line fee**
9. Select the **Interest cover ratio (ICR) benchmark**

If you require guidance, use the help icons '?' or refer to your Business Development Manager.

Select **Calculate** to complete the assessment.

<sup>^</sup>Do not add rental income again at Step 3 – Business Financials

**Property details**

Asset type 1  ▼

Are financials available / held? 2

Rental income 3

Outgoings payable by owner 4

CAPEX Allowance 5  ?

Other adjustments 6  ?

Loan amount 7

Actual interest rate + Line fee 8

ICR benchmark applicable 9  1.50  1.25

**Property investment assessment: Not completed**

# SIMPLE+ Serviceability Calculator

## Step 1 – Property Investment Assessment

After selecting **Calculate**, the Serviceability summary will appear below the Property details.

In this example:

- The Standalone property ICR is 0.6x
- To meet the 1.5x ICR benchmark, a \$33,750 surplus must be available from the group assessment

The group assessment does not include the proposed property investment debt or income and incorporates all other income, expenses and commitments.

**Note: Do not include the property's rental income in Step 3 – Business Financials section of the calculator as doing so will count the income twice.**

Select **Next** to continue onto Step 2 Liabilities.

### Property details

Asset type

Non-Specialised Commercial

Are financials available / held?

Yes No

Rental income

\$ 50,000

Outgoings payable by owner

\$ 25,000

CAPEX Allowance ?

\$ 2,500

Other adjustments ?

\$

Loan amount

\$ 500,000

Actual interest rate + Line fee

% 7

ICR benchmark applicable ?

1.50  1.25

### Property investment assessment: **Completed**

Outgoings allowance based on asset type

**0%**

Cash Flow Available For Debt Service (CAFDS)

**\$22500**

Assessed interest expense

**\$37500**

Standalone property ICR

**0.60**

Group surplus required to meet ICR benchmark

**\$33750**

Property surplus available for distribution while maintaining ICR benchmark

**N/A no property surplus available**

Back

Next

# SIMPLE+ Serviceability Calculator

## Step 2 – Liabilities (existing and proposed)

To add a **Liability**:

1. Select the **Add liability** button
2. Select if purpose is **Business** or **Personal**
3. Select the **Liability type** (the drop-down menu will display different Liability type options based on the Purpose selected)
4. Select the **Borrowers** for the liability

Once completed, select **Add liability**.

### Step 2 of 4

#### Liabilities

Please add any existing and proposed liabilities/commitments

+ Add liability **1**

#### Add liability

Purpose

Business

Personal **2**

Liability type

Select **3**

Who are the borrowers for this liability? **4**



**Business entity 1** ✓

Company - Operating entity  
or its shareholder



**Personal entity 1**

Postcode 2000 - Single /  
Other - No dependant



**Household 1 (Members 1a  
& 1b)**

Postcode 2000 - Partnered  
with 1 dependant

Cancel

Add liability

Select

- ATO arrangement
- Business Loan
- Equipment Finance
- Guarantee
- Vendor Finance
- Credit Card (Corporate Liability)
- Credit Card (Personal Liability)
- Insurance Premium Funding
- IPL/Company Home Loan
- Overdraft

#### **Business Liability Types**

Select

- ATO arrangement
- Business Loan
- Consumer Mortgage
- Equipment Finance
- Guarantee
- Vendor Finance
- Bridging Loan
- Buy Now Pay Later - Fixed Term
- Buy Now Pay Later - Revolving Term
- Credit Card
- Flexi/Get Set Personal Loan
- Line of Credit (Mortgage)
- Margin Loan
- Personal Loan
- Personal Overdraft
- Store Card
- Study & Training Support

#### **Personal Liability Types**



# SIMPLE+ Serviceability Calculator

## Step 2 – Liabilities (existing and proposed)

To complete **Finance details**:

1. Enter the **Limit** of the Liability
2. Enter estimated **Interest rate plus the Line fee**
3. Enter the **Serviceability term**
4. Answer Yes/No to **Is the liability interest deductible?**
5. Select **Calculate**

The calculator will then present the **Total numbers breakdown: Calculated** summary, including the Interest, Principal, Serviceability Rate (SAR) and the repayment (pa) for the liability.

Select **Save** to complete adding a liability.

### Business Loan

**Details and borrowers** Edit  
Purpose: Business      Liability type: Business Loan

**Business entity 1**  
Company - Operating entity or its shareholder

**Finance details**  
Limit: \$       Act interest rate + Line fee %: %   
Serviceability term (months):       Is the liability interest deductible?  Yes  No  
**Total numbers breakdown: Not calculated**

**Total numbers breakdown: Calculated**

Breakdown	Assessed
Structure	P & I
Interest	\$39,849.06
Principal	\$4,176.82
Serviceability rate (SAR)	8.00%
Repayment (pa)	\$44,025.88

# SIMPLE+ Serviceability Calculator

## Step 2 – Liabilities (existing and proposed)

The Liability will now show as **Completed** with **Liability totals**. You can continue to add more liabilities or proceed to [Step 3 – Business Financials](#) by selecting **Next**.

### To amend a liability:

1. Select the **liability** to expand the liability details and edit. Once amended, you will need to select **Calculate** and **Save**



### To remove a liability:

1. Select the **liability** to expand the liability details
2. Select **Remove liability**


**Step 2 of 4**

### Liabilities

Please add any existing and proposed liabilities/commitments

 **Business Loan - \$500,000** Completed 

Business Entity 1

 Add liability

#### Liability totals

Limit	Interest	Principal	Repayment (pa)
\$500,000	\$39,849.06	\$4,176.82	\$44,025.88

Back Next

**Total numbers breakdown: Calculated**

Breakdown	Assessed
Structure	P & I
Interest	\$39,849.06
Principal	\$4,176.82
Serviceability rate (SAR)	8.00%
Repayment (pa)	\$44,025.88

Remove liability Save

# SIMPLE+ Serviceability Calculator

## Step 2 – Liabilities: ATO Arrangements

An **ATO payment arrangement** can be recorded within the Liabilities.

With the example here the payment instalments differ over the payment period. You will need to calculate an **average monthly payment** over the total payment term. To do this:

1. Determine the **no. of months** the payment plan is setup over.
2. Use the **Plan total inc estimated GIC** and divide this by the no. of months:  $\$402,000 / 12 \text{ months} = \$33,500$
3. Enter this into the **Monthly Amount**



Australian Government  
Australian Taxation Office

### Payment plans

#### Activity statement 001

Date generated	20/05/2020
Amount	\$402,000.00 DR
Payment method	Other payment options
Payment frequency	Monthly
Plan total, including estimated GIC	\$402,000.00 <b>2</b>
Creation date	31/03/2020

#### Instalment schedule

<b>1</b> Due date	Status	Amount
28/04/2020	Amount to pay	\$5,000.00
28/05/2020	Amount to pay	\$5,000.00
29/06/2020	Amount to pay	\$5,000.00
28/07/2020	Amount to pay	\$5,000.00
28/08/2020	Amount to pay	\$5,000.00
28/09/2020	Amount to pay	\$5,000.00
28/10/2020	Amount to pay	\$62,000.00
30/11/2020	Amount to pay	\$62,000.00
29/12/2020	Amount to pay	\$62,000.00
29/01/2021	Amount to pay	\$62,000.00

#### ATO arrangement

##### Finance details

Monthly Amount

\$ 33,500 **3**

Total amount owing

\$ 402,000

**Annual repayment: 402,000.00**

# SIMPLE+ Serviceability Calculator

## Step 3 – Business financials: Completing 1 year of financials

1. A **minimum of 1 year of Business Financials** is required for each Business Entity, with the option to add for 2 years.  
**Note: Financials must not be older than 18 months.**
2. Enter the P&L financial details to generate **EBITDA** ensuring to remove any distributions received by the entity whose source and sustainability is unknown.
3. Where any **non-recurring income/expense** is entered, a free text field will appear for you to enter **additional information**. It is a mandatory field and cannot be left blank otherwise you will be unable to save and proceed.

### Step 3 of 4

#### Business Financials

Please complete all business entity financials and **calculate** before continuing to the next step.

##### Business Entity 1

###### Details

Legal structure

Business type

Company

Operating entity or its shareholder

###### Financials

Include 2 years P&L in latest year financials?

1

Current year

2

Total revenue \$ 1,800,000

Profit before tax \$ 500,000

Dividend/ distribution income(-) \$

Interest(+) \$ 15,000

Depreciation(+) \$ 25,000

Non-recurring income (-) \$ 10,000

Non-recurring expense (+) \$

#### Non-recurring income/expenses 3

Please provide comments on any one-off income/expenses, such as gains from land sale or purchasing equipment

# SIMPLE+ Serviceability Calculator

## Step 3 – Business financials: Completing 2 years of financials

After capturing 2 years financials, the calculator will determine if there was a substantial improvement in revenue or adjusted EBITDA over the 2-year period.

- A. Where there is **no substantial improvement in revenue or EBITDA**, then latest year EBITDA is adopted with no further commentary required.
- B. Where there is a **substantial improvement in revenue or EBITDA**, a **Volatility test outcome: Not passed** will appear. Here you should answer Yes/No to include or exclude the latest year financials (instead of using the 2-year average). NB if you select **Yes** to override, you must provide **further commentary** in a free text field as to why the latest year should be adopted.

**Financials**

Include 2 years P&L in latest year financials?

	Previous year	Current year
Total revenue	\$ 700,000	\$ 1,000,000
Profit before tax	\$ 50,000	\$ 100,000
Dividend/ distribution income(-)	\$	\$
Interest(+)	\$	\$ 15,000
Depreciation(+)	\$	\$ 25,000
Non-recurring income (-)	\$	\$ 10,000
Non-recurring expense (+)	\$	

**Volatility test outcome: Not passed**

Do you want to include the latest financial year?

You can override and include the latest financial year, but if you choose not to, the 2 year average will be used.

Yes No

Please comment on why the latest year should be adopted

# SIMPLE+ Serviceability Calculator

## Step 3 – Business financials: Distribution of business income

After providing all Financials, you will be presented with a section on **Distribution of business income**. Depending on the Business Entity **legal structure** you may see the following scenarios:

- **Income is fully distributed as a default** for Sole Trader or Partnership / Unit Trust
- Option for a **full or partial distribution** amount for Company or Trust

1. If given an option, you may select either to **Fully distribute surplus or shortfall** to shareholders;
2. Or, if only a partial amount is being distributed, enter the **Business income distribution surplus or shortfall** amount instead.
3. The **Owner/Shareholder** and **Ownership Percentage** will appear. Select the entities and percentage values to distribute.

Select **Save** to continue.

### Distribution of business income

Distribution of business income	Available income
Income available after debt service	\$403,750
Fully distribute surplus	<input checked="" type="checkbox"/> Distribute to the shareholders
Business income distribution surplus	\$ 0

Business income distribution surplus	<input checked="" type="checkbox"/>	\$ 50000
Owner/Shareholder	<input checked="" type="checkbox"/>	Ownership
<input checked="" type="checkbox"/> Personal entity 1	%	50
<input checked="" type="checkbox"/> Household member 1a	%	50
<input type="checkbox"/> Household member 1b		
<input type="checkbox"/> Other shareholders outside of the assessment		
<b>Total</b>		<b>100 %</b>

# SIMPLE+ Serviceability Calculator

## Step 3 – Business financials: Surplus / Shortfall results

Follow the prior steps for any other Business Entities. Once they are all marked as **complete**:



1. Select the **Calculate** button
2. Once the calculator has updated, the **Business financials: Completed** message will appear with details of Income available after debt service, Business income distribution and if there is a **Business surplus or shortfall**

Select **Next** to continue to Step 4 Personal Financials.


### Step 3 of 4

#### Business Financials



Please complete all business entity financials and **calculate** before continuing to the next step.

 **Business Entity 1** Completed 

Company - Operating entity or its shareholder

**Business financials: Not completed**  Calculate 1



 **Business Entity 1** Completed 

Company - Operating entity or its shareholder

**Business financials: Completed** 2

Income available after debt service	Business income distribution	Business surplus
\$416,250.00	\$50,000.00	\$202418.53

Back 3 Next



# SIMPLE+ Serviceability Calculator

## Step 4 – Personal financials

**Personal Financials** will need to be captured for each Personal entity and/or Household.

For each entity:

1. Navigate to **Financials** and input all income and expense items
2. Where the entity is a **Household**, input the financials for each member of the household
3. Select **Calculate totals**

You will be presented with the **Personal entity's Household Surplus or Shortfall** result. Select **Save** and complete for each remaining entity.

Select **Next** to continue.

### Step 4 of 4

#### Personal Financials

Please provide financials for each personal entity/household participating in this assessment before continuing to the next step. For households, you'll need to provide financials for both members (a & b) of the household.

##### Personal entity 1

#### Financials 1

Items	Personal entity 1
Salary/wages (annual)	\$ 120,000
Rental income (annual)	\$ 0
General living expenses (monthly)	\$ 3,000
Additional expenses (monthly)	\$ 2,000
Rent/Board expense (monthly)	\$ 1,500

Total numbers breakdown

3

##### Household 1 (Members 1a & 1b)

Member 1a Member 1b 2

\$ 150,000	\$ 90,000
\$ 0	\$ 0
\$ 2,500	\$ 2,500
\$ 1,500	\$ 1,500
\$	

# SIMPLE+ Serviceability Calculator

## Serviceability Summary and PDF Report

The final **Serviceability summary** will show:

- 1. Surplus / Shortfall** for each entity and Overall
- 2. Debt service coverage (DSC)** for each entity and Overall
- 3. Completed sections** which may be expanded to show details for each section.

If you need to review or edit a previous step, you may navigate back to previous screens but note that you will need to **Save** and **Calculate** any edits to **refresh the Serviceability summary**.

- Select the **Create PDF** button to download a PDF copy of the SIMPLE+ Serviceability Calculator summary for your records.

It is not a requirement to share the results as part of an application with your Banker or Business Development Manager.

**The SIMPLE+ Serviceability Calculator has now been completed.**

### Serviceability summary

Entities	1 Surplus / Shortfall	2 Debt service coverage (DSC)
Business	\$100,671.38	3.04x
Household 1	\$31,400.74	1.36x
Personal entity 1	\$33,692	4.69x
<b>Overall</b>	<b>\$165,764.12</b>	<b>2.14x</b>

### Completed sections 3

Expand all sections

Entities and households

Property investment assessment

Liabilities

Business financials

Personal financials

### Get your serviceability results

You've successfully calculated the serviceability assessment and can now create a PDF to send to your banker or Business development manager.

Create PDF

Date: 05/09/2024

## SIMPLE+ Serviceability assessment report

### Serviceability summary

	Surplus/Shortfall	DSC
Business	\$ 100,671.38	3.04x
Household 1	\$ 31,400.74	1.36x
Personal 1	\$ 33,692.00	4.69x
<b>Overall</b>	<b>\$ 165,764.12</b>	<b>2.14x</b>

### Entities and households

Business Entities	Personal entities or households
Business Entity 1	Household 1 (members 1a & 1b) Personal Entity 1

### Property investment assessment

Is this a property investment transaction? No

### Liabilities

Purpose	Liability Type	Borrowers involved	Limit	Act interest rate + Line fee %	Serviceability Term (Months)	Actual \$ PM

# SIMPLE+ Serviceability Calculator

## Things you should know

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03

# **SIMPLE+ BAS CALCULATOR**

## **How-to guide**

# SIMPLE+ BAS Calculator

## Main Menu

### 1. Open the worksheet titled **Main Menu**

You'll need to complete all 4 sections per the instructions.

**2. Industry** – select from the drop down the relevant industry. Note it lists all ineligible BAS industries that, if selected, will cause the **Eligibility Check alert window** to appear. The only selection allowed to proceed is 'All Other'

**3. BAS Submission Type** – select the BAS type applicable to the customer. The Eligibility Check alert window will appear if 'GST Instalment Method' is selected

**4. BAS Submission Frequency** – select the frequency that BAS is submitted to the ATO

**5. Number of submissions available** will be dictated by the input for BAS Submission Frequency. If frequency is Quarterly, select '4'. If frequency is Monthly, select '12'

Once all sections are completed, select **Proceed**.

### SIMPLE+ BAS Calculator

Industry	
BAS Submission Type	
BAS Submission Frequency	
Number of submission available	5

Proceed

- To be eligible to proceed, 12 months most recent BAS are required
- Appropriate commentary is required justifying any material variances or seasonality

< > Instructions **Main Menu**

**All Other**

- Agriculture
- Aged care and nursing homes
- Childcare
- Food Wholesale & Retailer
- Hospitals & Pharmacies
- Property Developers
- Religious Organisations
- Franchises
- Not-for-profit
- Travel Agents
- All Other

**Simpler BAS**

- Full Form BAS
- GST Instalment Method

**Quarterly**

- Monthly
- Quarterly with Monthly Wages

Eligibility Check

! BAS criteria not met

OK

*Eligibility Check message*

# SIMPLE+ BAS Calculator

## BAS Calculator Worksheet

1. The next worksheet loaded will be **Quarterly** or **Monthly**, depending on the **BAS Submission Frequency** selected in the prior tab.

From here complete all **blue cells**:

2. **BAS items** will align to BAS statements per their labels for quick reference
3. Select Yes/No for **Total Sales includes GST**
4. If **Fringe Benefit Tax (FBT) (6A)** is not present in the BAS, you must enter a zero '0'. If left blank the calculator will not provide a result in the BAS profit for that statement period.
5. Selecting **Reset** will clear all values. **Save as PDF** allows you to share and submit the results to your Business Development Manager.

**Note:** Amounts should be entered to the nearest dollar value (\$)

The screenshot shows the 'BAS CALCULATOR - QUARTERLY' interface. At the top right, there are 'Reset' and 'Save as PDF' buttons (callout 5). A dropdown menu is open showing 'Yes' and 'No' options (callout 3). The main table has columns for 'Quarter 1', 'Quarter 2', 'Quarter 3', 'Quarter 4', 'Total of Inputs', and 'Annualised'. The rows include 'Total Sales', 'Total Sales includes GST', 'GST on Sales', 'Sales Net of GST', 'LESS', 'GST on Purchases', 'Purchases Net of GST', 'Total Salary, wages and other payments', 'Staff OnCosts', 'FBT', 'Total Expenses Net of GST', and 'BAS Profit'. A 'BAS Item' dropdown is set to 'G1' (callout 2). The 'FBT' row (6A) is highlighted with a red box (callout 4). At the bottom, the 'Quarterly' tab is selected in the navigation bar (callout 1).

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total of Inputs	Annualised
Total Sales						
Total Sales includes GST						
GST on Sales						
Sales Net of GST					\$ -	\$ -
LESS						
GST on Purchases						
Purchases Net of GST	\$0.00	\$0.00	\$0.00	\$0.00	\$ -	\$ -
Total Salary, wages and other payments						
Staff OnCosts	\$ -	\$ -	\$ -	\$ -		
FBT						
Total Expenses Net of GST					\$ -	\$ -
<b>BAS Profit</b>					\$ -	\$ -

**Important: Entries must be for the equivalent of 12 months.**

If the no. of submissions chosen does not match the frequency e.g. monthly submissions are chosen but the no. of submissions entered is less than 12, you must **navigate back to the Main Menu** and amend the no. of submissions to allow for 12 months data to be entered.

# SIMPLE+ BAS Calculator

## BAS Calculator Worksheet to Serviceability Calculator

Once you've completed all BAS Calculator inputs, the following may be copied over into the **SIMPLE+ Serviceability Calculator**:

1. **Sales Net of GST** copied to **Total Revenue**
2. **BAS Profit** copied to **Profit before Tax**

You may then complete the remainder of the **SIMPLE+ Serviceability Calculator**.

Note: An "Annualised" column is provided within the BAS Calculator for quick reference, however all inputs must include the latest 12 months' statements.

BAS CALCULATOR - QUARTERLY				Reset	Save as PDF
	Quarter 4	Total of Inputs	Annualised		
Total Sales	BAS Item G1	\$ 395,120.00			
Total Sales includes GST		Yes			
GST on Sales	1A	\$ 34,681.00			
<b>Sales Net of GST</b>		\$360,439.00	\$ 1,805,186.00	1	\$ 1,805,186.00
LESS					
GST on Purchases	1B	\$ 34,300.00			
Purchases Net of GST		\$343,000.00	\$ 1,548,220.00		\$ 1,548,220.00
Total Salary, wages and other payments	W1	\$ 11,851.00			
Staff OnCosts		\$ 1,777.65			
FBT	6A	\$ -			
Total Expenses Net of GST		\$ 356,628.65	\$ 1,645,278.85		\$ 1,645,278.85
<b>BAS Profit</b>		\$ 3,810.35	\$ 159,907.15	2	\$ 159,907.15

**BAS Calculator**

financials and **calculate** before continuing to the next step.

Business type  
Operating entity or its shareholder

near financials?

Current year

Total revenue

Profit before tax

Dividend/ distribution income(-)

**SIMPLE+ Serviceability Calculator**



# SIMPLE+ BAS Calculator

## BAS Submission Frequency – Quarterly with Monthly Wages

Where BAS is reported quarterly but salary and wages reported monthly, then within the Main Menu worksheet:

1. **Quarterly with Monthly Wages** – needs to be selected within *BAS Submission Frequency*

Then to complete the BAS Calculator with 12 month's **Instalment Activity Statements** enter:

2. **3 months' Total Salary, Wages and other payments** into each quarter per *W1-Month 1*, 2 and 3

Refer to the Quarterly BAS statements instructions for all other fields.

### SIMPLE+ BAS Calculator

Industry	All Other
BAS Submission Type	Simpler BAS
BAS Submission Frequency	Quarterly with Monthly Wages <span style="color: red;">1</span>
Number of submission available	4

BAS CALCULATOR- QUARTERLY WITH MONTHLY WAGES						Reset	Save as PDF
		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total	
Total Sales	BAS Item G1	\$ 539,957.00	\$ 589,103.00	\$ 445,885.00	\$ 395,120.00		
Total Sales includes GST		Yes	Yes	Yes	Yes		
GST on Sales	1A	\$ 47,791.00	\$ 51,570.00	\$ 30,837.00	\$ 34,681.00		
Sales Net of GST		\$492,166.00	\$537,533.00	\$415,048.00	\$360,439.00	\$	1,805,186.00
LESS							
GST on Purchases	1B	\$ 41,683.00	\$ 42,724.00	\$ 36,115.00	\$ 34,300.00		
Purchases Net of GST		\$416,830.00	\$427,240.00	\$361,150.00	\$343,000.00	\$	1,548,220.00
Total Salary, wages and other payments	W1-Month 1	\$ 11,687.00	\$ 6,191.00	\$ 6,304.00	\$ 3,950.00		
	W1-Month 2	\$ 11,687.00	\$ 6,191.00	\$ 6,304.00	\$ 3,950.00		
	W1-Month 3	\$ 11,687.00	\$ 6,191.00	\$ 6,304.00	\$ 3,950.00		
Staff OnCosts		\$ 5,259.15	\$ 2,785.95	\$ 2,836.80	\$ 1,777.50		
FBT	6A	\$ -	\$ -	\$ -	\$ -		
Total Expenses Net of GST		\$ 457,150.15	\$ 448,598.95	\$ 382,898.80	\$ 356,627.50	\$	1,645,275.40
<b>BAS Profit</b>		<b>\$ 35,015.85</b>	<b>\$ 88,934.05</b>	<b>\$ 32,149.20</b>	<b>\$ 3,811.50</b>	<b>\$</b>	<b>159,910.60</b>

# SIMPLE+ BAS Calculator

## Simpler BAS vs Full Form BAS

The differences in the BAS Calculators when **BAS Submission** Type is selected for:

- **Simpler BAS**  
Customers with GST turnover <\$10M
- **Full Form BAS**  
Customers with GST turnovers >\$10M

**Full Form BAS** includes additional fields for:

1. G11 – **Non-Capital Purchases**; and G10 – **Capital Purchases**. Where either of these fields are not present on the BAS, you must enter a zero '0'
2. Selection of Yes/No if the statements **Include Capital Purchases in BAS profit** and the ability to **Add back Capital Purchases (excl GST)**. If addbacks are not applicable, you must enter a zero '0'. If left blank, the calculator will not provide a result for BAS profit for that statement period

BAS CALCULATOR - QUARTERLY		
Quarter 1		
Total Sales	BAS Item G1	\$ 2,000.00
Total Sales includes GST		Yes
GST on Sales	1A	\$ 200.00
Sales Net of GST		\$1,800.00
<i>LESS</i>		
GST on Purchases	1B	\$ 100.00
Purchases Net of GST		\$1,000.00
Total Salary, wages and other payments	W1	\$ 200.00
Staff OnCosts		\$ 30.00
FBT	6A	\$ 10.00
Total Expenses Net of GST		\$ 1,240.00
<b>BAS Profit</b>		\$ 560.00

*BAS Calculator – **Simpler BAS***

BAS CALCULATOR - QUARTERLY		
Quarter 1		
Total Sales	BAS Item G1	\$ 2,000.00
Total Sales includes GST		Yes
GST on Sales	1A	\$ 200.00
Sales Net of GST		\$1,800.00
<i>LESS</i>		
Non Capital Purchases	G11	\$ -
Capital Purchases	G10	\$ -
GST on Purchases	1B	\$ 100.00
Purchases Net of GST		\$1,000.00
Total Salary, wages and other payments	W1	\$ 200.00
Staff OnCosts		\$ 30.00
FBT	6A	\$ 10.00
Total Expenses Net of GST		\$ 1,240.00
Include Capital Purchases in BAS Profit		No
Add Back: Capital Purchases (excl GST)		\$ -
<b>BAS Profit</b>		\$ 560.00

*BAS Calculator – **Full Form BAS***

# SIMPLE+ BAS Calculator

## Things you should know

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# Let's talk SIMPLE+



Contact your Senior Business Development Manager or Business Banker to discuss.



[introducers.westpac.com.au/forms-resources/simple-plus](https://introducers.westpac.com.au/forms-resources/simple-plus)



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