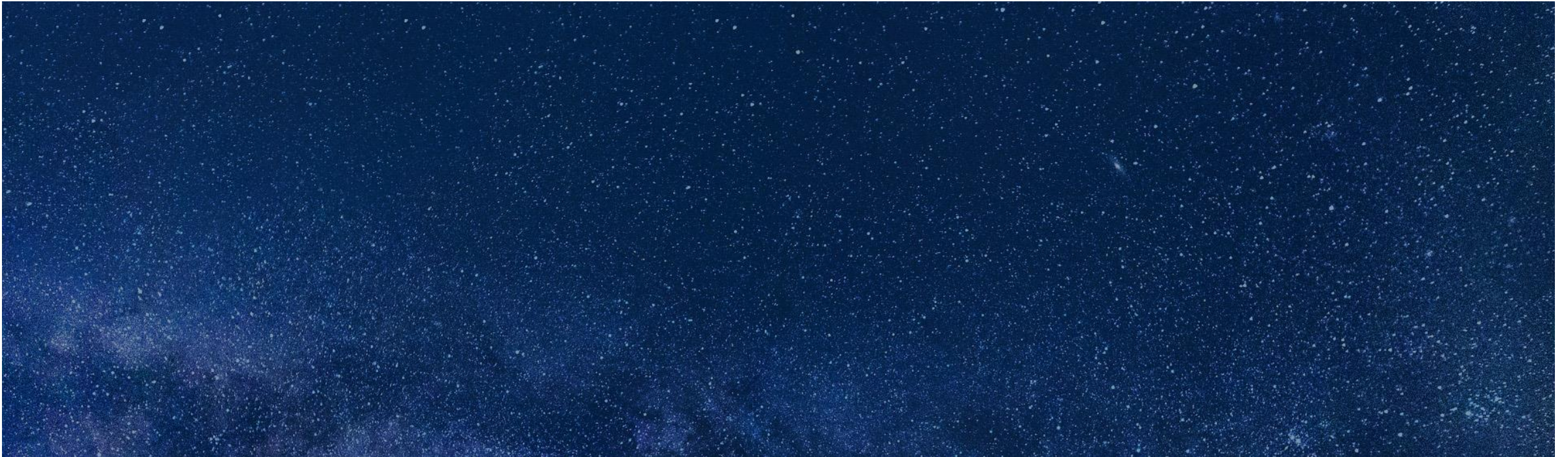




BOOKKEEPING

LISA CARD, SBDC CENTER DIRECTOR AT MOHAVE COMMUNITY COLLEGE



LISA CARD



Lisa Card is Center Director at Mohave Community College SBDC, where she leads her team in offering business trainings and provides one on one confidential business counseling to existing small businesses and specializes in new business startups.

Lisa has owned four businesses in the past 27 years from industries in manufacturing, construction, accounting service, expedited transportation company, and has assisted 100's of small businesses through the SBDC in Mohave County over the past 9 years. Lisa is passionate about working with the small businesses from Business Concept, Customer Relations, Organization, Operations and always challenging clients to look at their next step.





America's SBDC Clients

- > Start a new business every 32 minutes
- > Create a new job every 5.3 minutes
- > Access \$100,000 in capital every 9.4 minutes
- > Make \$100,000 in new sales every 8 minutes

SERVICES WE OFFER:

- No cost Confidential Business Counseling
- No cost to low cost Seminars/Trainings
- New Business Check list
- Access to Capital Loan assistance
- Government contracting
- ...And much more



TODAY'S TOPICS

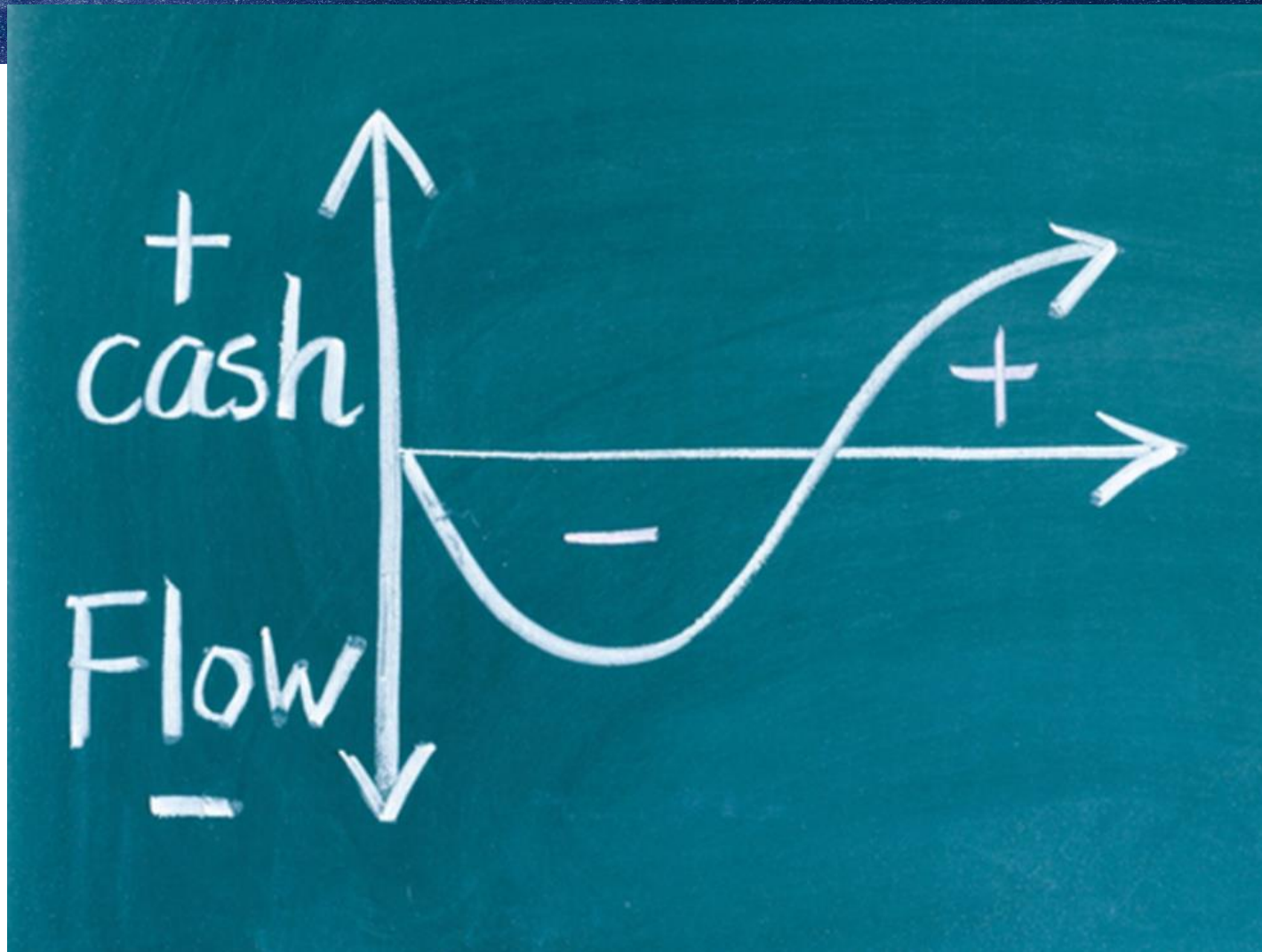


- The Importance of Bookkeeping
- Responsibility as a business owner
- Options for Bookkeeping
- Bookkeeping tasks timeline



WHY IS BOOKKEEPING IMPORTANT







Recordkeeping

English | [Español](#) | [中文\(繁體\)](#) | [한국어](#) | [Русский](#) | [Tiếng Việt](#)

Individuals

Businesses and Self-Employed

Small Business and Self-Employed

Employer ID Numbers

Business Taxes

Reporting Information Returns

Self-Employed

Starting a Business

Operating a Business

Closing a Business

Industries/Professions

Small Business Events

Online Learning

Large Business

[Why should I keep records?](#)

Good records will help you monitor the progress of your business, prepare your financial statements, identify sources of income, keep track of deductible expenses, keep track of your basis in property, prepare your tax returns, and support items reported on your tax returns.

[What kinds of records should I keep?](#)

You may choose any recordkeeping system suited to your business that clearly shows your income and expenses. Except in a few cases, the law does not require any special kind of records. However, the business you are in affects the type of records you need to keep for federal tax purposes.

[How long should I keep records?](#)

The length of time you should keep a document depends on the action, expense, or event the document records. You must keep your records as long as needed to prove the income or deductions on a tax return.

[How should I record my business transactions?](#)

Purchases, sales, payroll, and other transactions you have in your business generate supporting documents. These documents contain information you need to record in your books.

[What is the burden of proof?](#)

The responsibility to substantiate entries, deductions, and statements made on your tax returns is known as the burden of proof. You must be able to prove certain elements of expenses to deduct them.

[How long should I keep employment tax records?](#)

Keep all records of employment taxes for at least four years.

Related Topics

- [Businesses with Employees](#)
- [Use of Electronic Accounting Software Records; Frequently Asked Questions and Answers](#)
- [Operating a Business](#)

Publications

- [About Publication 583, Starting a Business and Keeping Records](#)
- [About Publication 225, Farmer's Tax Guide](#)

Videos

- [Good Recordkeeping Helps Avoid Headaches at Tax Time](#)
- [Small Business Taxes: The Virtual Workshop](#)



BOOKKEEPING OPTIONS



- Hire in house bookkeeper
- Hire after the fact bookkeeper/accountant
- Business owner does the bookkeeping



USING A BOOKKEEPER/ACCOUNTANT



- Bookkeeping
- System set up
- Prepares Income Taxes
- Prepares Sales Taxes
- Seasonal Services
- Financial Statements
- Payroll Processing
- Payroll Tax Report

BOOKKEEPING SOFTWARE



Reckon

BOOKKEEPING
SOFTWARE
2020



DAILY TASKS

- Cash on Hand
- Your bank balance
- Sales and Cash Receipts
- All monies paid by cash and check



WEEKLY TASKS



- Payroll
- Taxes and reports due to government agencies
- Document and File Receipts: Keep copies of all invoices, cash receipts and cash payments, and add them to organized files for easy reference.

WEEKLY TASKS CONTINUED....



- Prepare and send invoices: Be sure to include payment terms in invoices, and consider offering early payment incentives to get paid on time.
- Pay Vendors, Sign checks: Track accounts payables, and earmark funds to pay your suppliers on time.
- Review Projected Cash Flow: Create a statement showing your current cash position, expected cash receipts and expected cash payments for the upcoming week.

MONTHLY TASKS



- Balance your checkbook/ Bank Account Reconciled
- Balance Petty Cash
- Review Sales Tax and Make Payments: Be sure to file your sales tax report and comply with all required payments on time to avoid penalties and fees.
- Review Past Due Receivables: At the beginning of the month, send out friendly reminders to customers, clients and anyone else who owes you money.
- Analyze Inventory Status: Reorder products that sell quickly, and identify other that are moving slowly and may need to be marked down or discontinued.
- Process Payroll: Withhold, report and deposit the income, Social Security, Medicare and disability taxes to the appropriate agencies by their due dates.
- Review Actual Profit and Loss vs. Budget: If you don't have a budget prepared, compare your current profit and loss with the same prior period year to date statements. If you need help to review these, contact your local SBDC business Counselors, SCORE MENTOR, or Accountant.

QUARTERLY TASKS



- **File Estimated Quarterly Taxes:** Pay estimated taxes every quarter to avoid fines and or lower your year end tax burden.
- **Complete and Review Quarterly Payroll Reports:** The IRS and most states require quarterly payroll reports and payments.

ANNUAL TASKS



- **Review Past-Due Receivables:** Check past due receivables, and decide whether to send past due bills to collection agency or write them off for a tax reduction.
- **Review Your Inventory:** Calculate the value of items not sold. Then, use the unsellable inventory as a deduction for your year-end taxes.
- **Fill out IRS Forms W-2 and 1099 MISC:** February 1 is the deadline to report the annual earnings of your employees (W-2) and Independent Contractors (1099).
- **Review and Approve Year End Financial Reports & Tax Returns:** Be sure to review everything before sending your documents to your accountant and or the IRS.

BOOKKEEPING TIPS



1. Keep Personal and Business finances separate
2. Automate as much as possible
3. Keep thorough records
4. Set reminders for deadlines
5. Leave an audit trail
6. Track business expenses
7. Keep your books at the TOP of your priorities



TIME FOR Q&A



Thank you for attending!

To set up a confidential business counseling session with a
local SBDC Business Analyst
Go to AZSBDC.NET

