

Biggest Small Business Bookkeeping Mistakes

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Over the course of twenty-five years, tracking client needs through our unique business assessment process, The Business Resource has surveyed thousands of small business owners regarding their business's strengths, weaknesses opportunities and threats. This list of the 'biggest bookkeeping system mistakes' has been carefully assembled and ranked according to the most frequently experienced challenges.

1. Not setting up software properly
2. Not setting the “books” up properly
3. Using the software selected as a checkbook instead of bookkeeping “system”
4. Managing from the bank balance
5. Unclear financial goals
6. Not using financial facts to make decisions
7. Using unqualified help

8. Not reconciling monthly
9. Blaming the bookkeeper for the performance of the business
10. Not reviewing financial reports regularly
11. Not instituting or following clear financial policies and procedures
12. No checks and balances in place to catch errors before they negatively impact the business
13. Expecting a bookkeeper to also be a receptionist and administrative support person
14. Using less productive bookkeeping practices as cover, becoming a victim of circumstances
15. Failing to educate customers properly about company financial policies, and their benefit
16. Not locating a bookkeeper's work space in a quiet area of the office

Bookkeeping System Action Plan

Now that you know the biggest mistakes made in small business bookkeeping practices, what is your plan to avoid them?

My Goal is: _____

Steps I choose to take include: _____

Due Date to complete my project: _____

