Accounting Fees & Small Business

How do I keep of my accounting fees reasonable?

- Put all income and expenses through your ONE business bank account

- Keep personal spending away from your business account

- Have a credit card for business expenses ONLY – use a separate card for private spending

- Use the description on bank EFT's wisely

    - Abbreviate to include maximum information

- Supply a copy of invoices where GST is NOT 10%:

    - Insurance policies
    - Vehicle Registration
    - Purchase of new assets / equipment

- If you don't have enough money in your business account to pay bills, put money into the account as a clearly marked LOAN, and make the business payments FROM the business account.

- Monitor your Debtors (money owing to you) and Creditors balances (money you have recorded as owing to outsiders, but is currently unpaid)

- Closely monitor unpresented items on your bank reconciliations –they be duplications or errors.

- Supply us ALL the information at one time.

- Answer all our questions at once.

Things to **avoid –** because they complicate data entry accuracy:

- Paying business expenses out of non-business bank accounts;

- Paying expenses for one business from the account of another business – creates intercompany loan accounts which are time consuming to reconcile;

- Using your business account for private spending – I have seen private spending **triple** the number of transactions to be processed in a small business;

- Recording an amount owing as an Accounts Payable and then forgetting when paying to pay against that transaction and making a cheque entry for the payment.   This will overstate your payables and overstate your expenses;

- Leaving uncollectable amounts as owing.

Terminology

Function	QBO	Xero	Reckon Accounts Business	MYOB	PC Law
Pay money from your bank account	Create Cheque	Spend Money	Write Cheques	Spend Money	Write Cheques
Money owing to you by customers	Accounts Receivable	Aged Receivables	A/R or Accounts Receivable	Debtors	Accounts Receivable
Create invoices to customers	Create Invoice	New Invoice	Invoices	Enter Sales	Create Bill
Enter Money to pay later	Enter Bill	New Bill	Enter Bills	Enter Purchases	New Payables
Payment of amounts entered as owing to suppliers	Pay Bills	Add Payment	Pay Bills	Pay Bills	Process Payables
Enter Credit Card transactions	Create Credit Card Credit	Spend Money	Enter Credit Card Charges	Spend Money	Write Cheques