



WAYS TO AVOID 5 COMMON BOOKKEEPING MISTAKES

So you have bought the best bookkeeping software in the market and hired a bookkeeper who comes well-referred, to operate it. Bookkeeping is part of business basics and is absolutely vital especially if you are thinking of expanding your business. However, you find that things are not going as you had planned. Maybe the numbers are not quite adding up or you get this doubt each time you go over your checkbook that the cash in your account isn't as much as it should be. Pay attention if you see any of the following being repeated in your business.

Inflated CPA bills: Watch out for this especially if you do have some kind of bookkeeping in place and do not just hand over all your invoices and receipts to the CPA at tax times. Do you find your CPA firm or individual is suddenly billing higher? Take a closer look at billing details; if you find bookkeeping work included in it then it is a sure sign your bookkeeper is not completing the work assigned before submitting it to the CPA.

You don't get feedback on your financial reports: Whether it is about your balance sheet, reconciling bank accounts or income vs. expense, your bookkeeper should talk to you about it. This is especially true if they notice an inordinate amount of increase or decrease in either of the figures. If your bookkeeper is not talking about it regularly, it could be due to lax attention to your books on their part.

Too many transactions lined up in your record deposit window: Software like QuickBooks provide a feature for undeposited funds. If there are multiple transactions here, then it points to poorly-managed invoices and payments. If you have a designated bookkeeper and yet face this problem, you should take a look at your bookkeeping processes.

Your balance sheet does not seem updated: You suddenly get a very interesting investment proposal and rush to find the available cash. Depending on whether you went ahead with the investment on the basis of figures in your balance sheet, or actually checked your business bank account for available funds, you find the two do not match. Such discrepancies may occur if your bookkeeping systems are not keeping pace with your business.

Your bookkeeper doesn't understand the type of business accounting you follow: What kind of accounting does your business follow? A good bookkeeper must know the different kinds of accounting and also understand the one being followed by your company. This knowledge can further help them apply the best possible process to your bookkeeping.

Analytix Solutions offers a complimentary analysis of your Accounting and Bookkeeping procedures. Call us at 781-503-9002 or email us at sales@aixsol.com today to schedule an appointment with one of our experts.