

Risk



MITIGATE RISKS OF IN-HOUSE BOOKKEEPING

For a small business or a mid-size one, ensuring safe in house bookkeeping can be a tall order. There are several risks associated with in house bookkeeping.

Missing out on Business Continuity

Factors like employee turnover or data loss due to system crash can cause loss of historical information causing a devastating impact on business continuity. Such lapses in business continuity can cause cash flow problems, inconsistencies in financial information and drop in customer service standards. Inefficient strategies to counter such situations can lead to permanent loss of data. Furthermore, it can also hamper your business's ability of timely adherence of regulatory compliances. In contrast, outsourcing your bookkeeping services grants better reliability of your bookkeeping data. Not only are your books updated, debts in check and outstanding cleared on time, your business continuity is secured by having a methodical and structured accounting process to counter such situations and factors.

Ensuring focus stays on your business

Your in house bookkeeping entails elements of supervision. One slip-up and you could be left dealing with the prospect of reworking numerous details all over again; this time in a shorter time span, such as just before tax time. Apart from added expenses, this will take away all your attention from core business work. You may not just create errors and blunders in other areas, you may also end up losing business altogether; client trust and faith in your business abilities is one of the serious casualties you may have to face.

In contrast, an outsourced vendor takes care of all the hard work behind your successful business operations. Unlike in house bookkeeping, outsourced bookkeeping is focused on ensuring your business bookkeeping is up-to-date and accurate. You do not need to supervise; you gain reliable financials without the least hassle.

Significant errors and inconsistencies – at tax time

Your in house bookkeeping needs effective supervision. However, some small businesses may not be able to hire senior-level finance resources for this reason. This can easily lead to small mistakes being left unobserved or going unnoticed, only to cascade into massive problems at tax time. At tax time, the last thing your CPA needs is huge error corrections. They may still do it, but charge you a huge fee. This may leave you with little option but to pay up whatever they ask for.

Instead, if you outsource your needs to professionals, not only will they do an error-free job for you, you can also choose to have your entire financing reviewed by them.

If you look closely, you will see that what you pay out in fees is very little as compared to the risks you bypass. Further, professional assistance can help guide you in better business practices as well, helping you save money wisely and adding to your profitability.

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