



KEY CONSIDERATIONS WHEN CHOOSING A BUSINESS BOOKKEEPING SOLUTION

Do you find it hard to justify hiring a dedicated accounting resource? Business financials depend on the accuracy of bookkeeping. But because bookkeeping is essentially detail-oriented, you will need to spend a considerable amount of time away from your core business activity. Even then, there is no guarantee that the bookkeeping you have carried out is 100% accurate or can be relied upon for tax accounting purposes.

But installing bookkeeping software is not the only solution. You need both, bookkeeping resources and a trained accountant to assess your business financials for the purpose of planning as well as filing the company's taxes. Critical components like cash flow and profit and loss statements are also the accountant's domain. If you are an enterprise or a small sized business, you may want your accountant to serve as a financial advisor after tax filing work is done.

You can also outsource your accountant and bookkeeper. In outsourcing, you get the advantage of dedicated bookkeeping, expertise inputs and timely service minus the hassles of maintaining an entire department, complete with manpower and infrastructure. An added advantage with outsourcing is that any troubleshooting also gets taken care of by the vendor.

But before you hit the Buy button, keep in mind a few of these considerations when shopping for your business' bookkeeping solution.

Know your bookkeeping: Basically, do not rely on software alone for your bookkeeping and financials. Do your homework to understand what exactly your bookkeeping solutions will address. What reports are critical to your business decision-making? What is the level of reporting you need for this? You should know your bookkeeping basics like cash flow management, how a business' worth is calculated, etc.

Tax basics: Remember, bookkeeping is the basis for sound accounting, which in turn will influence the tax structure applicable to your business. How effectively you manage your tax structure will also influence profitability of the business.

Professional inputs: Does your solution provider include diverse services in the package provided to you? What about critical inputs on managing business cash flow and debt collection? Your bookkeeping solutions also need to be able to work well with your existing software and infrastructure to deliver needed results.

Reporting: Your company's decision making process depends on key financial reports. Eventually however, reports bring you back to your bookkeeping. Check the solution you are considering for its reporting capabilities. Your bookkeeping

solution should offer you real time reporting capabilities regarding the financial health of your business for key operational, tactical and strategic decisions. If the proposed solution is unable to offer you such capabilities, it is probably not the best one for you.

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 Bookkeeping systems. Call us at 781-503-9002 or email us at sales@aixsol.com today to schedule an appointment with one of our experts.