

free!!!



THE CREATIVE ENTREPRENEURS GUIDE to bookkeeping

TAKE THE STRESS OUT OF YOUR FINANCES

THE CREATIVE ENTREPRENEURS GUIDE TO BOOKKEEPING

making it easy

When you think of your business's finances, do you freeze up at the thought of using an accounting system to track your expenses and income?

Does the terminology sound too complicated and confusing so it's easier to ignore it?

Do you scramble in January to put together your finances for your tax accountant?

It's important for the health of your business that you keep your bookkeeping current each month. Whether you do it yourself or you have someone else take care of it for you.

My goal is to help you take control of your business finances to make the best decisions possible for your business.

know the numbers of your business to make the best
financial decisions

GUIDE TO THE MOST COMMON ACCOUNTING TERMS

(in language you can understand)

Chart of Accounts (COA) - The buckets you categorize your income and expenses into. These buckets make up the general ledger.

General Ledger - A record of all the financial transactions of a company. These transactions make up the financial statements.

Revenue - This is the money you earn from your services or products that you sell. This is not your profit.

Expenses - All the money that you spend on your business.

Profit - This is the money you have made after your expenses have been deducted. $\text{Revenue} - \text{Expenses} = \text{Profit}$

Month End Close - The process of reconciling all the bank accounts to the statement, reviewing all the categories of expenses for the month to make sure they are in the proper buckets and preparing the financial statements.

Profit & Loss (or P&L) - The P&L is also referred to as the income statement. This report tells you the revenue you made, what you spent, your expenses, and your profit.

Balance Sheet - A "snapshot" of the company's financial position as a given point in time. It shows the assets (what you own), the liabilities (what you owe) and owners equity (the book value of the company)

WEEKLY + MONTHLY STEPS TO UPDATE YOUR FINANCES

(and have you ready for taxes in January)

Each month (or week) there are a series of steps to take to keep your business's bookkeeping up to date, a bookkeeping workflow. You'll know where you stand financially, your top income generating services or products, and have you ready for tax time come January!

Before you begin, I recommend using an accounting program like QuickBooks Online. I personally do not recommend QuickBooks Self-Employed version as there are too many limitations.

WEEKLY + MONTHLY BOOKKEEPING TASKS

Make sure you connect your accounting software to your bank, PayPal, Stripe, etc. so you eliminate manual data entry!

Save your receipts for expenses incurred in the month, preferably in a digital format

- Verify you have invoiced all service-based clients for the month
- Update your bank transactions in your software
- Match payments to the proper client invoice
- Apply transactions to the proper categories
- Reconcile each bank account to the statement
- Verify that each category has the proper transactions in it, change the category if you need to
- Run the financial reports and make sure they balance
- Save a copy of the months financial statements

ADDITIONAL STEPS TO KNOW YOUR MONEY

CATEGORIZE YOUR INCOME STREAMS

Just like you categorize your expenses, you can categorize your income streams to see at a glance where your money is coming from.

If you have offer different services, be sure to create an income category for each one. The same goes for your digital or physical products.

By doing this your Profit & Loss will show you where your income is coming from. You'll be able to see which of your services brings in the most income, which one/s are not.

When you know where your income is coming from, you can make better CEO level decisions about your business, the services or products to offer and the direction to take your business in.

ADDITIONAL THOUGHTS

I recommend setting aside 20-30 minute each week to invoice your clients and update your bookkeeping. By staying up-to-date weekly or at least bi-weekly, you will know where you stand financially.

The numbers of your business tell a story. Keeping them current means you can make better, faster decisions about your business.

Closing the books every month means you will be ready for taxes in January. Confident that your books are up-to-date and ready to go!

If you are too uncomfortable to do your own bookkeeping and know that you are doing it correctly, it is best to hand it off to a trained bookkeeper or accountant.

THANK YOU



Hi, I'm Frances!

I'm a corporate accountant turned entrepreneur so I can work one on one with other entrepreneurs like you.

My goal is to empower you to take control of your business finances to make the best decisions possible for your business.

If you need assistance with your bookkeeping, take a look at how we can [work together](#). I offer monthly accounting packages, (I do the work, you get peace of mind) and 1:1 2-hour financial intensives.

Don't leave your bookkeeping to chance!

You can learn more about Frances [here](#).