



5 Bookkeeping Tips for Small Businesses

Having good financial records is crucial for running a business, whether you're a sole trader, company, partnership or trust. With expert, up to date bookkeeping, you will be able to easily manage your invoicing, cash-to-cash cycle, deposits, credit and any of the other myriad of daily finances your business engages in. Keeping your finances in good shape is fundamental to business growth and success.

Savvy non business owners make it a point to keep track of their daily finances. This minimizes costs and stress. Keeping up-to-date financial records helps when lodging a small business tax return. If you want to start taking charge of your business' bookkeeping, here are a few tips from The Income Tax Professionals:

Separate Business and Personal Finances

Some small business owners mix their business and personal finances. If running a business, you must open a separate business bank account to help keep accurate records of your business' financial transactions and help build your business credit rating.

Know Your Taxes

If you are doing your own taxes, you may be familiar with the processes and the documents needed. But, keep in mind that business tax may differ from personal income tax with different rules, regulations and claims you are eligible to make. A basic understanding of the tax requirements of a business is crucial, so be sure to consult a professional tax return accountant so you know exactly what you need to do.

Prioritise Your Books

We understand that as a new business owner, you have a lot on your plate already. However, it's important to prioritise your books alongside running your business. Keep control of all your paperwork so you don't experience any issues come tax time. If you're struggling with juggling different responsibilities, The Income Tax Professionals offer accounting and bookkeeping services to help and guide you.

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Back Up All Financial Records

Make sure that all the relevant documents used in the day to day transactions of your business are stored and are up to date. Bank and credit card statements, profit and loss statements balance sheets and receipts are some examples of these documents. These can also help you establish a good and stable financial ground for your business. The Income Tax Professionals advise getting a good quality cloud-based software program to run your business finances on, keeping you up to date with your daily record keeping. Receipts can be retained digitally saving the hassle of keeping paper receipts that fade and are problematic for storing.

Perform a Quarterly Review

Take the time to perform a review for your bookkeeping and accounting records at the end of each quarter. Observe any trends such as growing or declining sales and customer increase and discuss these with your accountant. They can help you become better prepared for future capital needs such as expansion and/or buying new equipment.

Small business often only require bookkeeping service from a few hours a week to a few days a week. From sole traders, to companies, partnership and trusts, ITP The Income Tax Professionals can help in your small business whatever your needs, your size or your business structure.

In need of professional bookkeeping services? The Income Tax Professionals offers thorough bookkeeping and tax service to help you manage and grow your business. Drop by your nearest ITP office today and see how we can partner with your small business.

ITP The Income Tax Professionals have over 240 branches throughout Australia and help over 300,000 Australians each year with their tax. Our award winning service guarantees professional financial help and advice that will help make your business a success.

ITP The Income Tax Professionals are more than tax agents. They have been helping Australian individuals and businesses with their business accounting and advice for 50 years and offer a wealth of knowledge. Speak to a Professional today and see how your business can be more profitable.



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www.itp.com.au
1800 367 487