

Finding Your Freedom

*Eliminating the Stress
of Bookkeeping
for Small Businesses*

by Jacqueline Bernal, CPB



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Introduction

I love Bookkeeping! I love taking a jumbled pile of papers - sorting, coding, and posting them - and when finished, looking at financial statements and other reports, and finding the magic hidden within them... the stories they tell. Better yet, I love using software programs such as DEXT and QuickBooks Online, to streamline the bookkeeping process, saving my clients money and producing useful financial statements in half the time. Sometimes... I call it a "*Work of Art*".

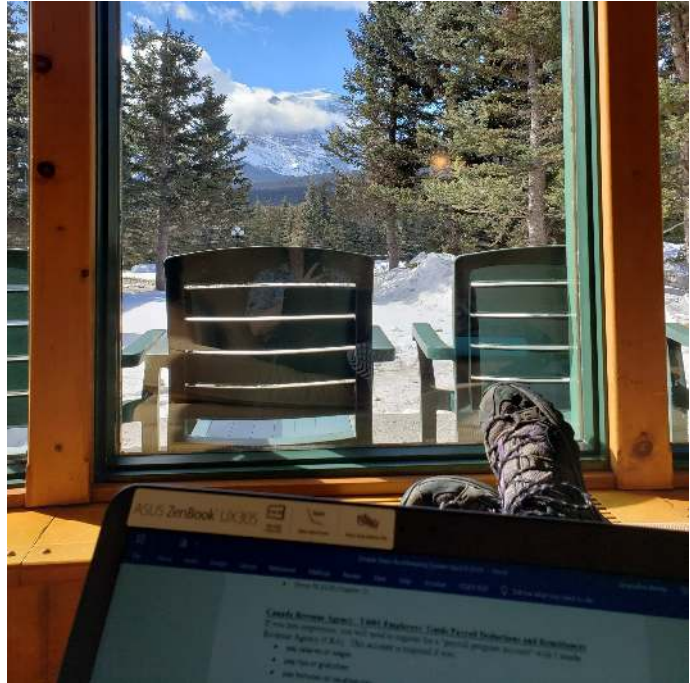
But bookkeeping isn't for everyone. It can be messy, complex, confusing... and downright irritating at times. Especially if you're a bookkeeper with multiple clients. Sometimes you have to be a super sleuth, to figure out how the money goes from a customer making a purchase on the clients website (recording sales, shipping, government taxes, etc.), to the merchant service being used (Stripe, PayPal, Moneris, Airbnb) and the fees they deduct, to money in the bank (is that deposit BEFORE fees are deducted or after?, is that deposit for one sale or the days total sale, and more). And then there is the complexity of Gift Cards (no - that is not "Revenue", it goes on the Balance Sheet as a Liability - money owed to others for now), Customer Prepayments, Holdbacks... and the list seems endless.

But I love it! However, over the past several years I've transitioned more to training others on how to do the bookkeeping. This includes business owners who do it themselves, their staff, and other bookkeepers looking to grow their business.

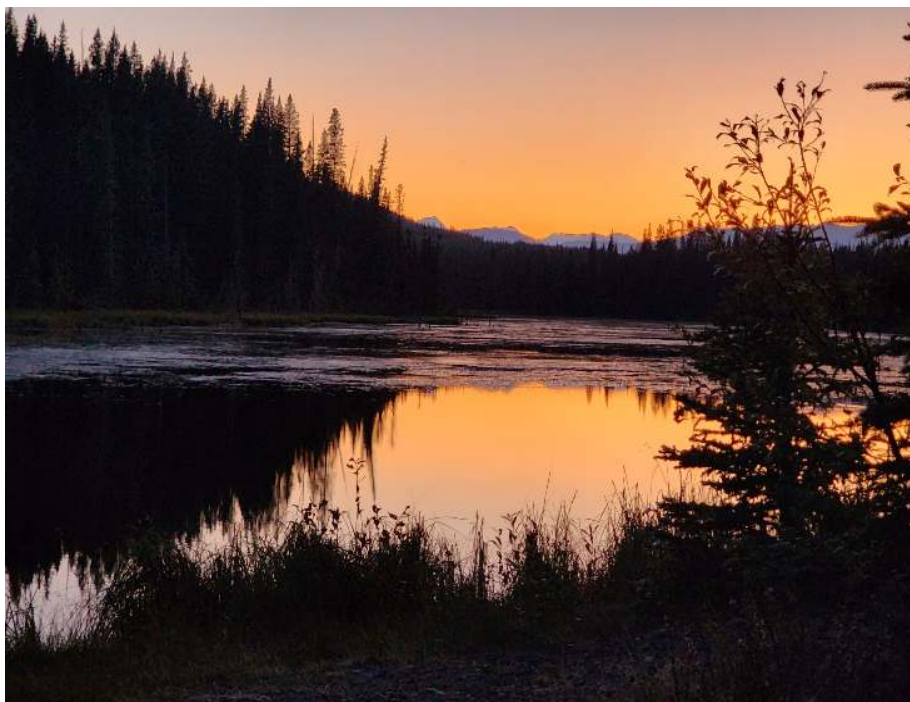
Today, if you find bookkeeping to be a major "*pain in the b*tt*", I hope this booklet gives you confidence that you can either master the skill yourself, or learn enough that you can delegate - *not abdicate* - that job to someone else.

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As a business owner, if you want your business to grow, you should be focused on the high-level view of your business, not dabbling in the details. On the other hand, there is nothing wrong with staying small (small in team - not dollars). And knowing how to handle the bookkeeping for your business might be one of the things you enjoy doing. (Personally, I love my get-aways to Lake Louise in the Canadian Rockies, where I can sit by a lake, or the Bow River, and catch-up on my own bookkeeping and business planning).



I hope this book inspires you to find value in bookkeeping and the best way to manage it for your business - Cheers!



What is Bookkeeping Stress?

Bookkeeping stress is a common issue for many small businesses. It can be defined as the sense of being overwhelmed and unable to keep up with all of the paperwork, deadlines, and other financial responsibilities that come with running a small business.

Bookkeeping stress can be caused by a variety of factors. For instance, small business owners often have to deal with so many responsibilities that finding the time to do the bookkeeping often gets relegated to the bottom of the "To-Do" list. Tight deadlines, complex paperwork, confusing software programs, and the need to constantly stay organized in order to keep their finances in order can add to the stress. Additionally, business owners may not have the necessary experience or resources to efficiently manage their bookkeeping, properly use accounting software programs, or make sense out of their financial statements, leading to feelings of anxiety and frustration.

The effects of bookkeeping stress can be far-reaching and detrimental to a small business. It can lead to mental and emotional exhaustion, reduced productivity, and strained relationships. It can also lead to errors and mistakes that can cost the business money, or even result in financial failure and the loss of the business.

There are several strategies that small businesses can use to reduce bookkeeping stress. First, it is important to create a system for organizing and tracking financial paperwork. This can include using software or other electronic tools to manage finances and keep records. Additionally, small business owners should also consider outsourcing certain tasks, such as bookkeeping, to an experienced professional.

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Finally, it is also important to create a schedule for managing finances. This includes setting aside time to review financial records, pay bills, and make any adjustments to your goals. Additionally, it is important to take some time for yourself to relax and reduce stress. This can include a weekend getaway to review your finances and do some business planning, or simply taking a break from work and participating in activities that help to reduce stress.

By taking steps to reduce bookkeeping stress, businesses can increase their efficiency and focus on their core business activities. Additionally, individuals can experience greater peace of mind and focus on the task at hand.

How to Identify Signs of Bookkeeping Stress

Stress can be an insidious presence in our lives, and it can often be difficult to identify the reasons behind it. If you are running a small business and doing much of the work yourself, it's important to be aware of the signs of bookkeeping stress so that you can take steps to address them and achieve freedom from this frustrating part of your business. Signs of bookkeeping stress include:



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1. **Mental and emotional exhaustion:** Bookkeeping can be a challenging and time consuming task that requires a high level of attention to detail and expert knowledge. The pressure to keep track of financial records accurately and efficiently can cause mental and emotional exhaustion. This can manifest itself in a range of ways, such as procrastination, avoidance, or feeling like you are constantly behind.
2. **Physical health problems:** The stress of bookkeeping can also lead to physical health problems, such as headaches, back pain, and insomnia. If you find yourself feeling fatigued, irritable, or having difficulty sleeping, it may be a sign of bookkeeping stress.
3. **Reduced productivity:** Stress can also negatively impact productivity. When individuals are under a lot of stress, they may find it challenging to concentrate, make decisions, or complete tasks efficiently.
4. **Strained relationships:** The stress of bookkeeping can also spill over into personal relationships. When individuals are stressed, they may become irritable, short-tempered, and less patient, which can lead to conflicts with family members, friends, or coworkers and staff.
5. **Financial consequences:** Bookkeeping mistakes can have severe financial consequences, such as inaccurate tax filings or missed payments, which can result in penalties, fines, or even legal issues.

Overall, it's important to be aware of the signs of bookkeeping stress and take steps to address them. If you are feeling any of the signs outlined above, it's important to take a step back and reassess your bookkeeping processes. It may be helpful to simplify your system, learn more about bookkeeping, or to get help from a professional.

The Benefits of Finding Your Freedom From Bookkeeping Stress

Joy...!

When the stress of bookkeeping is gone, you should find joy in your work. Maybe you choose to have a nice lunch out at a comfortable restaurant each week while you update your bookkeeping, or you take a weekend away each month to catch-up, finalize your bookkeeping, and review your financial statements. You may have a nice dinner out with your partner(s) or team each month to review your goals and objectives with the financial statements. Whatever you do... it should be FUN!



Increased Productivity

LEARN: Small businesses typically struggle with bookkeeping stress, which can significantly impact their productivity. To achieve freedom from this stress, small businesses must take steps to understand their bookkeeping requirements, create systems others can follow, and when ready - delegate this duty to someone else. This section will discuss how small businesses can increase their productivity and ultimately achieve freedom from bookkeeping stress.

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The first step to increasing productivity is to create a detailed plan - a Financial Operations Manual. As you work on your bookkeeping, write down the steps and instructions for how you do things. This will help you become aware of your bookkeeping requirements. You can even have a "Word" document open and take advantage of the recording feature in Microsoft Word. This is the first step to creating a Financial Operations Manual which will help individuals doing the bookkeeping stay focused on their goals and provide a roadmap to success. It should include a definition of accounts or categories used, an inventory of tasks, deadlines for completion, and specific objectives. The manual can also include step-by-step instructions for completing tasks. It should be reviewed and updated regularly.

The second step to increasing productivity is to utilize the right technology. As you work on your Financial Operations Manual, consider the technology you use. Technology can help small businesses automate processes, streamline data entry, and manage their bookkeeping. By taking advantage of the latest accounting programs such as QuickBooks Online or Wave, and other software programs such as DEXT or SOS Inventory, businesses can save time and money while reducing bookkeeping stress.

The third step is to learn! Learn how to...:

- use the software
- read, understand, and use your financial statements
- protect your business from theft when you delegate the bookkeeping to someone else

Finally, the fourth step to increasing productivity is to delegate the bookkeeping. Hiring an employee or outsourcing your bookkeeping to an experienced individual can help small businesses save time and money. It can also reduce the stress associated with bookkeeping, allowing you to focus on other important aspects of growing your business such as sales, products/services, and human resources - including YOU.

By following these steps, small businesses can increase their productivity and ultimately achieve freedom from the stress of bookkeeping.

Improved Financial Management

GROW: Improved financial management is another benefit of stress-less bookkeeping. With the right knowledge and systems in place, small businesses can have an organized and efficient financial management system that provides the information needed to make business decisions.

The first step is to have the Financial Operations Manual available and up to date.

The next step to improved financial management is to create a budget. A budget allows you to forecast and monitor your income and expenses, so you can anticipate and address any cash flow issues before they become a problem. Having a budget also helps you identify areas where you can save money, or where you can invest to increase your profits.

In addition to budgeting, it is important to track your financial activity. Keeping accurate records of all your income and expenses helps you understand where your money is going and how you can improve your financial management processes.

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Organization is also essential for improved financial management. Keeping all your financial documents in one place helps you quickly access the information you need. Organizing your bookkeeping tasks also improves efficiencies. When you can complete similar tasks at the same time, rather than jumping back and forth all the time, it reduces stress and makes the bookkeeping process go a lot faster.

Another important step in financial management is to set up a system for invoicing and collecting payments. Having an automated system in place will help you save time and ensure you get paid quickly.

Finally, regular financial analysis is key to improving financial management. Looking at your financial statements on a regular basis helps you identify potential areas for improvement as well as any potential challenges you may face. And be creative... make sure your financial statements, including the *Profit & Loss Report*, are set up so they are easy to read and give you the information **you** need to make business decisions.



By following these steps, small businesses can reduce their bookkeeping stress and improve their financial management. With the right knowledge and systems in place, you can be sure that your business is running smoothly and efficiently.

Increased Profitability

PROSPER: The success of any business largely depends on its profitability. It's important for business owners to understand the various ways in which they can increase their profitability in order to be successful. Proper bookkeeping and analysis provides much of the information needed to make these decisions.

One of the most effective ways to increase profitability is to focus on customer retention. Retaining existing customers is much more cost-effective than seeking new ones. Become aware of your "Average-Lifetime-Client-Value". What is the total amount of sales you receive, on average, from your clients for the full time they are your clients? Do they shop with you once, or do they stay with you for many years? What does it cost to maintain this relationship? Do you invest in "Customer Service" improvements? To do this, businesses should provide outstanding customer service and quality products. This can be achieved by creating a customer loyalty program, offering discounts and incentives, and providing personalized services.

Another way to increase profitability is to focus on upselling. Upselling involves offering customers additional products or services that complement their existing purchase. This can be done through effective marketing techniques such as discounts, bundle offers, and limited-time offers.

Businesses should also keep an eye on their costs. Cutting costs in areas such as supplies, staffing, and other overhead expenses can help increase profitability. It is important to ensure that cost savings do not hurt customer service or product quality.

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It is also important to review pricing strategies periodically. Prices should be regularly reviewed to ensure they are competitive and in line with market conditions. Business owners should also consider seasonal and promotional pricing strategies to attract more customers.

Finally, businesses should consider ways to reduce the time spent on administrative tasks such as bookkeeping. By automating bookkeeping and other processes, and using software tools, businesses can save time and money and focus on more profitable tasks.

These benefits of increased joy, increased productivity, improved financial management, and increased profitability come as a result of having productive strategies in place to manage your bookkeeping tasks. When considering these tips and strategies, proper bookkeeping and measuring results, will be one of the key ingredients you will need when deciding what to do, and whether it works.

With the right strategies in place to eliminate bookkeeping stress businesses can ensure their bookkeeping is timely, accurate, and reliable. This will contribute to opportunities to increase profitability and achieve greater success.



Strategies to Eliminate the Stress of Bookkeeping

Learn...

Learning is the key to finding your freedom from bookkeeping stress. Whether you "do-it-yourself" or delegate it to someone else, you must understand the financial statements and know what to look for. If you "do-it-yourself", understanding the basics of bookkeeping and the software programs you use are essential to the success of your business. With the right knowledge and tools, you can easily manage your finances and keep your business running smoothly.

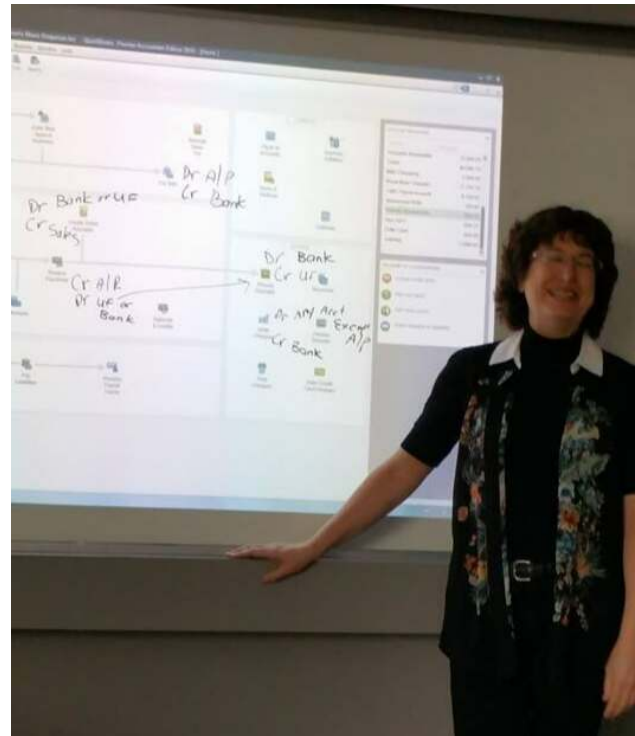
The first step in finding your freedom from bookkeeping stress is to learn the basics of bookkeeping. This includes understanding the different types of accounts and how they interact with each other. It also involves learning about the different types of financial statements and the information they provide.

Once you understand the basics of bookkeeping, you should also learn more about the different types of bookkeeping software. This will help you choose the right one for your business. It is important to understand the features of the software so that you can make the best use of it. You also need to be aware of the different types of transactions and how they are entered into the bookkeeping system. It's also important to understand that what you see on your screen is just a "user-friendly" version of the actual bookkeeping rules that happen in the background. Thus, as mentioned in the paragraph above, it's important to learn the basics of bookkeeping.

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These include learning the different accounting principals, such as what are debits and credits, what is an accrual, how does a fixed asset differ from an expense, and more. Knowing the principles of accounting will help you accurately record the transactions into your bookkeeping system. It will also help you understand the different types of financial statements and how to read them.

Once you have learned the fundamentals of bookkeeping, you should also focus on learning the various tools and techniques available to help you manage your finances. This includes learning how to use spreadsheets, budgeting tools, and other software to help you track your finances. You should also learn about the different types of reports available to help you make better financial decisions.



Finally, you should also learn more about allowable tax deductible expenses. For instance, in Canada "Meals and Entertainment" are generally 50% tax deductible. However, "Social Events" and "Hospitality Events" are 100% tax deductible. Knowing when and how to record your expenses to legally reduce your taxes is an important step in maximizing profits for your business.

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By taking the time to learn the basics of bookkeeping and the different tools and techniques available, you can easily manage your finances, find joy in the results, and achieve freedom from the stress of bookkeeping. When you put all your "learnings" into a Financial Operations Manual, you are one step closer to delegating the bookkeeping tasks to someone else, and freeing up your time to work on other important areas of your business.

Do...

Doing is a fundamental concept when it comes to achieving freedom from the stress of bookkeeping. To be able to move forward and reach your goals, you must take action and make the necessary changes. Doing is necessary to get the job done and make progress.

The first step in taking action is to assess the situation. Are you struggling with bookkeeping tasks? Are you feeling overwhelmed and don't know where to start? Should you do it yourself or hire someone else? Identifying the problem is the first step in finding the solution. Once you have identified the issues, you can start making changes to address them.

The next step is to make a plan. Create a list of tasks that need to be completed and prioritize them. Break down these tasks into manageable chunks and set smaller goals to reach the bigger ones. This will help you stay organized and focused on the task at hand. It will also be the start of your Financial Operations Manual.

Once you have a plan in place, it's time to start doing. Take the necessary actions to complete the tasks that need to be done. This can include learning how to do the bookkeeping, researching software, hiring a bookkeeper, or creating a budget. Taking action will help you move closer to your goal.

Finally, it's important to stay motivated and focused. Set realistic expectations, reward yourself for completing tasks, and stay positive. It's important to remember that progress takes time and that it's okay to make mistakes.

Doing is essential for finding your freedom from the stress of bookkeeping. Making a plan, taking action, and staying motivated are all key elements in the process. By doing these things, you can make progress towards your goals and eventually achieve your desired results.

Delegate...

Delegating tasks to others is a great way to reduce bookkeeping stress and free up your time for more productive activities. It can help you focus on the core tasks of your business and ensure that tasks are completed in a timely manner.

When delegating bookkeeping tasks, it's important to consider the skills and experience of the person you are delegating to. Delegating these tasks to someone who does not have the necessary skills and knowledge can be a recipe for disaster.

The most important thing is to have a clear idea of the tasks that need to be done, the timescales and the desired outcome. Once you have a clear idea of what needs to be done you can start to look for the right person to do the job.

You may decide to hire an employee who can do the bookkeeping and more, or outsource bookkeeping tasks to an external provider, such as an accountant or bookkeeper. This can help you focus on your core business activities, as well as giving you access to a skilled and experienced team that can help you with other aspects of your business.

It's important to make sure that whoever you choose has the necessary skills and experience to complete the tasks effectively. When delegating to someone, it's also important to make sure that they understand the importance of accuracy and timely completion of tasks. This is one of the reasons it's important for you to know how the bookkeeping works in your business and to understand the financial statements that are produced.

No matter who you choose to delegate bookkeeping tasks to, it's important to set clear expectations and make sure that they understand their responsibilities. Regular communication and feedback are also essential to ensure that tasks are completed correctly and on time. Remember... ***Delegate - don't Abdicate!***

Delegating bookkeeping tasks can help to reduce bookkeeping stress and free up your time for more productive activities. It's important to choose the right person for the job and ensure they understand their responsibilities and the importance of accuracy and timeliness. With the right delegation strategy in place, you can achieve freedom from the stress of bookkeeping.

The Hidden Magic of Financial Statements

Insights

Financial statements contain a wealth of information about a company's financial performance, including its revenue, expenses, assets, liabilities, and equity. But the "hidden magic" within financial statements lies in the insights that can be gleaned from analyzing the data in those statements.

For example, financial statements can reveal important trends over time, such as whether a company's revenue is increasing or decreasing, or whether its expenses are growing at a faster rate than its revenue. They can also provide information about a company's liquidity, or its ability to meet its short-term financial obligations to pay bills.

Another important aspect of financial statements are the ratios that can be calculated from the data, such as *labour cost as a percent of revenue*, or *return on investments*. These ratios can help business owners, investors and analysts make more informed decisions about a company's financial health and potential for growth.

By recognizing the value and magic hidden within financial statements, businesses can find inspiration and motivation to get the bookkeeping done on time and use that information to grow their business.

Revenue vs Expenses

Revenue vs Expenses is a key part of managing a business. Having an understanding of the difference between these two concepts can help you make more informed decisions that can improve the financial health of your business. The report that summarizes this is called the "*Income Statement*" or "*Profit and Loss Statement*".

Revenue is the money that comes into your business from the sale of goods or services, or from other sources such as government grants. Revenue is the lifeblood of any business and understanding which of your products or services are the most profitable, and which aren't, is a key part of running a successful enterprise.

Expenses, on the other hand, are the costs associated with selling those products or services, and running a business. This includes things like materials, rent, advertising, payroll, and other costs of doing business. These expenses need to be managed in order to keep your business running efficiently and to ensure that you remain profitable. Financial insights, for instance, help determine whether you get more sales from Facebook advertising, or by joining a networking group.

You also need to make sure you have consistency when it comes to recording income and expenses. For instance, are software subscriptions going into "Office Expenses" one month and "Dues & Subscriptions" another month? Or, if you build kitchen cabinets, are you recording material costs as "Job Materials" one month and "Supplies" another month? It's also important to record applicable expenses in the same month as the sales they relate to.

Knowing how to balance your revenue with your expenses can help ensure that your business remains profitable and sustainable. Revenue should always exceed expenses. If you find that your expenses are greater than your revenue, then it's time to take a closer look at your business model and see where you can make changes to get back on track.

When it comes to managing your bookkeeping, it's important to understand how your revenue and expenses work. You also need to know when an entry should be reported on the *Profit and Loss Statement*, and when it should be reported on the *Balance Sheet*. It's also important to format these reports so they are easy to read, and easy to understand. This will help you gain a better understanding of your financial position and make more informed decisions about your business. Tracking your revenue and expenses on a regular basis will also help you identify areas where you can make changes to increase your profitability.

Understanding the difference between revenue and expenses, knowing how they relate to each other, and knowing how to manage them is essential for any business. Having a good handle on these concepts can help you keep your business running smoothly and help you find freedom from the stress of bookkeeping.

Profit vs Cash Balance

Profit vs Cash Balance is a great topic to cover when it comes to finding freedom from the stress of bookkeeping. Many business owners are often confused about the relationship between profit and cash in the bank. Business owners may look at their *Profit and Loss Statement* and smile or cry, but not realize that some of the profit may have been used to pay off loans, buy equipment, or be taken out of the business by shareholders. Or... if there's a loss, business owners may not realize expenses are being paid by credit cards, shareholder contributions, or other loans. Unfortunately, not understanding this distinction can lead to a lot of financial stress and mistakes.

The report that summarizes this is called the *"Statement of Cash Flow"*. It starts with your Net Profit/Loss, adds or subtracts changes in the *"Balance Sheet"* that aren't shown on the *"Income Statement"* and ends with "Cash Balance". "Cash Balance" can include cash in the bank, as well as PayPal, Stripe, and even cash and cheques in your desk drawer waiting to be deposited.

This report is summarized into 3 separate areas:

- Cash from or used, in Operations (including Accounts Receivables, Payables, and Depreciation)
- Cash from or used, in Investing (such as buying vehicles or computers)
- Cash from or used, in Financing (such as receiving a bank loan or paying one off)

It's also important to keep in mind that not all profits are available for use. Some profits may have already been allocated to expenses or taxes, and are therefore not accessible. This is why it's important to have a good understanding of your cash flow, how your cash is being used or where it comes from, and to monitor your available cash regularly.

Knowing whether you are on solid ground when it comes to cash available goes a long way towards relieving the stress of bookkeeping.

R.O.I. vs R.O.T.

Another important aspect to keep in mind is the Return on Your Investment (ROI) and the Return on Your Time (ROT). If you invest money into your business you will want to make sure that you get it all back... and more. Like investing in stocks and bonds, mutual funds, and RRSP's, you will want your investment to earn interest or dividends.

As a business owner you may also decided to take money out in the form of wages, or as compensation for the business using items you own such as your personal vehicle or "office-in-home" expenses.

However, monitoring your "Return on Time" is something most business owners don't think of. You might only work 10 hours a week on your business, or 60 hours a week. The question is, how much do you receive for the work you do? And how does that compare to the money you would be paid working as an employee for someone else?

As a business owner, you will be subjected to a lot of stress and responsibilities. Proper, stress-free bookkeeping helps answer several questions such as:

- Am I being paid enough?
- Is it worth it?
- Is it fun?

In summary, proper financial reporting is essential to your business success. And it is imperative that you don't waste time (or energy) on bookkeeping that may be stressful. You should find joy and satisfaction in your business when you look at and analyze the financial reports that proper bookkeeping provides.

The Power of Professional Financial Advice

Leveraging Expertise

The goal of achieving freedom from the stress of bookkeeping is to find joy in your finances, reliability in your reports, and to maximize your time and energy so that you can focus on growing and managing your business. To do this, it's important to leverage the expertise of professionals in the accounting field. This section will discuss how to make the most of their services, so you can reduce the burden of bookkeeping and free up more time to work on what's important to you.

Start by making sure you understand how bookkeeping for your business works. Make sure your financial statements are set-up so they are easy to read, easy to understand, and they provide the information *you* need to make business decisions. A Financial Operating Manual helps organize this in one place.



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Second, determine the bookkeeping services you need. You should consider the size of your business, the complexities of your sales, whether you have payroll or inventory, and the amount of time you can dedicate to bookkeeping and financial analysis. Once you know what you need, you can begin to search for the right professionals to help you, whether they are your own employees or outside contractors.

When looking for bookkeeping professionals, it's important to do your research. Talk to other business owners, read reviews, and check out the credentials of the professionals you're considering. You should also consider their experience and specialty. For instance, if you need help with payroll, you'll want to find someone who specializes in payroll services. If you sell via third party apps such as Stripe, PayPal, Airbnb, or other sales platforms, you will need someone skilled in third party integrations.

Once you've found a few bookkeeping professionals that meet your needs, you should discuss your expectations with them. Make sure they understand your specific needs and have an understanding of the services they can provide. Ask questions and make sure they're familiar with the software and systems you use, as well as any other requirements.

If you are not familiar with the in's and out's of your bookkeeping requirements, as well as tax rules, and payroll regulations, find an expert that can help you screen and interview potential candidates.

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Once you've chosen the right professional, it's important to develop a plan. This plan should include a timeline, specific tasks, and expectations. Again, a Financial Operations Manual is a great place to keep this information. You should also discuss how you will communicate, whether that's through email, phone, virtual platforms, or in-person meetings.

Finally, make sure you have a process in place to monitor the progress of your bookkeeping tasks. And a backup plan if things go wrong. This will help ensure that you stay on track and that the professional is meeting your expectations.

By leveraging the expertise of the right professionals, you can reduce the burden of bookkeeping and free up more time to focus on growing and managing your business. With the right plan and the right professionals, you can find freedom from the stress of bookkeeping, and access the Magic in your Financial Statements.

Hiring an Accountant

To Do... or Not To Do... that is the question...

In your search for a bookkeeper, you will most likely come across those that offer tax preparation services as well. While this may seem like a great idea, having someone that can do it all, and probably do it cheaper, there are downsides to consider. If you are not well versed in bookkeeping, including tax and payroll rules & regulations, is there anyone that can...:

- provide a double check on the accuracy & reliability of your bookkeeping?
- provide a thorough review and analysis of your financial statements?
- ensure money is not being stolen from your business?

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By hiring an independent registered accountant to prepare your year-end taxes you are hiring someone that is highly trained (often requiring up to 6 years of education and training in a recognized facility), and legislated to provide "advisory services". Furthermore, if the accountant makes a mistake that costs you money you have some recourse in filing a complaint to the governing organization.

If an independent bookkeeper/tax preparer makes a mistake that costs you money, your only recourse is to try suing them in court. If it's an employee, there is no recourse other than to provide additional training and review, or let them go.

Furthermore, if you have a highly trained bookkeeper (whether as your employee or an independent contractor), they can oversee the accountant (yes... accountants do make mistakes), and the accountant can oversee them. When the bookkeeper and accountant work in harmony with each other... magic happens!!!

Developing Achievable Goals

Achieving freedom from the stress of bookkeeping can be a daunting challenge for many small businesses. Developing achievable goals is an important step in the process of reducing the stress associated with bookkeeping. Having a reason to "do the books" and prepare financial statements (other than because the government requires you to pay taxes) helps make the bookkeeping process more enjoyable and exciting. There's a reason behind it! You have goals and the financial statements help measure your progress towards those goals.

Goals that are achievable will provide a clear path to achieving the joy and freedom you started your business for. And when needed, getting feed-back from other professionals can make the goals more attainable.

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The first step in developing achievable goals is to assess your current situation. Where are you at? Where would you like to be? Take a look at your current sales, expenses, habits, processes, and systems. Identify any areas that could be improved upon or made more efficient. EVERYTHING... has a financial cost to it. You have to ask whether the benefit is more than the cost. Once you have identified any areas that could be improved, you can then move on to developing achievable goals.

When developing those goals, it's important to set realistic ones that are attainable, but also a bit challenging. The human mind is designed for growth and needs challenges - not just to survive, but to thrive! You may want to consider setting short-term goals and long-term goals. Short-term goals should be focused on actions that build a solid foundation for business growth. Long-term goals should focus on inspiring and motivating you to take action on your short-term goals.

The results can be measured in your financial statements and other reports. Sales are slow? How many phone calls did you make today to potential clients? How much time did it take? How many sales were made? Would your time have been better spent on other marketing endeavors?

It is also important to consider the resources available to you when setting achievable goals. Evaluate what resources you have available and how much time and effort you can dedicate to meeting the goals. Are there experts that can provide feedback, resources such as software programs you might use, or online tutorials that could help.

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Set a timeline for achieving your goals. Break the goals into small, manageable tasks and set deadlines for when each task should be completed. This will help you remain motivated and stay on track to achieving freedom from bookkeeping stress. And if you're not "doing" the task, ask yourself why? Is it something you dislike? If so, can you delegate that to someone else? Does some other "task" seem more important? If so, consider the cost vs the benefit? Which "task" would be more profitable?

Finally, measure your actions on the goals and the results. Make changes as needed. Did you make the 20 calls a day you had set as a goal? Did you ask for feedback if they said "no"? Did you modify your phone script based on the feedback? What was your R.O.T. - Return On Time? What if you hired someone highly skilled at phone calls? What would you have to pay them? What kind of sales could you expect? What might you do with your time instead?

Developing achievable goals, especially with the help of experienced



professionals can help you reduce the stress associated with bookkeeping by providing motivation to see the results of your actions. And a goal of having a smooth bookkeeping system in place provides the freedom to focus on other important areas of your business. Assess your current situation, set realistic goals, measure your progress and results, consider the resources available to you, and set a timeline to help you reach your goals. Finding freedom from the stress of bookkeeping is possible with the right strategy.

Conclusion

Finding Freedom From the Stress of Bookkeeping

Small businesses often face the challenge of managing their finances. Bookkeeping can be a difficult and time-consuming process, and it can be a source of significant stress for small business owners. But, with the right strategies and tools, you can gain freedom from the stress of bookkeeping and make your business run more smoothly.

First, it's important to understand the fundamentals of bookkeeping. This includes learning the principles of double-entry bookkeeping, tracking income and expenses, and understanding financial statements. It's also important to understand the different types of accounting software and how to use them. Once you have the basics down, you'll be better equipped to manage your bookkeeping process.

Next, you should create a system for tracking your income and expenses. This includes setting up a method for recording all of your financial transactions, such as invoices, receipts, expenses, and payments. It's also important to set up a system for reconciling your bank accounts and credit cards on a regular basis. This system should be part of your Financial Operations Manual and will help you stay organized and keep track of your financial activity.

You should also consider automating some of your bookkeeping tasks. There are a variety of tools and software programs available that can help you streamline and automate your bookkeeping processes, such as QuickBooks Online, Wave, and DEXT. These tools can help you save time and reduce stress.

Finally, when you're ready consider delegating the task to someone else. The Financial Operations Manual you created earlier, helps make delegating this a lot easier. The manual provides a source of information on your bookkeeping requirements and may include information on how to do many of the tasks.

It's important to ensure the bookkeeping is done accurately and you can depend on the information provided in the financial reports you receive. Review the bookkeeping work yourself as you look at your financial statements, or have someone else, like an accountant, review them for you. They may be able to provide important highlights you might miss about your business.

By taking the time to understand the basics of bookkeeping, creating a system for tracking your income and expenses, automating some of your bookkeeping tasks, and delegating the task to a trained professional, you can achieve freedom from bookkeeping stress and allocate your time to other important areas of your business.

Taking Action for Financial Success

Taking action for financial success is one of the most important steps for small businesses. Without taking action and making effort towards financial success, a business may never reach its full potential. And while so much of it depends on accurate bookkeeping, with the right strategies and systems, financial success can be achieved.

The first step in taking action for financial success is to set goals. Goals can be set on a daily, weekly, monthly, or yearly basis. Setting goals will help to keep you motivated and help you to stay focused on the end goal. Once goals have been set, create a plan of action to achieve them. This plan should include individual tasks and deadlines to ensure success.

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Another important step in taking action for financial success is to make budgeting a priority. Budgeting can help you to stay on top of your finances and understand where your money is going. It can also help you to identify areas of potential savings. When the budget is compared to actual number, significant differences are highlighted and can be reviewed more closely. This can help identify strengths and weaknesses in your process as well as help to prevent overspending and ensure that you have money available for unexpected expenses.

In addition to creating a budget, it is important to track spending and review your accounts regularly. This will help you to identify any mistakes or suspicious activity, as well as identify areas of potential savings. Stress free bookkeeping can provide results you can count on when you review your numbers.

Finally, it is important to take action to protect your financial future. Investing in retirement accounts or other investments can help to give you financial security and peace of mind. It is also a good idea to create an emergency fund for unexpected expenses.



Eliminating bookkeeping stress makes it easier to set goals, take action, adjust when needed, and celebrate successes. With dedication and the right strategies, financial success can be achieved.

Maintaining Your Freedom

Achieving long-term financial freedom is an important goal for most businesses. With the right strategies, small businesses can "Learn, Grow, and Prosper" to the point where the business owner can delegate much of the work to others. This provides more freedom for the business owner who may eventually sell their business, move on to other things, or retire. Managing and reducing bookkeeping stress is one of the key factors in achieving this freedom. But there are more...

The first step to *Maintaining Your Freedom* is to learn about and understand the requirements of your business... even bookkeeping. From here you will have the skills to develop a clear financial plan. This plan should include setting a budget, tracking expenses, and setting financial goals. Having a plan allows you to identify areas where you can make improvements and where you can cut back on expenses.

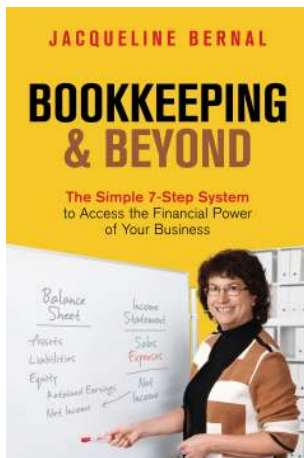
The second step to *Maintaining Your Freedom* is to create systems that others can follow. When it comes to bookkeeping, the "Financial Operations Manual" should be your "go-to" source for anyone taking the stress of bookkeeping off your plate. You might also consider a "Sales and Marketing Manual", and a "Productions Manual". These might focus on how to market to and serve your customers, or how to create the products or services you sell.

The third step to *Maintaining Your Freedom* is to have people you can depend upon. Hire wisely and ask for help from hiring experts when needed. Find out what your team needs to achieve their personal and professional goals. Look for opportunities to help them achieve those goals.

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These are just a few of the steps small businesses owners can use to, *Find the Freedom* in their business. "*Learn, Grow, Prosper*". Learning what your business requires, creating systems, and hiring top quality team members, can help you to reduce bookkeeping stress and allow you to focus on other parts of your business on this *Entrepreneurial Journey of Enlightenment*.

Cheers Everyone, and Good Luck with your Endeavors. - Jackie



Finding Your Freedom - Mini Session

Click the link below to request a free introductory session on Finding Your Freedom

Learn more

Finding Your Freedom:

Eliminating the Stress

of Bookkeeping

for Small Businesses

Jacqueline Bernal is a Certified Professional Bookkeeper, QuickBooks ProAdvisor, Xero Certified Advisor, and the owner of JB Training Services Inc and Bernal Business Services Inc.

With more than 35 years of experience in the accounting industry, Jacqueline has taught at the Business Link, Metro Continuing Education, Anderson Career Training Institute (ACTI) and has sat on the Board of Directors of many organizations including the Institute of Professional Bookkeepers of Canada - now called CPB Canada.

Today, when Jackie isn't working with clients or teaching her students, she can be found with her dog Charlie, hiking and fishing the Canadian Rockies.

