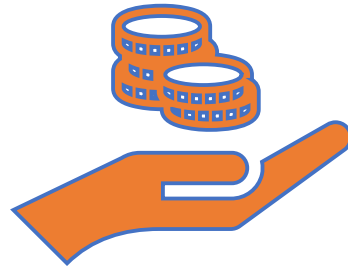


Get Your Books Ready For Taxes



Presented By



Learning Objectives

- ❖ Six Steps To Prepare Books
- ❖ Difference Between Management Accountant and Tax Accountant...And The Role Of Each
- ❖ Reconcile Bank Accounts, Write Off Bad Debt, Review Financial Statements to Ensure Accuracy
- ❖ Common Red Flags To IRS.
- ❖ ...and more!!!

About Me

Serial
Entrepreneur

Manuel “Manny” Cosme

Founder & CEO



Accounting Firm **FOCUSED** On **Bookkeeping & Strategy**
For Small **Businesses & Non-Profits**

Congratulations!!!



Tax Obligations

CTED (if checked)

1 Rents \$	OMB No. 1545-0115 2019	Miscellaneous Income
2 Royalties \$	Form 1099-MISC	
3 Other income \$	4 Federal income tax withheld \$	Copy B For Recipient
5 Fishing boat proceeds \$	6 Medical and health care payments \$	
7 Nonemployee compensation \$	8 Substitute payments in lieu of dividends or interest \$	This is important tax information and is being furnished to the IRS. If you are required to file a
9 Dividend distributions of	10 Gross insurance proceeds	

Form 1120
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax
For calendar year 2011 or tax year beginning _____, 2011, e
▶ See separate instructions.

A Check it:

1a Consolidated return (attach Form 951)

b Life/nonlife consolidated return

2 Personal holding co. (attach Sch. PH)

3 Personal service corp. (see instructions)

4 Schedule M-3 attached

E Check it: (1) Initial return (2) Final return (3)

TYPE OR PRINT

Name _____

Number, street, and room or suite no. If a P.O. box, see instructions. _____

City or town, state, and ZIP code _____

1a Merchant card and third-party payments. For 2011, enter -0-

b Gross receipts or sales not reported on line 1a (see instructions)

eCourse Library

How To Gather W-9s and File 1099s



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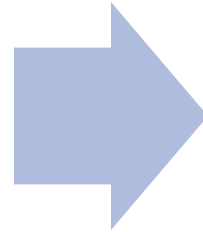
Focus On Bookkeeping



Two Part Process

Accurate Records

- Management Accountant (“bookkeeper”)



File Tax Return

- Tax Accountant (“CPA”)

Team Approach

*Management Accountant
"Bookkeeper"*



*Tax Accountant
"CPA"*

Use Right Person For Right Job

Management
Accountant

Prepare
Records

Tax Accountant

File Tax
Return

Focus On Management Part



Management Accountant

Prepare
Records

Software Agnostic



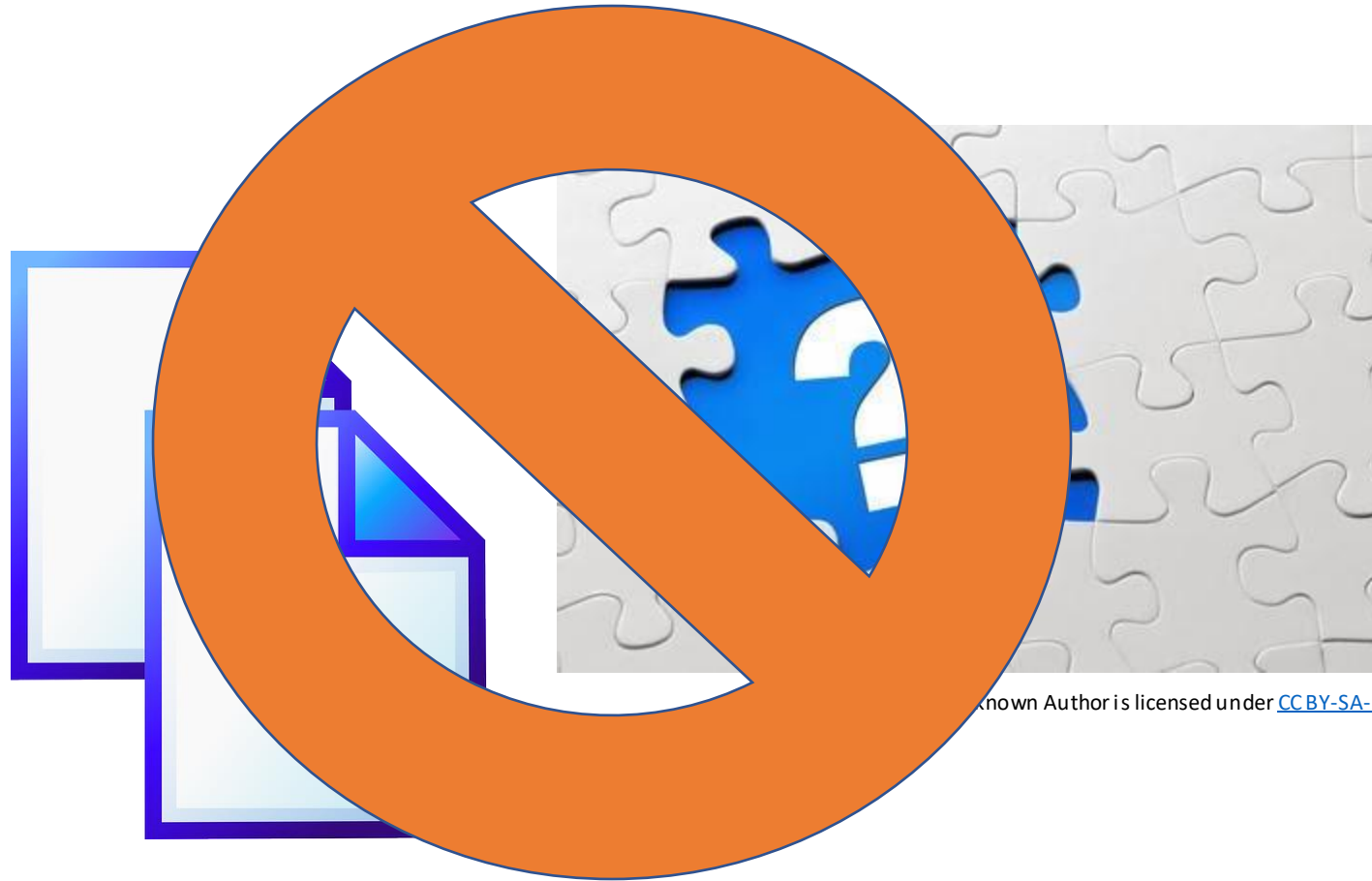
Six Step Process



Step One – Reconcile Accounts

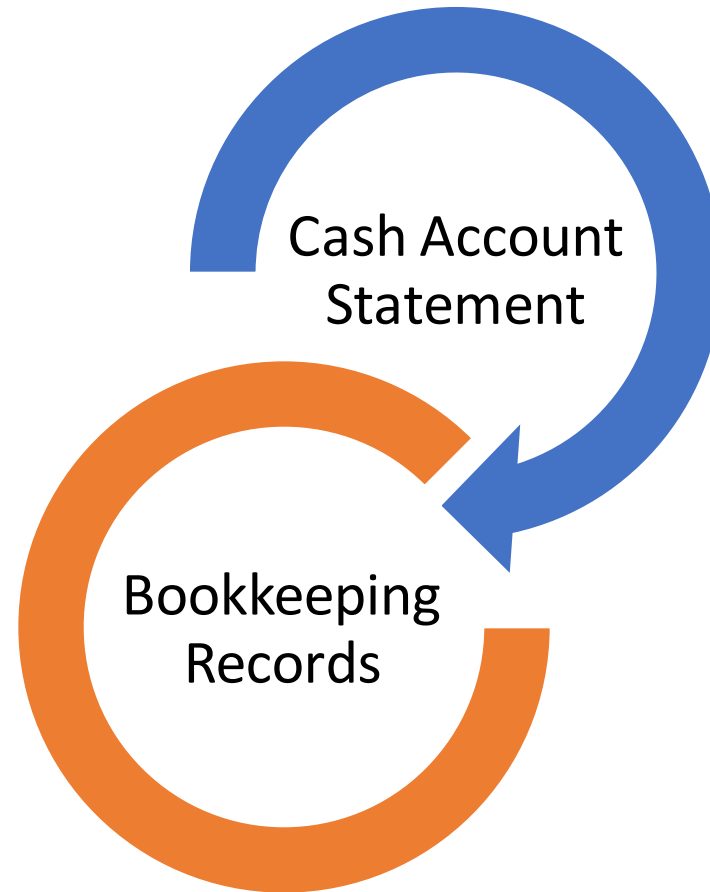


Purpose Of Reconciling



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How Does Reconciling Work



Reconcile All Cash Accounts



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Reconciling

American USA Bank Statement of Account				
Account No. 123456-78				
Statement Date: October 31, 2020				
Beginning Balance:				\$5,000.00
Total Deposits:				\$ 416.40
Total Withdrawals:				\$ 677.05
Ending Balance:				\$4,739.35
Transactions				
Date	Description	Deposit	Withdrawal	Balance
1-Oct-20	State Treasury		\$ 38.50	\$4,961.50
3-Oct-20	Tania's Nursery		\$ 89.09	\$4,872.41
3-Oct-20	Books By Bessie		\$ 55.00	\$4,817.41
5-Oct-20	Check 125		\$ 300.00	\$4,517.41
9-Oct-20	Chin's Gas and Oil		\$ 62.01	\$4,455.40
10-Oct-20	Tania's Nursery		\$ 108.09	\$4,347.31
19-Oct-20	Counter Deposit	\$ 86.40		\$4,433.71
19-Oct-20	Counter Deposit	\$225.00		\$4,658.71
21-Oct-20	Counter Deposit	\$105.00		\$4,763.71
26-Oct-20	Hick's Hardware		\$ 24.36	\$4,739.35

DATE	CLEARED DATE	TYPE	REF NO.	ACCOUNT	PAYEE	MEMO	PAYMENT (USD)	DEPOSIT (USD)	
08/11/2020		Bill Payment	10	Accounts Payabl...	Robertson & Associates		300.00		<input type="radio"/>
08/19/2020		Receive Payment	1053	Accounts Receiv...	Bill's Windsurf Shop			175.00	<input type="radio"/>
09/02/2020		Expense	12	Legal & Professi...	Robertson & Associates		250.00		<input type="radio"/>
09/24/2020		Check	4	Automobile:Fuel	Chin's Gas and Oil		54.55		<input type="radio"/>
09/30/2020		Sales Tax Payment		- Split -		Q1 Payment	38.50		<input type="radio"/>
09/30/2020		Sales Tax Payment		- Split -		Q1 Payment	38.40		<input type="radio"/>
10/03/2020		Expense	9	Job Expenses:J...	Tania's Nursery		89.09		<input type="radio"/>
10/03/2020		Check	12	Legal & Professi...	Books by Bessie		55.00		<input type="radio"/>
10/09/2020		Check	5	Automobile:Fuel	Chin's Gas and Oil		62.01		<input type="radio"/>
10/10/2020		Expense	15	Job Expenses	Tania's Nursery		108.09		<input checked="" type="radio"/>
10/17/2020		Receive Payment	5867	Accounts Receiv...	Freeman Sporting Cl...			86.40	<input type="radio"/>
10/19/2020		Sales Receipt	1008	Design income	Kate Whelan			225.00	<input type="radio"/>
10/21/2020		Receive Payment		Accounts Receiv...	Amy's Bird Sanctuary	Amy claims the pest control did not occur		105.00	<input type="radio"/>
10/23/2020		Bill Payment	7	Accounts Payabl...	Hicks Hardware		250.00		<input type="radio"/>

Clean Up Stale-Dated Transactions

American USA Bank Statement of Account				
Account No. 123456-78				
Statement Date: October 31, 2020				
Beginning Balance:				\$5,000.00
Total Deposits:				\$ 416.40
Total Withdrawals:				\$ 677.05
Ending Balance:				\$4,739.35
Transactions				
Date	Description	Deposit	Withdrawal	Balance
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3-Oct-20	Tania's Nursery		\$ 89.09	\$4,872.41
3-Oct-20	Books By Bessie		\$ 55.00	\$4,817.41
5-Oct-20	Check 125		\$ 300.00	\$4,517.41
9-Oct-20	Chin's Gas and Oil		\$ 62.01	\$4,455.40
10-Oct-20	Tania's Nursery		\$ 108.09	\$4,347.31
19-Oct-20	Counter Deposit	\$ 86.40		\$4,433.71
19-Oct-20	Counter Deposit	\$225.00		\$4,658.71
21-Oct-20	Counter Deposit	\$105.00		\$4,763.71
26-Oct-20	Hick's Hardware		\$ 24.36	\$4,739.35

DATE	CLEARED DATE	TYPE	REF NO.	ACCOUNT	PAYEE	MEMO	PAYMENT (USD)	DEPOSIT (USD)	
08/11/2020		Bill Payment	10	Accounts Payabl...	Robertson & Associates		300.00		<input checked="" type="checkbox"/>
08/19/2020		Receive Payment	1053	Accounts Receiv...	Bill's Windsurf Shop			175.00	<input type="checkbox"/>
09/02/2020		Expense	12	Legal & Professi...	Robertson & Associates		250.00		<input type="checkbox"/>
09/24/2020		Check	4	Automobile:Fuel	Chin's Gas and Oil		54.55		<input type="checkbox"/>
09/30/2020		Sales Tax Payment		- Split -		Q1 Payment	38.50		<input checked="" type="checkbox"/>
09/30/2020		Sales Tax Payment		- Split -		Q1 Payment	38.40		<input type="checkbox"/>
10/03/2020		Expense	9	Job Expenses:J...	Tania's Nursery		89.09		<input checked="" type="checkbox"/>
10/03/2020		Check	12	Legal & Professi...	Books by Bessie		55.00		<input checked="" type="checkbox"/>
10/09/2020		Check	5	Automobile:Fuel	Chin's Gas and Oil		62.01		<input checked="" type="checkbox"/>
10/10/2020		Expense	15	Job Expenses	Tania's Nursery		108.09		<input checked="" type="checkbox"/>
10/19/2020		Receive Payment	5664	Accounts Receiv...	Freeman Sporting G...			86.40	<input checked="" type="checkbox"/>
10/19/2020		Sales Receipt	1008	Design income	Kate Whelan			225.00	<input checked="" type="checkbox"/>
10/21/2020		Receive Payment		Accounts Receiv...	Amy's Bird Sanctuary	Amy claims the pest control did not occur		105.00	<input checked="" type="checkbox"/>
10/23/2020		Bill Payment	7	Accounts Payabl...	Hicks Hardware		250.00		<input type="checkbox"/>
10/26/2020		Expense	8	Landscaping Ser...	Hicks Hardware		24.36		<input checked="" type="checkbox"/>

eCourse Library

Ensuring Your Financial Records
Are 100% Accurate:
A Brief Tutorial On Reconciling



Presented By



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Step Two – Review Suspense



Review Suspense...

“Suspense”

“Uncategorized Transactions”

“Ask My Accountant”

=

Unknown Transactions When Recorded

...And Clean Up



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Step Three – Clean Receivables



Review Receivables List

	0-30 Days Past Due	31-90 Days Past Due	Over 90 Days Past Due
Accounts receivable amount	\$1,000,000	\$422,000	\$210,800
Percent uncollectible	9%	31%	52%
Total per category	?	?	?
Total uncollectible?			

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Plan For Bad Debt



Benefits To Writing Off Bad Debt



Better Cash
Flow Planning



Don't Pay
Excess Tax

Report Center

The screenshot shows the QuickBooks interface for 'Sample Company'. The left sidebar has a red box around the 'Reports' menu item. The main dashboard area is titled 'Craig's Design and Landscaping Services' and includes a 'SETUP GUIDE' with five steps, a 'BANK ACCOUNTS' table, and three summary cards: 'INVOICES', 'EXPENSES', and 'PROFIT AND LOSS'. The 'INVOICES' card shows \$1,526 Overdue and \$3,756 Not due yet. The 'EXPENSES' card shows a total of \$2,186 for the last 30 days, broken down into a donut chart. The 'PROFIT AND LOSS' card shows a net income of \$1,774 for the last 30 days, with 8 items to review and 14 expenses to review.

QuickBooks
app.qbo.intuit.com/app/homepage

Subscribe now and save 50% **Subscribe now**

Sample Company

My Experts Help

PRIVACY

+ New

Dashboard

- Banking
- Expenses
- Sales
- Projects
- Payroll
- Reports**
- Taxes
- Mileage
- Accounting
- My Accountant

LOGO Craig's Design and Landscaping Services

SETUP GUIDE

- Start invoicing
- See how much you're making
- Start tracking time
- Connect with an accountant
- Add the finishing touches

Window Snap

Set up payments

Send your first invoice

Swipe cards in person with our mobile app

BANK ACCOUNTS

Account Type	Bank balance	In QuickBooks	Review Status
Checking	-\$3,621.93	\$1,201.00	25 to review Updated moments ago
Savings	\$200.00	\$800.00	1 to review Updated moments ago
Mastercard	\$304.96	\$157.72	7 to review Updated moments ago
Visa		\$0	

INVOICES

\$5,282 Unpaid Last 365 days

\$1,526 Overdue

\$3,756 Not due yet

\$3,692 Paid Last 30 days

\$2,063 Not deposited

\$1,630 Deposited

EXPENSES

Last 30 days

\$2,186 Last 30 days

- \$755 Maintenance and ...
- \$405 Cost of Goods Sold
- \$390 Legal & Professi...
- \$636 Everything else

PROFIT AND LOSS

Last 30 days

\$1,774 Net income for last 30 days

\$3,960 Income 8 TO REVIEW

\$2,186 Expenses 14 TO REVIEW

Connect accounts Go to registers

Report Center

QuickBooks

app.qbo.intuit.com/app/reports

Subscribe now and save 50% **Subscribe now**

Sample Company

My Experts Help

What's new?

All common accounting reports are in one place, the **Standard** tab. Mark the ones you use most with a star. This adds them to the new **Favorites** section.

Reports

Standard Custom reports Management reports

▼ Favorites

Accounts receivable aging summary	★	⋮
Balance Sheet	★	⋮
Profit and Loss	★	⋮

▼ Business overview

Audit Log	Profit and Loss Detail	★	⋮
-----------	------------------------	---	---

Craig's Design and Landscaping Services

OPEN INVOICES
As of December 16, 2020

DATE	TRANSACTION TYPE	NUM	TERMS	DUE DATE	OPEN BALANCE
▼ Amy's Bird Sanctuary					
10/29/2020	Invoice	1021	Net 30	11/28/2020	239.00
Total for Amy's Bird Sanctuary					\$239.00
▼ Bill's Windsurf Shop					
10/03/2020	Invoice	1027	Net 30	11/02/2020	85.00
Total for Bill's Windsurf Shop					\$85.00
▼ Freeman Sporting Goods					
▼ 0969 Ocean View Road					
11/20/2020	Invoice	1036	Net 30	12/20/2020	477.50
Total for 0969 Ocean View Road					\$477.50
▼ 55 Twin Lane					
10/03/2020	Invoice	1028	Net 30	11/02/2020	81.00
11/11/2020	Invoice	1005	Net 30	12/11/2020	4.00
Total for 55 Twin Lane					\$85.00
Total for Freeman Sporting Goods					\$562.50
▼ Geeta Kalapatapu					
11/19/2020	Invoice	1033	Net 30	12/19/2020	629.10
Total for Geeta Kalapatapu					\$629.10
▼ Jeff's Jalopies					
10/29/2020	Invoice	1022	Net 30	11/28/2020	81.00
Total for Jeff's Jalopies					\$81.00
▼ John Melton					
10/26/2020	Invoice	1007	Net 30	11/25/2020	450.00
Total for John Melton					\$450.00

Open Invoices

What:

Which customers
owe you money

Why:

Ensure you collect
from them

Craig's Design and Landscaping Services

OPEN INVOICES
As of December 16, 2020

DATE	TRANSACTION TYPE	NUM	TERMS	DUE DATE	OPEN BALANCE
▼ Amy's Bird Sanctuary					
10/29/2020	Invoice	1021	Net 30	11/28/2020	239.00
Total for Amy's Bird Sanctuary					\$239.00
▼ Bill's Windsurf Shop					
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Total for Bill's Windsurf Shop					\$85.00
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Total for Jeff's Jalopies					\$81.00
▼ John Melton					
10/26/2020	Invoice	1007	Net 30	11/25/2020	450.00
Total for John Melton					\$450.00

Open Invoices

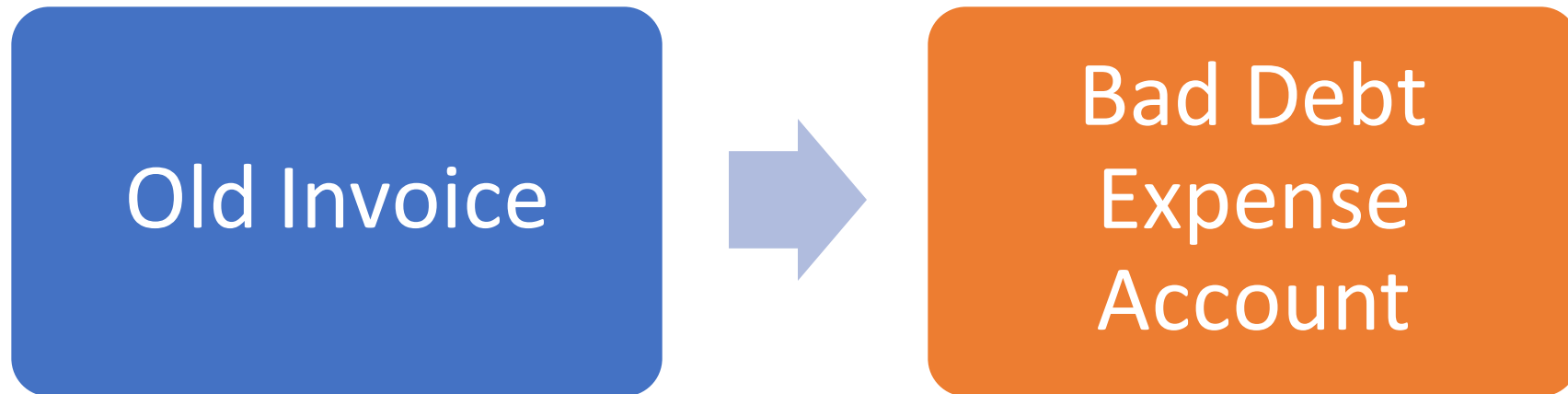
What:

Which customers
owe you money

Why:

Ensure you collect
from them

Move Invoice To Bad Debt



Make Journal Entry

The screenshot shows the QuickBooks mobile app interface. At the top, there's a navigation bar with the QuickBooks logo, the company name 'Sample Company', and user information. Below this is a header for 'Craig's Design and Landscaping Services'. A '+ New' button is visible, which has opened a dropdown menu. The menu is organized into four columns: CUSTOMERS, VENDORS, EMPLOYEES, and OTHER. The 'Journal entry' option under the 'OTHER' column is highlighted with a red rectangular box. Other options in the menu include Invoice, Receive payment, Estimate, Credit memo, Sales receipt, Refund receipt, Delayed credit, Delayed charge, Expense, Check, Bill, Pay bills, Purchase order, Vendor credit, Credit card credit, Print checks, Payroll, Single time activity, Weekly timesheet, Bank deposit, Transfer, Statement, Inventory qty adjustment, and Pay down credit card. At the bottom of the menu, there is a 'Show less' link. The background of the app shows various financial dashboards, including overdue amounts, a donut chart for 'Last 30 days', and a list of accounts with their balances and review counts.

Make Journal Entry

Journal Entry #Bad Debt Adj

Journal date: 12/31/2020 Journal no.: Bad Debt Adj

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
1	Bad Debt Expense	239.00		Amy indicated she won't pay Invoice #1021	
2	Accounts Receivable (A/R)		239.00	Amy indicated she won't pay Invoice #1021	Amy's Bird Sanctuary
3					
4					
5					
6					
7					
8					
Total		239.00	239.00		

Buttons: Add lines, Clear all lines

Memo:

Footer: Cancel, Clear, Make recurring, Save, Save and new

Make Journal Entry

Journal Entry #Bad Debt Adj

Journal date: 12/31/2020

Journal no.: Bad Debt Adj

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
1	Bad Debt Expense	239.00		Amy indicated she won't pay Invoice #1021	
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3					
4					
5					
6					
7					
8					
Total		239.00	239.00		

Add lines Clear all lines

Memo

Cancel Clear Make recurring Save Save and new

Make Journal Entry

Journal Entry #Bad Debt Adj

Journal date: 12/31/2020 Journal no.: Bad Debt Adj

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
1	Bad Debt Expense	239.00		Amy indicated she won't pay Invoice #1021	
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3					
4					
5					
6					
7					
8					
Total		239.00	239.00		

Buttons: Add lines, Clear all lines

Memo:

Footer: Cancel, Clear, Make recurring, Save, Save and new

Make Journal Entry

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3					
4					
5					
6					
7					
8					
Total		239.00	239.00		

Buttons: Add lines, Clear all lines

Memo:

Footer: Cancel, Clear, Make recurring, Save, Save and new

Make Journal Entry

Journal Entry #Bad Debt Adj

Journal date: 12/31/2020 Journal no.: Bad Debt Adj

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
1	Bad Debt Expense	239.00		Amy indicated she won't pay Invoice #1021	
2	Accounts Receivable (A/R)		239.00	Amy indicated she won't pay Invoice #1021	Amy's Bird Sanctuary
3					
4					
5					
6					
7					
8					
Total		239.00	239.00		

Buttons: Add lines, Clear all lines

Memo:

Footer: Cancel, Clear, Make recurring, Save, Save and new

Make Journal Entry

Journal Entry #Bad Debt Adj

Journal date: 12/31/2020 Journal no.: Bad Debt Adj

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
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3					
4					
5					
6					
7					
8					
Total		239.00	239.00		

Buttons: Add lines, Clear all lines

Memo:

Footer: Cancel, Clear, Make recurring, Save, Save and new

Make Journal Entry

Journal Entry #Bad Debt Adj

Journal date: 12/31/2020 Journal no.: Bad Debt Adj

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
1	Bad Debt Expense	239.00		Amy indicated she won't pay Invoice #1021	
2	Accounts Receivable (A/R)		239.00	Amy indicated she won't pay Invoice #1021	Amy's Bird Sanctuary
3					
4					
5					
6					
7					
8					
Total		239.00	239.00		

Buttons: Add lines, Clear all lines

Memo:

Footer: Cancel, Clear, Make recurring, Save, Save and new

Make Journal Entry

Journal Entry #Bad Debt Adj

Journal date: 12/31/2020 Journal no.: Bad Debt Adj

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
1	Bad Debt Expense	239.00		Amy indicated she won't pay Invoice #1021	
2	Accounts Receivable (A/R)		239.00	Amy indicated she won't pay Invoice #1021	Amy's Bird Sanctuary
3					
4					
5					
6					
7					
8					
Total		239.00	239.00		

Buttons: Add lines, Clear all lines

Memo:

Footer: Cancel, Clear, Make recurring, Save, Save and new

Make Journal Entry

Journal Entry #Bad Debt Adj

Journal date: 12/31/2020 Journal no.: Bad Debt Adj

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
1	Bad Debt Expense	239.00		Amy indicated she won't pay Invoice #102	
2	Accounts Receivable (A/R)		239.00	Amy indicated she won't pay Invoice #102	Amy's Bird Sanctuary
3					
4					
5					
6					
7					
8					
Total		239.00	239.00		

Buttons: Add lines, Clear all lines

Memo:

Footer: Cancel, Clear, Make recurring, Save, Save and new

Make Journal Entry

Journal Entry #Bad Debt Adj

Journal date: 12/31/2020 Journal no.: Bad Debt Adj

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
1	Bad Debt Expense	239.00		Amy indicated she won't pay Invoice #1021	
2	Accounts Receivable (A/R)		239.00	Amy indicated she won't pay Invoice #1021	Amy's Bird Sanctuary
3					
4					
5					
6					
7					
8					
Total		239.00	239.00		

Buttons: Add lines, Clear all lines

Memo:

Footer: Cancel, Clear, Make recurring, **Save**, Save and new

Step Four – Verify Payroll



Match W-2s To Bookkeeping



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Add Up All Box 1's

22222		VOID <input type="checkbox"/>	a Employee's social security number		For Official Use Only OMB No. 1545-0008	
b Employer identification number (EIN)			1 Wages, tips, other compensation		2 Federal income tax withheld	
c Employer's name, address, and ZIP code			3 Social security wages		4 Social security tax withheld	
			5 Medicare wages and tips		6 Medicare tax withheld	
			7 Social security tips		8 Allocated tips	
d Control number			9		10 Dependent care benefits	
e Employee's first name and initial		Last name	Suff.	11 Nonqualified plans		12a See instructions for box 12
			13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b	
			14 Other		12c	
					12d	
f Employee's address and ZIP code						
15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Form **W-2** Wage and Tax Statement

2021

Department of the Treasury—Internal Revenue Service

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Copy A—For Social Security Administration. Send this entire page with Form W-3 to the Social Security Administration; photocopies are **not** acceptable.

Cat. No. 10134D

Do Not Cut, Fold, or Staple Forms on This Page

Compare To Income Statement

Craig's Design and Landscaping Services

PROFIT AND LOSS
January - December 2020

	TOTAL
▼ Income	
Design income	2,250.00
Discounts given	-89.50
Landscaping Services	6,513.97
Pest Control Services	110.00
Sales of Product Income	912.75
Services	503.55
Total Income	\$10,200.77
▼ Cost of Goods Sold	
Cost of Goods Sold	405.00
Total Cost of Goods Sold	\$405.00
GROSS PROFIT	\$9,795.77
▼ Expenses	
Advertising	74.86
Automobile	429.37
Equipment Rental	112.00
Insurance	241.23
Job Expenses	957.89
Legal & Professional Fees	1,170.00
Maintenance and Repair	940.00
Meals and Entertainment	28.49
Office Expenses	18.08
Rent or Lease	900.00
Utilities	221.20
Wages Expense	8,945.00
Total Expenses	\$14,148.31
NET OPERATING INCOME	\$ -4,352.54
▼ Other Expenses	
Miscellaneous	2,916.00
Total Other Expenses	\$2,916.00
NET OTHER INCOME	\$ -2,916.00
NET INCOME	\$ -7,268.54

Step Five – Review Financials



Garbage In = Garbage Out



Go Back And Analyze When Have Time



Two Things To Check

Balance Sheet



Income Statement

Review Balance Sheet

Common Errors

- Negative Cash Balances
- Negative Receivables Balances
- Negative Payables Balances
- Non-Zero Payroll Liabilities
- Non-Zero Undeposited Funds

	<u>Sep 30, 20xx</u>
ASSETS	
Current Assets	
Checking/Savings	
Bank Accounts	
Bank of America - Ops Acct	568,333.34
PNC Bank - Savings	<u>-91,034.24</u>
Total Bank Accounts	<u>477,299.10</u>
Total Checking/Savings	477,299.10
Accounts Receivable	
Accounts Receivables	
Operating Receivable	<u>-15,000.00</u>
Total Accounts Receivables	<u>-15,000.00</u>
Total Accounts Receivable	-15,000.00
Other Current Assets	
Employee Receivables	
Paycheck Advances	<u>5,000.00</u>
Total Employee Receivables	<u>5,000.00</u>
Prepaid Expenses	
Office Security Deposit	12,827.41
Total Prepaid Expenses	<u>12,827.41</u>
Undeposited Funds	2,800.00
Total Other Current Assets	<u>20,627.41</u>
Total Current Assets	482,926.51
Fixed Assets	
Fixed Assets	
Accumulated Depreciation	-21,951.44
Computers	20,743.39
Furniture and Equipment	35,659.64
Total Fixed Assets	<u>34,451.59</u>
Total Fixed Assets	<u>34,451.59</u>
TOTAL ASSETS	<u>517,378.10</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payables	
Bills Payable	<u>-5,120.00</u>
Total Accounts Payables	<u>-5,120.00</u>
Total Accounts Payable	-5,120.00
Credit Cards	
Credit Cards & Lines of Credit	

Credit Cards & Lines of Credit	
American Express	<u>-5,183.42</u>
PNC - Visa (x1851)	336.00
PNC - Visa (x2384)	336.00
Total Credit Cards & Lines of Credit	<u>-4,511.42</u>
Total Credit Cards	-4,511.42
Other Current Liabilities	
Payroll Liabilities	
Benefits & Garnishments Payable	
401k Contribution Payable	3,315.92
HSA Contribution Payable	660.01
Transportation Benefits Payable	<u>-400.00</u>
Total Benefits & Garnishments Payable	<u>3,575.93</u>
Payroll Taxes Payable	
Payroll Taxes - DC	
Unemployment - DC	5,836.05
Total Payroll Taxes - DC	<u>5,836.05</u>
Payroll Taxes - FED	
Medicare - FED	-77.50
Soc Security - FED	-328.52
Unemployment - FED	-135.35
Withholding - FED	<u>541.37</u>
Total Payroll Taxes - FED	<u>0.00</u>
Payroll Taxes - MD	
Withholding - MD	<u>158.23</u>
Total Payroll Taxes - MD	<u>158.23</u>
Payroll Taxes - VA	
Unemployment - VA	3,330.02
Withholding - VA	<u>-894.51</u>
Total Payroll Taxes - VA	<u>2,435.51</u>
Total Payroll Taxes Payable	<u>8,429.79</u>
Total Payroll Liabilities	<u>12,005.72</u>
Total Other Current Liabilities	<u>12,005.72</u>
Total Current Liabilities	<u>2,374.30</u>
Total Liabilities	2,374.30
Equity	
Opening Balance Equity	5,000.00
Retained Earnings	128,450.00
Net Income	<u>381,553.80</u>
Total Equity	<u>515,003.80</u>
TOTAL LIABILITIES & EQUITY	<u>517,378.10</u>

Review Income Statement

Consistent Results Month-To-Month?
Expected Fluctuations?
Anything Missing?

Use
Month-By-Month
Comparison Report

	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019
Income					
Design income				975.00	1,275.00
Discounts given					-89.50
Landscaping Services	321.25		1,313.00	635.64	4,244.08
Pest Control Services	70.00		70.00	-100.00	70.00
Sales of Product Income					912.75
Services					503.55
Total Income	\$ 391.25	\$ 0.00	\$ 1,383.00	\$ 1,510.64	\$ 6,915.88
Cost of Goods Sold					
Cost of Goods Sold					405.00
Total Cost of Goods Sold	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 405.00
Gross Profit	\$ 391.25	\$ 0.00	\$ 1,383.00	\$ 1,510.64	\$ 6,510.88
Expenses					
Advertising					74.86
Automobile			54.55	62.01	312.81
Equipment Rental					112.00
Insurance					241.23
Job Expenses			158.08	197.18	602.63
Legal & Professional Fees	300.00		250.00	55.00	565.00
Maintenance and Repair					940.00
Meals and Entertainment					28.49
Office Expenses					18.08
Rent or Lease				900.00	
Utilities			56.50	274.89	
Total Expenses	\$ 300.00	\$ 0.00	\$ 519.13	\$ 1,489.08	\$ 2,895.10
Net Operating Income	\$ 91.25	\$ 0.00	\$ 863.87	\$ 21.56	\$ 3,615.78
Other Expenses					
Miscellaneous				250.00	2,666.00
Total Other Expenses	\$ 0.00	\$ 0.00	\$ 0.00	\$ 250.00	\$ 2,666.00
Net Other Income	\$ 0.00	\$ 0.00	\$ 0.00	-\$ 250.00	-\$ 2,666.00
Net Income	\$ 91.25	\$ 0.00	\$ 863.87	-\$ 228.44	\$ 949.78

Step Six – Send Reports



Send Reports To Tax Accountant



Accountant Will Do Some Technical Work



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Review & Sign Tax Return



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Congratulations!!!



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