

3 KEY WAYS TO NURTURE THE FINANCIAL PILLAR OF YOUR BIZ

- You are driven to create, innovate and you started a business because you have a vision and a passion we want to bring to life.
- You wanted the freedom to create, work and make a living on your own terms, so depending on your business you may have started with a business plan, or began with the branding and marketing and then ball starts rolling.
- You reach out and network and your client list starts growing and you start making money.

But how are you dealing with the financial pieces that are one of the key pillars of your biz?

- Are you consumed with the working ON your business because it what you feel is most important and interesting you barely have time to work IN your business?

What is the difference of working IN versus working ON your business?

Working on your business is:

- creating and working on the all the moving parts that keep your business flowing, like designing a product, writing copy, branding, networking AND keeping up with logging your finances.

Working in your business is:

- When you are connecting with and working with clients, creating and selling a product and managing your support crew.

If we think of our business like a tree, the pieces we do when we work On it are the physical entities we see above ground.

The logo, website, programs, products are all the branches but the root system is what keeps it healthy and growing.

The root system is the foundation and consists of creating and maintaining a healthy financial process. The keys are:

- a simple organizational system
- a support system
- time to plan a resilient growth pattern and self care.

The roots are the soul of your company and if they are neglected they will become fragile and root bound which will lead to sickness or collapse.

- Do you still just have boxes of receipts and invoices that you just hope to enter in time for taxes?
- Do you lack a system to keep track of it all?
- Do you procrastinate doing this piece of your business?

IT DOESN'T HAVE TO BE THE BANE OF YOUR BUSINESS.

THE 3 KEYS TO NURTURE THE FINANCIAL PILLAR OF YOUR BIZ will help guide you to start watering the roots with attention and love so that your business will stay strong and healthy.

#1- KEEPING IT SEPARATE.

- Have you filed paperwork to be a sole proprietor or an LLC? _____ (check when done)

A limited company is its own legal identity, so as a shareholder your liability is limited (hence the name 'limited by shares').

As a sole trader, there is little distinction between you and the business. Any business debts become your debts and your personal assets - including your house - are not protected.

- Have you opened a separate business bank account? _____ (check when done)

This makes everything so much easier!!

WHY?

So many accounting softwares allow you to connect your account to them so that you don't have to enter every little purchase. No more entering every purchase. You will still need to assign each item to an expense but for reoccurring payments you can set this up once and it will be done. As much as you can automate as possible the less time you need to spend on this pillar of your business.

#2- CHOOSING AN ACCOUNTING AND AN ORGANIZATIONAL SYSTEM THAT WILL WORK FOR YOU.

There are many accounting systems out there that can help you keep track of the ebbs and flows our your finances. Every business needs one. Below are a few to think about.

Quickbooks is the default.

It is robust and is the standard in the accounting world but will take some time to learn if you are planning on doing this yourself. However there are tons of tutorials on line that can help you learn the ins and outs of all the different aspects. You can also do all your payroll and taxes using Quickbooks as well.

Waveapps is another cloud based system that is free to start using it.

It is not quite as robust in its variety of reports but still has many that are the basis of getting to see how your business is doing financially. It also lets you connect your bank accounts which is key when you don't have extra time to waste.

Xero Accounting is another cloud based system that is also super automated but you will need to pay like quickbooks but there are multiple pay plans. There are others but I think these are the best three that are out there. Check them out most allow you try them for free for 30 days. I wouldn't suggest actually using them and connecting your accounts but you can use their tutorials and see which one fits your business needs best.

WHICH ONE DID YOU CHOOSE? _____

ORGANIZATIONAL SYSTEMS _____ (Check when done)

Next up is creating an organizational system that allows you to do this work with greater ease and know where all your receipts, invoices, contracts are. It is essential to keep copies for all of your expenses and all of you income because if you ever get audited it will make it soon much easier. This will take a bit of time at first but it is not optional!!

In my opinion setting up a simple file system for receipts and bill payments is key.

In accounting there are different expenses so I usually have physical files for each ie: Gas expense, Office Supplies, Purchases or Cost of Goods (You may want to have a folder for each vendor) Accounting, Website etc. I also scan them into a google drive with matching folders, which allows me to access them remotely. This step may not be necessary for you but if you work remotely it can be a life saver.

RECEIPTS- All receipts if they are thermal should be copied because they will breakdown in 2 years and you need to have them for 7 years at least.

SALES or INVOICES- I also create folders for each client or if you are a product based business I would create a monthly invoice or sales folder.

If you have these folders then you can easily file and find what you need. **No more piles:)**

#3 MAKING TIME TO CHECK AND GETTING SUPPORT

- It is key to set up a weekly slot of time to organize and enter your finances. Think of it as self care for your business. Without it you and your business will flounder and become stressed. _____ (check when done)
- As your business gets up and running you may just want to hand off your accounting to a professional- Once you need to spend more than 1 hour a week on this work I highly recommend this because a professional can often do all of it much more quickly and you will have time to work in YOUR brilliance.

SUPPORT is what will let your business grow!