

Money Matters

A series of weekly articles by Quintas Experts

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SMALL BUSINESS YEAR END ACCOUNTING TIPS

It is fast approaching the year end and as most small business' have an accounting year ending on 31st December, the time is right to look at what a business owner can do to prepare for this accounting year end. The aim would be to ensure that the accounts are completed by their advisor more efficiently and cost effectively.

Believe it or not, without needing any accounting background, there are still savings to be made with minimum effort and if done at the right time, by being properly prepared. Every year you will have gathered the usual bank statements, cheques, invoices, wages records, VAT returns and so on. If you go back and review previous year's queries and further information requests from your financial advisor, you will probably find the same items cropping up year after year.

Therefore my first tip is to meet or call your accountant prior to your year end and discuss any queries from previous years that could be addressed when bringing in your accounting records. It might be a good idea at this meeting to also agree a timetable of completion and to agree your fee.

Secondly, open up a Year End Sundry File to include items agreed with your advisor that should be included therein. The most common items subsequently sought by advisors and which cause delays in completion and additional costs are:-

- Invoices relating to the purchase of business assets namely Property, Equipment, Motor Vehicles etc.
- Stock details at the year end.
- List of Debtors (monies owed to you) at year end with an indication of potential Bad Debts on the list.
- Creditors (supplier) statements.
- Copies of any purchase invoices received after the year end but which relate to the actual accounting year.
- Copies of any new loan or lease agreements.

Certain costs will always have your advisor looking for more details, so have these ready also. Costs relating to the following headings should be analysed carefully, with supporting invoices where possible:-

- Casual Wages, Insurance, Large Repairs, Legal Costs, Motor Expenses, Consultancy Costs and Sponsorship

When your accounts are completed, review any new query items and add these to your Year End Sundry File list for next year.

One final point, ask your advisor to prepare your personal tax return in conjunction with your accounts whether you're trading as a sole trader or company. Having it prepared simultaneously leads to a more informed discussion on your accounts and generally saves time and costs

Anyone seeking further advice or assistance on the preparation and completion of their year end accounts can contact Quintas on 021 464 1400.

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