

NEW BUSINESS QUICKBOOKS STARTER KIT

A practical financial-recordkeeping guide for business owners in their first 15 months

Why this matters

You don't need accounting because you're a big business. You need accounting because you're a business.

Good financial records help you understand what you earned, what you spent, whether you're profitable, how much cash is available, and what the business owns and owes. Starting correctly is much easier than trying to reconstruct a year of transactions later.

1. QuickBooks Setup Checklist

- Business bank account is separate from personal finances
- Business credit card(s) are identified and connected
- Chart of accounts has been reviewed
- Income categories are appropriate for the business
- Expense categories are appropriate for the business
- Owner contributions are recorded correctly
- Business/personal transactions are kept separate
- Opening balances have been reviewed

2. Monthly Financial Checklist

- Review and categorize transactions
- Reconcile bank accounts
- Reconcile credit cards
- Review the Profit & Loss
- Review the Balance Sheet
- Review cash available and upcoming obligations
- Save receipts and supporting documentation
- Ask: What are my numbers telling me?

3. Know Your Numbers

Use your QuickBooks reports to identify these five numbers every month:

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|---|------------------------|----------------------------------|
| 1 | Revenue | How much did my business earn? |
| 2 | Expenses | How much did I spend to operate? |
| 3 | Net Profit/Loss | Did I actually make money? |
| 4 | Cash | How much money is available? |
| 5 | Top 3 Expenses | Where is the money going? |

4. QuickBooks Mistakes to Avoid

1. Don't mix personal and business transactions.
2. Don't blindly accept bank-feed transactions.
3. Don't assume the bank feed is bookkeeping.
4. Don't use incorrect income or expense categories.
5. Don't skip monthly reconciliations.
6. Don't record transfers as income or expenses.
7. Don't treat owner contributions as business revenue.
8. Don't confuse a credit-card payment with the original purchase.
9. Don't wait until tax time to review your books.
10. Don't use QuickBooks only for taxes—use the information to run the business.

5. Three QuickBooks Reports to Know

Profit & Loss: Shows revenue, expenses, and whether the business generated a profit or loss.

Balance Sheet: Shows what the business owns, what it owes, and the owner's equity.

Cash Flow: Helps you understand changes in cash. Remember: a profitable business can still have cash-flow problems.

6. The Rule to Remember

QuickBooks is the tool. Your financial records are the result.

The goal isn't simply to have QuickBooks. The goal is to have financial information you can trust and use to make decisions.

Need Help Setting Up QuickBooks?

If your business is new and you want to start with the right financial foundation, I offer a **Business Financial Setup** for \$247.

The setup includes QuickBooks setup or review, basic chart of accounts and income/expense categories, bank connection, financial-record structure review, transaction guidance, and a 45–60 minute setup and training session.

GET STARTED: https://idcollins.com/business_financial_setup/

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