

The Experts: Small business accounting

Get financially fit

If you own a small business, you know there are a lot of things to think about. One of the most important things that a lot of business owners don't consider is how they will keep track of their business finances. Understanding debits and credits, the difference between cash basis and accrual, keeping track of which customers owe you, what your upcoming expenses are, or how to manage payroll for your employees can be intimidating. Whether you are a contractor



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or a dentist or own a daycare or a retail shop, keeping track of your income and expenses is critical. You'll need to determine if you or someone on your staff will maintain the company's books in-house or if you'll hire someone to help you. Here are some tips:

Hire a CPA

Finding a good CPA/accountant is essential. Ask other business owners who their CPA is and how satisfied they are. Interview one or two face-to-face to see who would be a good fit for your business. Ask how accessible they are if you have a question or need to meet with them. Periodically, you might want your accountant to review your financial statements for tax-planning purposes.

Hire a bookkeeper

If you don't have time to manage your business and take care of the finances, hire someone to help you. If your bookkeeper needs training, classes or one-on-one training will ensure your business information gets processed correctly. Another idea is to hire an outside subcontractor to take care of your bookkeeping; you won't incur employer payroll taxes or other employee benefits, but you may have to pay them a higher hourly rate.

Software selection

There are inexpensive software programs out there that can help you with all of your accounting needs. It seems that a lot of small businesses in our area are using QuickBooks or Peachtree. These products can be found at local retailers, directly from QuickBooks or Peachtree or through a local certified consultant who can typically offer discounts on the software and can help you determine which program might be best for your

company. You can also ask other business owners what software they use in their business or consult with your CPA about a recommendation. Once the software has been purchased and loaded on your computer, you will create your company and begin recording your transactions. This is when a lot of people get stuck, feeling completely overwhelmed. There are tutorials built into the programs or you can call a certified consultant for help.

Setup is key

When you create your company in the software program you decide on, it's good to think about what is important to you. You may want to track income and expenses by job, location, departments, physician, etc. One of the first things you'll do is create a chart of accounts; this is a listing of all of your assets, liabilities, equity, income and expense accounts that you use in your business. The way you set up your chart of accounts will impact the way your financial statements will look. In addition, you will set up customers, vendors and employees.

"Customers" are who you receive money from; these could consist of clients, patients, donors or children in a daycare. You may want to track different things about the customers (referral source, what ZIP code they live in, when their warranty expires, etc.) and this can all be done inside the accounting software. "Vendors" are anyone you pay money to.

Determining how you'll record payroll is important. You'll need to decide if you want to process the payroll in-house where you are responsible for processing paychecks, remitting tax deposits, and filing quarterly and annual filings or use the software's payroll service where you process the payroll checks and have the software's payroll service handle the taxes and quarterly and annual filings. You may also choose to outsource the entire payroll to a company such as Paychex or PayDay.

Keeping track of things in your head or on a Post-It works sometimes, but using a software program will help you see what's going on in your business. You'll be able to print monthly financial statements and other reports that will help you monitor which customers owe you, determine what areas of your business are doing better than others, obtain a loan, etc.

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The Experts: Health

Local workplaces tackle health, wellness

Local business owners are at the center of some terrific, life-altering stories and reaping the benefits.

At one local realty company, leaders have supported eight employees who have collectively lost 230 pounds – perhaps there will be more individuals playing volleyball at this year's summer office party. This



Margaret Gaglione

office group has been Tidewater Bariatrics' shining star, and has proven that getting help and support from work as well as home plays an important part in becoming fit and healthier.

Another impressive boss with significant vision is Jean Loxley-Barnard, CEO and publisher of The Shopper. When the health of one of her long-term employees began to deteriorate because of her extra weight, Barnard paid for the initial 13-week portion of the employee's weight-loss program.

During this time, the individual lost more than 50 pounds. She then chose to continue with the program and has lost an additional 40 pounds, for a current total of 92 pounds. This individual never exercised prior to starting our program and now walks daily, far outpacing others she walks with. She is sleeping better, has more energy, and feels better about herself and situation. She should be proud of her accomplishments – we are.

From a medical standpoint, this individual has considerably decreased her risks of developing diabetes or having a heart attack. Her confidence in her ability to conquer an addiction has led her to realize that she is not powerless against a second addiction, tobacco.

I have no doubt that Barnard's investment in her employee was beneficial for the individual and the entire company. Because of the individual's increase in confidence, dedication and spunk, it is clear the boss made a great employee even better. Teach someone

how to improve their life and you've given them a life skill that will help in everything they do.

During the last 15 months, the individuals I've mentioned have been part of the 200 patients at Tidewater Bariatrics who've lost 2.5 tons of weight. Yes, collectively these individuals have lost 5,400 pounds of fat; that equates to a loss of 18.9 million calories. Not surprisingly, the most engaged and compliant individuals have lost the most; 30 individuals have lost more than 50 pounds, eight have lost more than 75 pounds, and one has lost more than 125 pounds.

Every business owner I know agrees that a happier, healthier employee performs better and has a more positive impact on the company's bottom line.

But it takes action. These 200 individuals have become good students of healthy habits at work and at home, and have learned the discipline and skills required in a supportive and highly structured weight-loss program. Each of these individuals

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has taken on the challenge of being accountable for their food consumption and exercise output, and they have proven that counting calories does matter.

Employers helping their workforces get healthier is not a fad. Health and

wellness will eventually become a core issue for most businesses, and those leaders who embrace it early on will reap more effective and loyal employees, better recruiting and stronger bottom lines.

I encourage other employers to expand their vision to include meaningful employee health programs. To make it easier for you to promote wellness in your workspaces, my medical clinic would like to start a pilot program where our staff comes to your business to teach our program to your employees.

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