



Why Do Small Businesses Need Bookkeeping?



It helps you stay on the right side of HMRC



Make Clever Investment Decisions

Book keeping helps you check if your investments are paying off well or not.



Plan & Budget for Key Decisions

You'll have all the **financial information** required if Bookkeeping done properly to Plan & Budget effectively..



Prepare for a Cash Shortfall

Bookkeeping helps you prepare to tackle potential cash shortfalls expected to arise in the future.



Detect Errors And Fraud

Incorrect payments or receipts can be **easily detected**, saving you from losses due to mistakes or internal frauds



File Accurate Tax Returns

You can successfully file **accurate tax returns**.



Organize Financial Information

Organized financial information pays off when you have to meet and work with different parties.



How is effective bookkeeping done?

Keep Track Of Your Transactions



Record every business transaction and keep the proof of these transactions for future references. Enter the data on a spread sheet or let your debits and credits stream from your business bank account to an accounting software through automation software's.

Regular Cross-Checking



Ensure that every **transaction and balance recorded** in your business book matches with the bank statements by cross-referencing on a regular basis

Other Responsibilities



As a **small business owner, its your duty** to issue invoices, pay bills and pay your employees on time. You also need to keep track of the financial reports to measure your business performance.

