



7 MOST COMMON START UP BOOKKEEPING MISTAKES...

Bookkeeping really does not need to be complicated. The following are the most common mistakes we see.

NOT DOING ANY!

This is the most obvious and at the same time common mistake. We appreciate that dealing with receipts and invoices is probably the last thing you want to deal with and bits of paper pile up.

Bookkeeping really needs to be done on a weekly / monthly basis - get into the habit of allocating time to keep on top of things.

NOT USING SOFTWARE

You can use excel spreadsheets or old-fashioned "books", but nowadays you are much better to take advantage of the time-saving accounting software available on the market. You can buy basic software for as little as £99 and if you follow the built in "wizards" these can really help show you what to do.

NOT HAVING A SEPARATE BANK ACCOUNT

We can't stress enough how important it is to keep your business and private expenses separate. You will save £'s on accountancy

fees at the year-end if you stick to this simple rule.

We would also suggest you have a separate credit card purely for business expenses and if you are savvy, you can find one with cash-back, points etc - an added bonus.

NOT HAVING DEDICATED OFFICE SPACE IF WORKING FROM HOME

Keep everything separate and also claim "use of home as office" via your Tax Return.

Not doing any!

Not using software

Not having a separate bank account

Not having space at home for office paperwork

Not using sequential numbering on customer invoices

Not filing bank statements in order

Not having a filing system for purchase invoices

NOT USING SEQUENTIAL NUMBERING FOR CUSTOMER INVOICES

This is so easy to do, yet many people use a customer based reference system when

numbering invoices. All you need to do is number from 10001, 10002 and keep going.

This is also a pet hate of the VAT man and we certainly don't want to upset him!

NOT FILING BANK STATEMENTS IN ORDER

Again so easy to do, yet at the end of the year, there are always some missing. Remember, your accountant will need to see all your bank statements.

NOT HAVING A FILING SYSTEM FOR PURCHASE INVOICES

Here is a simple way of keeping your purchase invoices:

- Have 2 files, one for paid, one for unpaid
- When you pay, write the date and the payment method on the invoice
- Once paid, move to the paid file. Simple!

Of course, we can introduce you to a bookkeeper if paperwork really is not your "thing"!

We look forward so you can move forward...