



11 Tips to Simplify Your Accounting Process



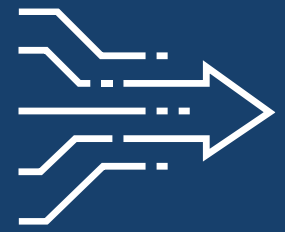
Simplify Your Accounting



Managing your accounting process can be tedious and very time-consuming. Everything from keeping track of your business expenses, and monitoring and reviewing financial reports to collecting payments can easily overwhelm you. However, it is vital to stay on top of it to avoid major problems in the future, especially issues that can interfere with the growth of your business. In this eBook, you will learn 11 ways to simplify your accounting process to save you immeasurable time and costs.



1. Create a Seamless Payroll System



Payroll can be tricky and difficult to maintain, especially if you manually manage your employee and payment records. With technology solutions such as payroll software, you can quickly calculate and record various items such as payments, deductions, taxes, and logged hours. Payroll software overall helps you to automate your payroll processes, reduce repetitive tasks, and keep all of your information in one convenient location. You will be able to free up time to focus on other tasks that matter most to your business.



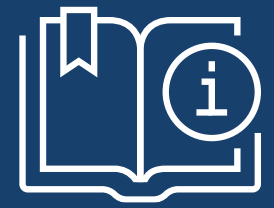
2. Track and Sort All Expense Receipts



All businesses have expenses. But to retain and keep track of all the receipts can be annoying and burdensome. It's easy to misplace or even damage paper receipts, which can cause discrepancies with your bookkeeping numbers. Many payroll and HR platforms have an expense-tracking feature that simplifies the whole process. Instead of keeping paper receipts safe and secure, you simply take a picture and upload it to your system. All your receipts will be stored and tracked in a single location. Keeping track of your tiny slips of paper doesn't have to waste time or give you a headache.

But keep in mind that there are special cases in which you require hard copies of your receipts. For example, often, only original contribution or donation receipts can be submitted in order to claim them. Many of them may be 100 percent deductible, so it's important to keep those receipts. It's a good idea to separate them into their own category to keep your records as clear as possible for your accountant.

3. Manage Your Books Regularly and Consistently



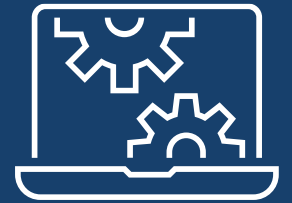
There's no use for you to put in the time needed to manage your books if they're not accurate. If you simply file your taxes and hand it off to your accountant, issues can easily arise. Start by allocating some time each day to simpler tasks, such as updating your spreadsheets and financial records, producing invoices, and paying your upcoming bills.

By filing your records more frequently and cross-checking them, you minimize the number of issues that will pop up, so you and your accountant don't have to take extra time and effort in fixing them. To simplify your accounting process even

more, most accounting software allow you to create rules to reconcile transactions. It takes only minutes to get everything up to date instead of spending your time doing the processes manually.



4. Use Software to Help You Stay Compliant



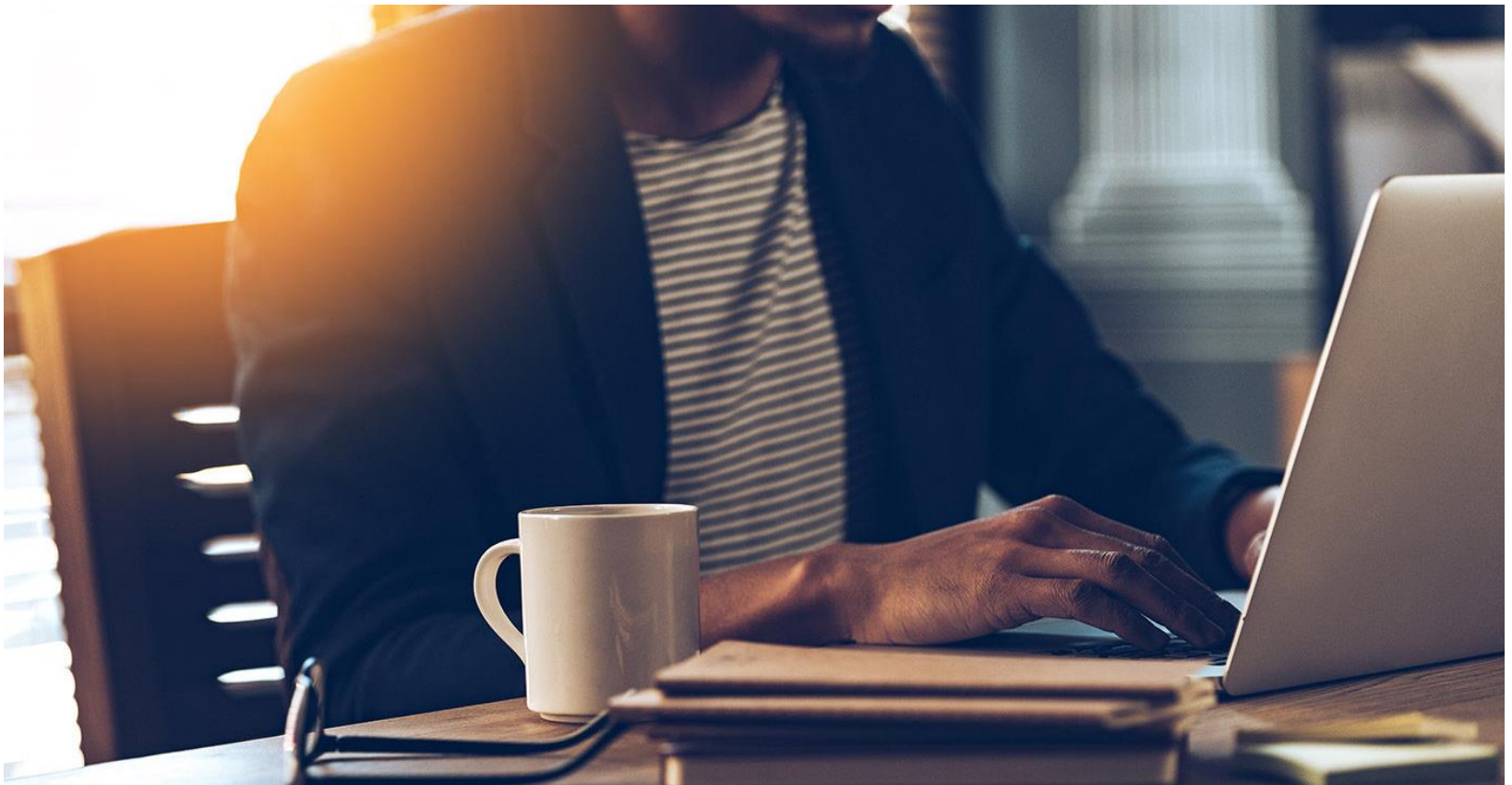
It can be hard for organizations to stay on top of federal, state, and local tax rules and regulations all the time; They risk becoming non-compliant if they cannot properly follow these updates, resulting in inconsistent information and hefty fines. A helpful feature in payroll solutions is the ability to monitor and provide automatic updates on these changes, which will free up your time and reduce your efforts so you can focus on other important work items.



5. Set Up a Central Invoicing System



It's important to have your accounting records in order, otherwise it will make the whole process tedious and disorganized. Having a system in place to centralize all your accounting information will help simplify the process and provide a convenient, seamless experience. Choosing the right solution for your organization helps to create a reliable and smooth approach to managing your invoices.



6. Establish Clear Communication



Communication goes a long way in any organization. It helps keep everyone on your team on the same page, including your accountant(s). Make sure to be transparent and keep them updated on any changes to your business operations or finances. It will help to better prepare them and as a result, they can anticipate problems and come up with solutions before they occur. It is better to be proactive than reactive.



7. Focus on Metrics Beyond Profit and Loss



Profit and loss are key metrics for any business. But those aren't the only numbers that are important. For you to stay on top of what's going on and spot any problems before they become major issues, other KPIs will be equally as important. You should include revenue, cost of goods sold, operating expenses, operating income, gross margins, and net profits in your P&L statements so you can easily see the big picture on the financial health of your organization.



8. Operate from a Single Business Bank Account



Keeping personal and business bank accounts separate should be straightforward. By doing so, you help keep your business records clean and error-free, making it easier for you to ensure your financial statements match up.



9. Utilize a Single Payment Solution



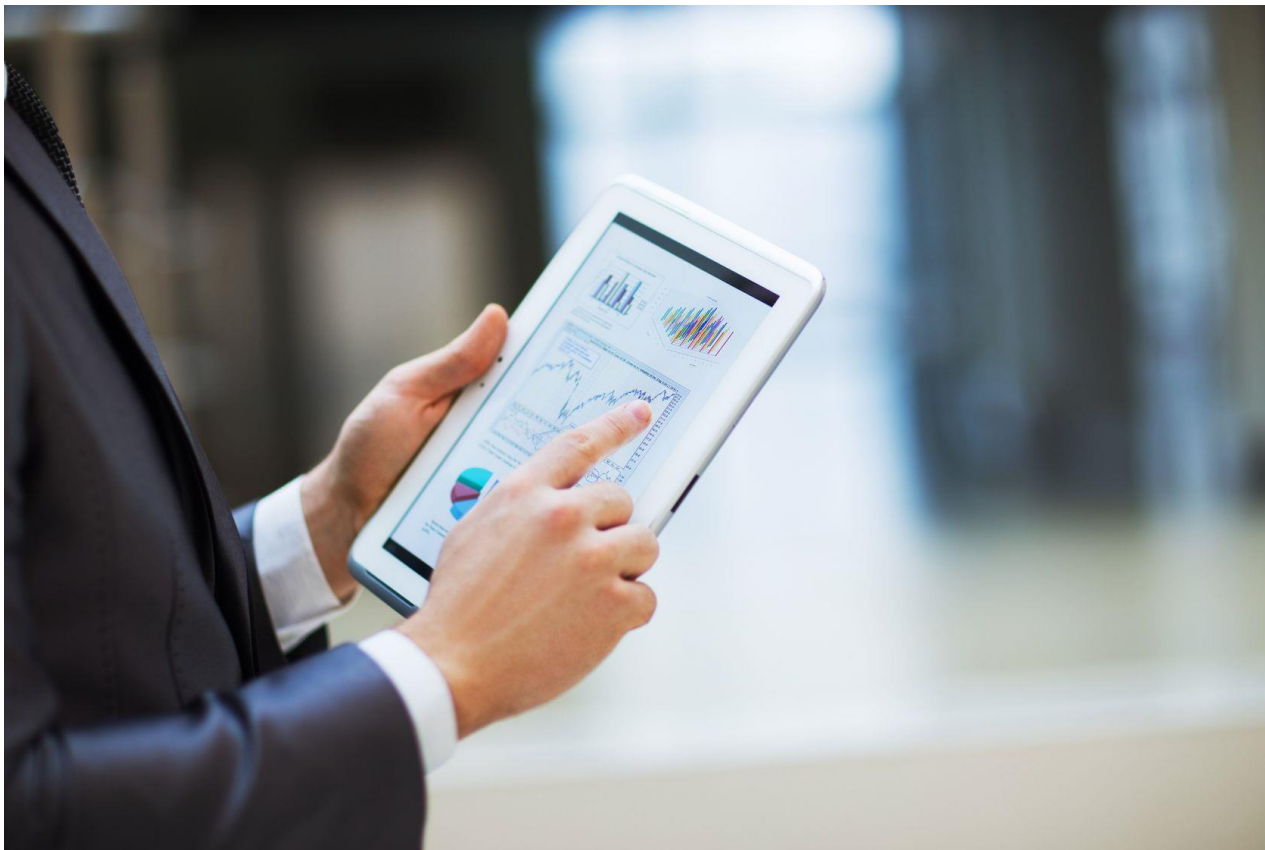
Businesses can have multiple sources of revenue, such as cash, credit cards, checks, PayPal, and so on. Having too many will make it difficult to track and reconcile. If you can consolidate these payment methods into a single one, it will make it a lot easier for you and your accountant to track and manage your different streams of revenue.



10. Use Software That's Secure



If you're thinking of implementing a solution to simplify your accounting process, consider the security of your data. Your solution should securely store and manage your sensitive financial records with ease, so you do not need to manually take measures to ensure your data is protected. Make sure it is secure and compliant to prevent data breaches and to keep your employees and business safe.



11. Always Look for Ways to Improve Cash Flow



No matter how small or big the change, it is a good idea to look for ways that help improve your cash flow. For example, send your invoices in a timely manner or adjust your payment terms to collect revenue faster, especially for clients who may take a little longer than average in making payments. Any change, little or big, can go a long way if it makes your processes more efficient.



Final Thoughts



Your accounting process doesn't have to be complicated and cumbersome. After all, it's something that you do regularly. As with anything, being prepared and organized can go a long way in simplifying your accounting process. It is important to invest your time into efficiency so you can avoid issues that may come up. With these 11 simple ways, you don't have to spend hours for accounting. Save your time for other important matters in your business.



CONTACT US

Learn more about Paymate Software
and see how we can help make your payroll easy.



CONTACT US

