

CLIENT INFORMATION



Hello & *Welcome*

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Understanding This Service Guide

The intention behind this service guide is to provide a transparent, comprehensive overview of how to work with BKO Bookkeeping. AT BKO we firmly believe that an informed client is an empowered client.

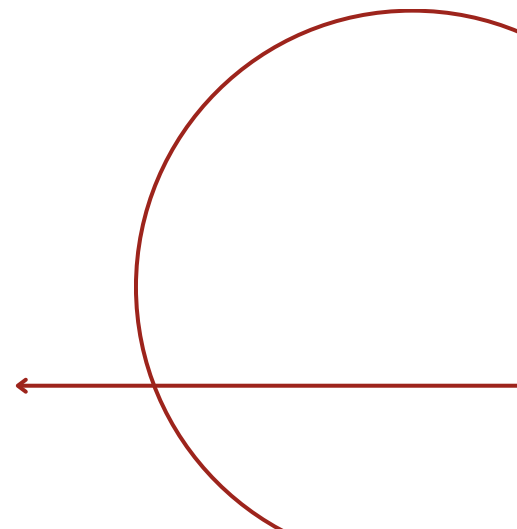
Whether you're a small entrepreneurial shop meeting with us monthly or large enterprise with weekly meetings and multiple services operating simultaneously engaging with BKO should be seamless.

This guide is designed to answer your questions, clarify our offerings, and ensure every interaction you have with BKO is seamless and constructive.

THE CON TENT



- WHAT IS INCLUDED
- DOCUMENTS REQUIRED AND HOW TO SUBMIT THEM
- COMMUNICATION
- GOOD PRACTICES, GUIDELINES AND INFORMATION
- W9 FORM (REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)



Quickbooks Essentials included

- Income and expenses
- Invoice and payments
- Tax deductions
- Enhanced reports
- Receipt capture
- Mileage tracking
- Cash flow
- Sales and sales tax
- Estimates
- Contractors
- Bill management
- Budgeting
- Includes 3 users

Comming to BKO Bookkeeping plans* Quickbooks Payments

- Bill Pay automation
- Bill pay workflow
- Bill Pay approval process
- Roles and Permissions
- Approval limits

Payroll Option (Justworks PEO) \$59/person

- Payroll for Salaried & Hourly Employees
- Off-Cycle Payments
- Vendor & Contractor Payments
- Employer Payroll Tax Filings
- W-2 & 1099 Filings
- Unemployment Insurance Filings
- Employment Practices Liability Insurance
- 24/7 Support
- HR Consulting
- Harassment Prevention & Inclusion Trainings
- Employee Onboarding
- PTO Management
- Calendar, Doc Center, Directory
- Accounting Software Integrations
- Reporting
- Commuter Benefits
- Mobile App for Employees
- Expense Management Tool

**Included in all plans except Small Business (which will require an additional charge)*

DOCUMENTS REQUIRED

01

Company Articles
of incorporation

02

SS4 Document

03

W9 Form

04

Partnership
Agreement

05

Partnership
Information

06

List of Users for
your Quickbooks
online subscription

07

All invoices to
clients (if not in QB
already)

08

All bills from
suppliers (if not in
QB already)

09

All cash expenses
(out-of-pocket
receipts)

10

Credit Card
Statements (if not
in QB already)

11

Business merchant
accounts

12

List of all assets
purchased for over
\$600,

UPLOADING DOCUMENTS

01

LOG INTO QUICKBOOKS ONLINE

02

SELECT "MY ACCOUNTANT"

03

SELECT "SHARED DOCUMENTS"

04

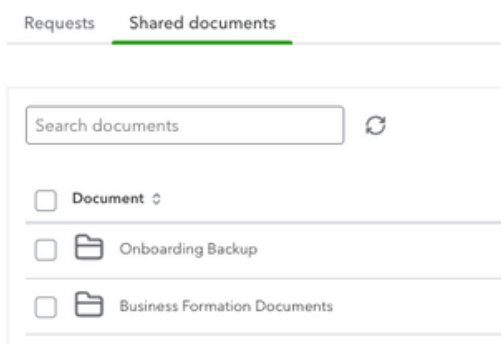
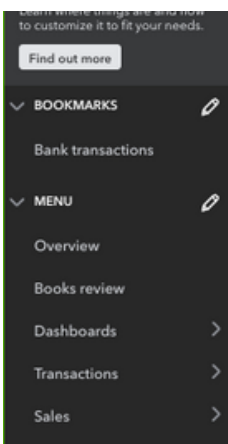
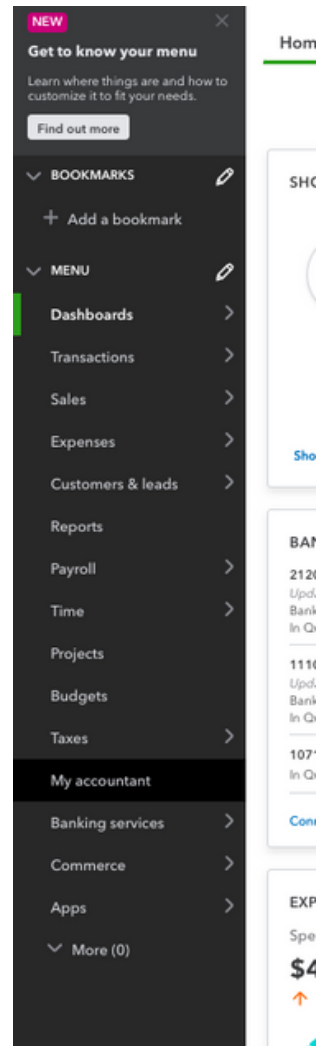
SELECT "ADD DOCUMENT"

05

SELECT THE DOCUMENTS FROM YOUR COMPUTER THAT YOU WANT TO UPLOAD INTO QUICKBOOKS

06

UPLOAD FILES TO THE SHARED DOCUMENT FOLDERS



Business Formation Documents:
Articles of Incorporation, SS4,
Partnership Agreement.

Onboarding Documents:
Invoices, Cash Expenses, Bills,
Merchant Accounts, List of
Assets

**STAY CONSISTENT
IN THE WAY YOU**

COMMUNICATE

**AND YOU WILL
HAVE A**

SUCCESSFUL

**RELATIONSHIP WITH
YOU BOOKKEEPER**

Communication

To establish a thriving relationship with your bookkeeper, it is crucial to create a regular call routine, including the time, day, content, and timing of the call.



SET A DATE AND TIME

Select a day and time of the week and/or month to meet with you Bookkeeper, and create a routine to make those times.



MEANS OF COMMUNICATION

Your Bookkeeper will create a meeting invite with either Zoom or Teams once you have selected the date and time schedule.



DELIVERABLES

Your Bookkeeper will send package containing a profit and loss statement, balance sheet, Monthly and YTD comparisons to budget, open A/R and an open A/P reports before each call.

BEST PRACTICES

DELIVER

THE BEST

RESULTS

1. CREATE SEPARATE BUSINESS ACCOUNTS

This one may seem obvious, but it's often overlooked by newly formed small businesses. It is recommended to set up business accounts that are only used for business income and expenses makes the books much clearer.

New businesses often think that they can operate out of existing personal accounts since that's where they have funds available prior to earning business income. Unfortunately, sorting out personal and business expenses is usually a nightmare later.

Having separate business bank accounts and credit cards that are only used for business expenses avoids guessing at the end of the year.

2. IF THERE'S A QUESTION ABOUT HOW TO RECORD SOMETHING, ASK YOUR BKO BOOKKEEPER

As a BKO Bookkeeper Client no questions are too small or too big don't be afraid to bother your BKO Bookkeeper with constant questions, we are here to answer all your doubts. The reality is that most businesses have expenses that are straightforward and repeat regularly. If you reach out to your BKO Bookkeeper before recording the first payment, this will make sure that all current and future transactions are properly categorized.

Vehicle expenses are often confusing to most of our clients, especially when it comes to car payments. Lease payments go to the P&L. A purchased vehicle needs to be added to fixed assets, the loan recorded, and the depreciation recorded. No need to fear your BKO bookkeeper will get this done for you.

3. DON'T OVERLOOK RECONCILIATION

Even if everything is imported directly from our client's financial institutions, there are sometimes errors in the import or the accounting file. By reviewing with your BKO Bookkeeper the monthly reconciliations, you can ensure that the transactions have been entered into the bank correctly and there weren't any errors — whether the errors were caused by computers or humans.

Having your BKO Bookkeeper successfully complete your monthly reconciliations will mean that you have cleaner books to work with and make sure that you are in perfect health for accurate financial overview.

4. ONCE A PERIOD IS CLOSED, DO NOT GO BACK AND CHANGE IT

Our clients often feel the need to go back and change last year's books makes them more accurate, and they're not entirely wrong. But when making some very minor adjustments to the books may make sense to our clients, it means that you'll be starting from the wrong point when you're working on the current period.

Unless there are some significant changes to the income or expenses (which should not have happened if all expenses are being paid through business accounts and the accounts have been reconciled), the prior periods should not be changed without consulting and reviewing with your Accountant and BKO bookkeeper.

Significant changes may require amending tax returns or updating financial statements and should not be undertaken lightly.

5. GO PAPERLESS

All financial institutions provide PDF versions of statements. By asking for PDF statements, you will not risk lost mail or missing statements.

The information is available through your online login and can be retrieved for several years. In the event of an audit, having all the statements saved online will ensure that your BKO Bookkeeper will have the backup documentation needed to review and make sure that the accounting is accurate and complete.

6. DON'T FORGET ABOUT CASH PAYMENTS

Review the proper way with your BKO Bookkeeper to record cash receipts. All cash should be deposited into the bank account prior to being spent or transferred to the owner(s).

Failing to record cash payments can land you in hot water with the IRS or other taxing authorities. If any cash is spent prior to being deposited, receipts and documents should be carefully maintained to verify the necessity and legitimacy of those expenses.

7. UNDERSTAND YOUR TYPE OF BUSINESS

The rules are different for corporations versus S-corporations or partnerships. Our clients need to understand that when taking money out of the business is potentially causing a taxable event. Some of our clients get confused and believe they are limited to the salary they are taking and never take a distribution.

Your BKO Bookkeeper will make sure that you understand the different types of transfers to the owner(s) increases the likelihood that the transactions will be classified correctly.

8. PICK THE RIGHT ACCOUNTING SOFTWARE

The Accounting software will be selected after the detail of your pre-Onboarding process. Answering accurately that questionnaire will help your BKO Bookkeeper find the right software for your business. The software we use at BKO Bookkeeper is QuickBooks online. If your company requires additional software your BKO Bookkeeper will help your business find to the right software to integrate with QuickBooks online.

9. UNDERSTAND THE DIFFERENCE BETWEEN CASH AND ACCRUAL ACCOUNTING

One is more straightforward while the other might provide better insight. Which one is right for your business will depend on the nature of the business, government regulations, and the size of the business.

Your BKO Bookkeeper will make sure that you understand that the difference can be helpful when providing guidance on which one is appropriate for your business.

10. AUTOMATE PROCESSES WHENEVER POSSIBLE

Most accounting and bookkeeping software allows for various levels of automation. Some will connect directly with your business bank to import transactions while some software allows recurring transactions to minimize repetitive tasks.

While the time saved by each of this small automation may not be much on their own, the time adds up quickly. Automation can also minimize the number of errors by removing the human element from the equations.

11. HAVE SOME UNDERSTANDING OF HOW DEPRECIATION WORKS

The rules for depreciation (on a tax basis) change annually, so it's hard to keep up with the current regulations.

But having a BKO Bookkeeper that has a complete understanding of the definition of a fixed asset and how depreciation affects their bottom line will help your business record the transactions correctly and have accurate financials when you're closing the books.

12. LEAVE A BUFFER IN THE BANK

Even the best bookkeepers occasionally make errors in the books or are unaware of certain transactions that have not affected the bank account yet. We recommend that our clients keep a buffer in their bank accounts and not rely solely on the accounting software to tell them what their balance is.

For example, if they wrote a check or signed a new direct deposit agreement, the transaction may not be entered into the software if no one told the bookkeeper about the transaction.

13. REMEMBER TAX DEADLINES

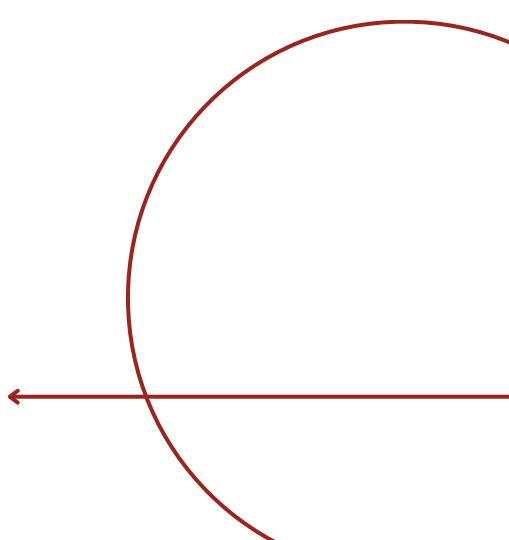
No one enjoys unexpected large expenses. Taxes often fall under the “large” header but should never be unexpected.

Your BKO Bookkeeper will make sure that your business is well-aware of upcoming deadlines and recurring payments that may impact the business cash flow. Tax payments may include personal income taxes, sales tax, property tax, or other business taxes.

14. Grant accountant access to your BKO Bookkeeper.

Allowing your BKO Bookkeeper to have access to your accounting software and bank accounts means that they can monitor your books on a regular basis. Most financial institutions allow separate, view-only access for your accountant or bookkeeper. Most accounting software allows you to grant access to your accountant without paying for another user.

Additionally, this means that when your BKO Bookkeeper is ready to work on your books, they don't have to hunt you down for statements and information. You can spend your time running your business knowing that your books will be in good order.



attachments

W 9

P R I C E L I S T

C O N T R A C T
T E M P L A T E

BKO BOOKKEEPING

BKO
BOOKKEEPING