

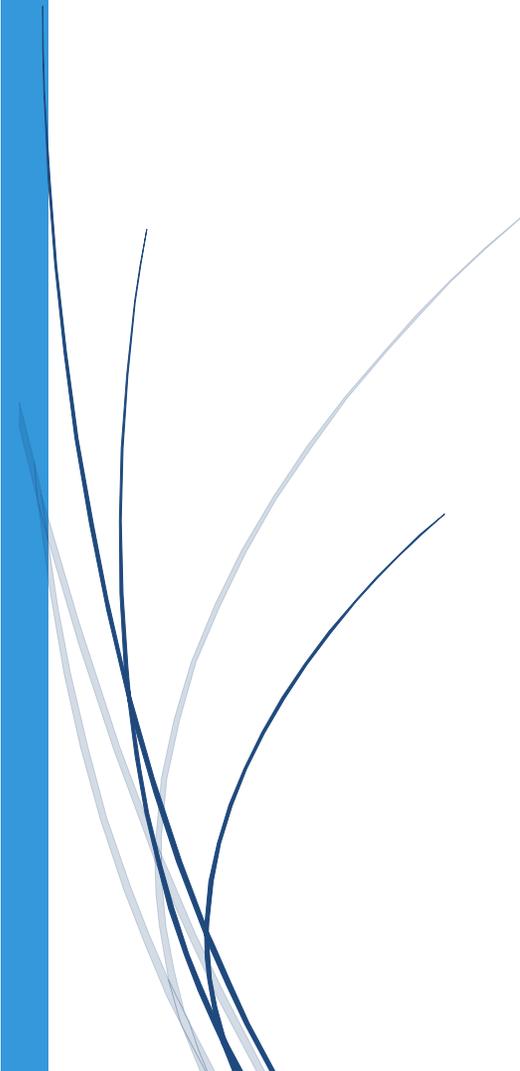


Registrations & Easy Bookkeeping



SB QUICK START QUICK TIPS

BOOKKEEPING MADE EASY



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PRESIDENT OF SMALL BUSINESS QUICK START



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Overview

The reason business owners don't do their bookkeeping is because they don't know where to start, the receipts keep piling up and the more you wait the bigger the task.

"The #1 reason Canadian small businesses fail is because of inexperienced management. Business owners don't have the experience or knowledge they need to run their businesses successfully." - Industry Canada

This refers primarily to managing finances. At the very least, you should be aware of the "Money In and Money Out" for your business.

You don't have to get your bookkeeping all done the very first day. The first time is always the longest but once everything is set up, it will be super simple for you to keep up with.

Everything we do follows the **Keep It Super Simple** principal.

Depending on how long you have been in business, you may or may not already be familiar with the majority of the expense categories. Scan through the list below to see if there are some you had not thought about.

<p>General Expenses</p>	<ul style="list-style-type: none"> • Publicity and Promotions • Meals and Entertainment • Insurance • Interest and Bank Charges • Business Taxes, Licences, Memberships • Office Supplies (paper, ink...) • Work Supplies (tools and materials...) • Professional Fees (accountant, legal...) • Management and Administration • Rent (other than home office) • Repairs and Maintenance (equipment...) • Salaries, Wages and Benefits • Property Taxes (commercial) • Travel Expenses • Utilities (plus cell phone and internet) • Fuel Costs (except for motor vehicles) • Delivery, Freight and Express • Sub Contractors • Training and Conventions
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Vehicle Expenses	<ul style="list-style-type: none"> • Gasoline, Oil • Repairs and Maintenance • Insurance Premiums • Licence and Registration • Interest Fees • Leasing Fees
Home Office Expenses	<ul style="list-style-type: none"> • Heating • Electricity • Insurance • Repairs and Maintenance • Rent • Mortgage Interests • Property Taxes • Condo Fees
Fixed Assets	<ul style="list-style-type: none"> • Equipment • Computers, Printers... • Cell Phone, iPad, Tablet... • Furniture • Reference Books

Bookkeeping for the Self-Employed Versus Incorporations

One thing that is common between the two is the need to have separate bank accounts. This means that business transactions **should not** be mixed with personal transactions.

The self-employed often start with one account for both but this creates a lot of confusion along the way. If you don't have a separate account yet, we strongly recommend you get one as soon as possible.

Incorporations typically open a new business account when they get started but if you are incorporated and you haven't done that yet, get it done right away.

There are major differences between how a self-employed small business owner and an incorporated small business owner have to do their bookkeeping.



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We've identified the bookkeeping differences between the self-employed and incorporations.

Self-Employed	Incorporation
<p>Can group invoices and receipts and do one monthly total by category.</p> <p>However, businesses that have very few expenses, can choose to enter each transaction as they go along.</p>	<p>Must track every transaction, one by one.</p>
<p>For reporting, an Income Statement is sufficient. Our SB Quick Start Bookkeeping Software produces one automatically. You can refer to it to prepare your income tax or give to your accountant at the end of the year.</p>	<p>Must hire an accountant to prepare full financial reports for the company.</p>
<p>Fiscal year is always a calendar year, from January 1st to December 31st.</p>	<p>The company can choose the fiscal year of their choice, it doesn't have to be from January 1st to December 31st.</p>

As far as expenses, the two are very similar. One of the differences is with the vehicle expenses.

Vehicle Expenses

Self-Employed	Incorporation
<p>Keeps track of all vehicle expenses throughout the year and claims a percentage at the end of the year.</p> <p>The percentage is based on the business use.</p>	<p>Keeps track of all business kilometres and gets to claim a specified rate per kilometre travelled.</p>



Bookkeeping for Incorporations

To get started with your bookkeeping, the first step is to organize your invoices and receipts. Organize them by categories as displayed above. For Incorporations, every transaction has to be entered, one at a time.

The CM12 Bookkeeping Tool we currently have is for monthly entries. This is one of the reasons we decided to revamp the CM12. We had a lot of requests from small business owners that are incorporated. The new **SB Quick Start Bookkeeping Software** will allow for single entry transactions.

If you would like to be notified when the **SB Quick Start Bookkeeping Software** is released, click on the link below, enter your information and click on "Let Me Know When It Is Ready."

[Notification Link](#)

Bookkeeping for the Self-Employed

Time to start your bookkeeping.

Not Registered to GST/HST – Multiple Months Totals

This example covers how you will do your bookkeeping when you have more than one month to do and you are **not** registered to the GST/HST.

Let's say we are in the middle of June and I have not done any bookkeeping yet.

Here is the list of revenue invoices I have for January to May.

<p>Revenue Invoices – January to May</p>	<ul style="list-style-type: none"> • January \$100 and \$200 • February \$500 + \$150 • March \$1,000 + \$200 • April \$400 + \$1,000 • May \$400 + \$500 <p>I add them up and it gives me a total of \$4,450. And that's it, I now have my total revenues for January to May.</p>
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Here is the list of expense receipts I have for January to May.

<p>Expense Receipts – January to May</p>	<ul style="list-style-type: none"> • Jan - Business cards \$ 125 ¹ • Jan - Advertising \$200 ¹ • Jan - Staples – Paper \$50 ² • Jan - Walmart – Misc. office supplies \$80 ² • Jan - Staples – Agenda \$20 ² • Feb – Staples – Ink \$30 ² • Mar – Advertising \$250 ¹ • May – Walmart – Misc. office supplies \$100 ² <p>First I have to separate them by sub-category. This is done because at the end of the year, I will need the total per sub-category.</p> <p>The business cards and advertising go in ¹Publicity and Promotions. I add them up and it gives me a total of \$575.</p> <p>The other receipts will go in ²Office Supplies. I add them up and it gives me a total of \$280.</p> <p>For now, all I am looking for is the total expenses in the General Expenses category which is $\\$575 + \\$280 = \\$855$. I now have my total General Expenses for January to May.</p>
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And that is how you do a total for multiple months. You do the same for Vehicle Expenses, Home Office Expenses and Fixed Assets as needed, depending on whether or not you claim those expenses.

This method is good when you need to catch up, but it should not be done this way all the time. Playing catch up all the time means you are not aware of the “Money In and Money Out” for your business. We have seen way too many small business owners lose their lifelong dream. They knew their business inside out, except for the day-to-day transactions, and because they only did their bookkeeping at the end of the year, it was often too late to fix anything.

If you need somewhere to enter your totals right now, we created a super-simple spreadsheet for you.



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To get your FREE copy, click on the link below.

[Link to FREE copy](#)

This is the first step to getting your bookkeeping started.

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You will not have to wait too long; the release is expected by August 2020! A sneak preview of the software is included at the end of this document.

Registered to GST/HST / Annual Reporting / Multiple Months Totals

This example covers how you will do your bookkeeping when you have more than one month to do and you are **registered** to the GST/HST – Annual Reporting. For this example, I am using the 2020 Ontario tax rate of 13%.

Let's say we are in the middle of June and I have not done any bookkeeping yet.



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Here is the list of revenue invoices I have for January to May.

<p>Revenue Invoices – January to May</p>	<ul style="list-style-type: none"> • January \$113 and \$226 • February \$565 + \$169.50 • March \$1,130 + \$226 • April \$452 + \$1,130 • May \$452 + \$565 <p>I add them up and it gives me a total of \$5028.50. Since I am registered to the GST/HST, I have to get the total before tax. It comes to \$4,450 before tax and \$578.50 for the HST. And that's it, I now have my total revenues for January to May.</p>
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Here is the list of expense receipts I have for January to May.

<p>Expense Receipts – January to May</p>	<ul style="list-style-type: none"> • Jan - Business cards \$141.25 ¹ • Jan - Advertising \$226 ¹ • Jan - Staples – Paper \$56.50 ² • Jan - Walmart – Misc. office supplies \$90.40 ² • Jan - Staples – Agenda \$22.60 ² • Feb – Staples – Ink \$33.90 ² • Mar – Advertising \$282.50 ¹ • May – Walmart – Misc. office supplies \$113 ² <p>First I have to separate them by sub-category. This is done because at the end of the year, I will need the total per sub-category.</p> <p>The business cards and advertising go in ¹Publicity and Promotions. I add them up and it gives me a total of \$649.75 Since I am registered to the GST/HST, I have to get the total before tax. It comes to \$575 before tax and \$74.75 for the HST.</p> <p>The other receipts will go in ²Office Supplies. I add them up and it gives me a total of \$316.40 Since I am registered to the GST/HST, I have to get the total before tax. IT comes to \$280 before tax and \$36.40 for the HST.</p> <p>For now, all I am looking for is the total expenses in the General Expenses category which is \$575 + \$280 = \$855 and \$74.75 + \$36.40 = \$111.15 GST/HST. I now have my total General Expenses for January to May.</p>
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And that is how you do totals for multiple months. You do the same for Vehicle Expenses, Home Office Expenses and Fixed Assets as needed, depending on whether or not you claim those expenses.

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Select Category		Revenue / Expense Totals									
Transaction Entry		Revenues		General Expenses		Vehicle Expenses		Home Office Expenses		Fixed Assets	
Sub-Total		Sub-Total	0.00	Sub-Total	0.00	Sub-Total	0.00	Sub-Total	0.00	Sub-Total	0.00
GST / HST		GST / HST	0.00	GST / HST	0.00	GST / HST	0.00	GST / HST	0.00	GST / HST	0.00
PST		PST	0.00	PST	0.00	PST	0.00	PST	0.00	PST	0.00
Total	0.00	Total	0.00	Total	0.00	Total	0.00	Total	0.00	Total	0.00

Category	Sub-Total	GST/HST	PST	Total

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Sneak Preview of the SB Quick Start Bookkeeping Software

Overview

Here is what the **Main Menu** page looks like. You only enter the data once and the software does the rest.

Summaries and reports make it super easy to find the transactions you have entered, and you can make any modifications you need to do, anytime at all.

You download the software on **YOUR** PC/laptop and there are **no monthly fees**. We don't want to delay the release, it will first be available as an Excel file only, we will announce when it is ready for Google Sheets and Apple Numbers later.

User Guide

We created an easy to follow user guide that takes you through each tab.

Below you will find a quick description of each part of the **Main Menu**.

There are only 2 sections for data entry:

❖ Main Menu

- GST/HST Registration
- GST/HST and PST Rates
- Home Office Square Footage

❖ Data Entry

- Transaction Entries
- Business Trips
- My Notes
- Multiple Payments



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The **Tax Calculator** in **Tools and Reports** is also accessible on the **Data Entry** pages.

All the other sections are designed to help you keep an eye on the day-to-day business transactions. All the calculations are done for you.

You get easy access to monthly summaries and you can export any of the transaction details. The reports are live, which means that they show everything that has been entered to date.

GST/HST Registration Options and Rates

If you select **Not Registered**, the GST/HST and PST Rates section will be hidden. If you decide to register at some point during the year, simply click on **Registered** and all the functionalities will be available for you.

If you are registered and using the **Quick Method**, you will select **Not Registered** and all the calculations for your GST/HST payments are calculated automatically for you. All you have to do is look at the **Quick Method** Report.

Home Office Square Footage – If Applicable

If you are going to be claiming home office expenses, this is where you enter the square footage of your home office.

Data Entry

This is where all your transactions will be entered. You have the option to enter revenues and expenses, business trip details, track the multiple payments (if applicable) and enter notes that will help you or your accountant when it's time to do your income tax at the end of the year.

Monthly Summaries

This is where you go to see the totals by month and the total by sub-categories.

Export Transaction Details

There are times when more details are needed, or you are looking for specific transactions. Everyone's needs are different. We created these export categories to allow you to export data so you can find what you need faster or group the transactions as needed.

Tools and Reports

In this section, you will find a **Tax Calculator** (it uses the rates entered on the **Main Menu**), and access to reports: **Income Statement, Quarterly Results, Quick Method** and **GST/HST PST** (which has no data if you are not registered).