

Administration for Beginning Entrepreneurs



Why is Bookkeeping Important?

The importance of bookkeeping cannot be overemphasized, as it is a vital part of the overall success of any business—both large or small.

Reasons Why Bookkeeping is Important:

1. Fulfillment of Tax Obligations
2. Better Financial Analysis and Management
3. Reporting to Investors is Easy
4. Keep Investors in the Know
5. Save Time and Stay Organized
6. Plan Ahead
7. The Law Requires It



How to Do It Yourself



Bookkeeping in 7 steps

1. Separate your business and personal expenses
2. Choose a bookkeeping system
3. Choose an accounting method
4. Categorize your transactions
5. Organize and store your documents
6. Organize potential deductions
7. Make it a habit

Role of an Accountant

An accountant performs financial functions related to the collection, accuracy, recording, analysis and presentation of a business, organization or company's financial operations.

The duties of an accountant can include any of the following:

- Compiling financial statements
- Performing financial calculations
- Reporting on financial performance
- Analyzing financial data
- Assisting with the preparation of budgets
- Giving financial advice



Outsourcing

Reasons why outsourcing is beneficial to start-ups:

1. Save money
2. Save time
3. Can expect efficient and effective output
4. Improve your company focus
5. Prevent mistakes
6. Third parties can reduce risk
7. Opportunity to scale



**It is important to save your receipts/invoices and file them in chronological order

Financial Statements

Bring receipts/invoices to accountants so financial statements can be made

Why accurate financial statements are important to a business:

1. Financial Transparency
2. Evaluate Tax Liability
3. Mitigate Errors
4. Build Trust
5. Improved Payment Cycles
6. Better Decision Making, Planning, and Forecasting

Each Month


- BBO 1.5%, BAZV 2.0% up to and including July 1, 2018, totaling to 3.5%.
- BBO 1.5%. BAZV 3.0%, BAVP 1.5% as per July 1, 2018, totaling to 6%.
- LB/AOV/AWW if you have employees



Tips

- If you are a sole proprietor (eenmanszaak) and have no employees, you do **not** need to pay LB/AOV/AWW, you will have to pay income tax
- If you have a corporation (VBA/NV), you will need to pay LB/AOV/AWW for your employees
- Make a simple business plan to show an accountant or another financial specialist
- Keep fixed expenses low!
- Budget for marketing
- Be aware of and analyze your competitors
- Challenge yourself
- Take the risk
- Learn from mistakes





If you are interested in more information
and/or free advice, please come see us