



## Some Small Businesses Are Recovering. Is Yours?

June 2021

*The COVID-19 pandemic isn't over, but many small businesses are on the upswing. How QuickBooks Online can help if yours isn't.*

Intuit recently did a survey documenting the financial losses that many small businesses had experienced since March 2020. Not surprisingly, the report, *Intuit QuickBooks Small Business Recovery*, found that COVID-19 has had a significant impact on the financial health of U.S. small businesses.

But many of the companies surveyed have proved to be resilient. As of March 31, 2021, 61 percent of them saw an annual revenue increase compared to pre-COVID days.

How would you have answered the survey? If indeed you did suffer financial and personnel losses because of the pandemic, has your business started to rebound yet? If not, there are actions you can take in QuickBooks Online to help in your recovery. Here are some of them.

### Transactions: Watch your income and expenses like a hawk.

A screenshot of the QuickBooks Online transaction entry form. The form is displayed on a light blue background with a torn paper effect on the right side. At the top left, there is a checkbox and the date '04/07/2021'. At the top right, the vendor 'USPS' is listed. Below this, there are three radio buttons: 'Categorize' (selected), 'Find match', and 'Record as transfer'. Underneath, there are two dropdown menus: 'Vendor/Customer' with 'USPS' selected, and 'Category \*' with 'Delivery Fee' selected. To the right of the category dropdown is a link for 'Split transaction'. At the bottom, there is a 'Tags' section with a search bar containing the tag 'Overhead' and a prompt 'Start typing to add a tag'. A link for 'Manage tags' is also visible.

*QuickBooks Online provides excellent transaction-tracking tools that help you document income and expenses.*

How much time do you spend working with your downloaded transactions? If you take advantage of the excellent tools QuickBooks Online provides, you may notice patterns that you'll want to explore and modify. For example, are you spending too much in one or more particular areas? When and where is your income dipping?

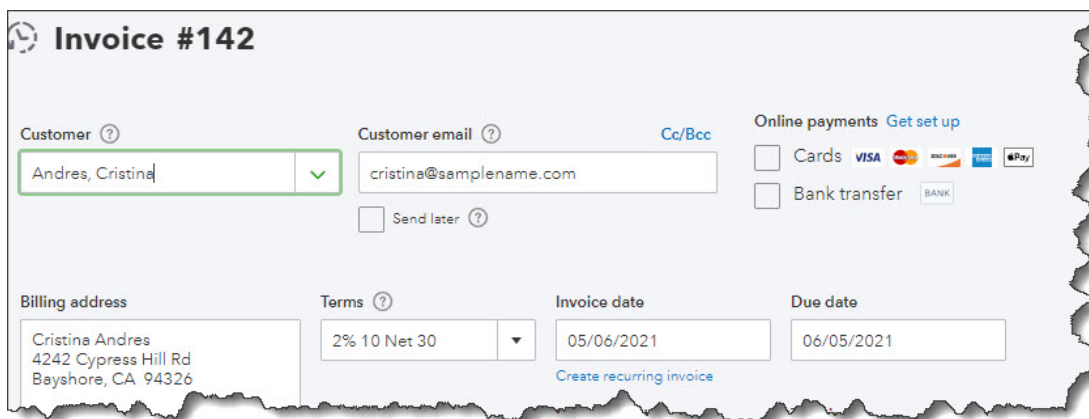
It's critical that you connect to as many online financial institutions as possible, so you get a complete picture of your income and expenses. Once you have, click on **Transactions** in the toolbar, which should open to the **Banking** page. If you're only going there to make sure there are no unrecognized entries, you're missing out on some of QuickBooks Online's transaction-tracking tools. In the image above, we've specified a vendor and chosen a **Category** and **Tags**. This will make your reports more meaningful and actionable.

If you don't know what it means to **Find Match**, we can show you how that works. It's a real time saver.

### **Sales: Make it easier for customers to pay you.**

We've written about accepting online payments in this column before. It's especially important if you're struggling. You may actually be losing sales if you don't let potential customers pay online through a credit card or bank account transfer. And existing customers may pay faster if they can do business with you in that way.

[QuickBooks Payments](#) makes this possible. There are some nominal fees involved, but the potential increase in your income should more than cover them. Let us know if you want us to help you set up a merchant account.





**Invoice #142**

Customer <sup>?</sup> Andres, Cristina  Cc/Bcc

Customer email <sup>?</sup> cristina@samplename.com

Online payments [Get set up](#)

Cards 

Bank transfer 

Send later <sup>?</sup>

Billing address

Cristina Andres  
4242 Cypress Hill Rd  
Bayshore, CA 94326

Terms <sup>?</sup> 2% 10 Net 30

Invoice date 05/06/2021 [Create recurring invoice](#)

Due date 06/05/2021

*When you set up a merchant account through **QuickBooks Payments**, you may find that your customer base will grow, and existing customers will pay faster.*

### **Expenses: Categorize expenses with tax time in mind.**

You've probably already filed your 2020 income taxes, but we're well into 2021, and it's not too early to start thinking about your current tax situation. QuickBooks Online helps you track your income carefully, but it's equally important to make sure you know what your tax-related expenses are. You want to get every deduction and credit you can. So, when you're looking at transactions, like we described above, make very certain that you're assigning the correct categories to each of them.

We can help you run reports on a quarterly basis that should be of help when you make estimated tax payments. That way, you may be able to reduce your quarterly obligation during the 2021 tax year and won't have to wait until you file in 2022 to see savings.

### **Time: Make sure your billable hours are billed.**

Unless you have an organized, easy-to-use method for tracking billable time, some hours are likely to fall between the cracks. QuickBooks Online provides effective tools in this area. As you go through your downloaded transactions, you may see expenses that can be billed to a customer. Select the **Customer/project** and check the **Billable** box so you'll be able to include it on their next invoice.

The image shows a screenshot of a transaction entry form in QuickBooks Online. The form has a light blue background and a torn-edge effect. It contains the following elements: a 'Vendor/Customer' dropdown menu with 'Supply City' selected; a 'Category' dropdown menu with 'Office Supplies' selected; a 'Split transaction' link in purple; a 'Customer/project' dropdown menu with 'Blackwell, Edward' selected; and a 'Billable' checkbox which is checked with a green checkmark.

You can mark expenses as billable to customers in your **Transactions** register.

As you create time entries for you and/or your employees, you can also mark those hours as billable.

### **Reports: Run basic, critical reports regularly.**

You can't know how your business is doing financially unless you create reports. Besides the quarterly and standard financial reports, we can run and analyze for you, you can—and should—be generating reports yourself through QuickBooks Online. Here are some of the ones we suggest:

- **Budget vs. Actuals.** If you've put the time and effort into creating a budget, it's critical that you gauge your progress regularly and make adjustments as needed.
- **Open Invoices.** Who have you billed that hasn't paid?
- **Accounts Receivable Aging Detail.** Who owes you, and how far behind are they?
- **Sales by Product/Service Detail.** What is selling well and what isn't? You can make decisions about your product and service lines by viewing this report. This is especially important when your sales are sluggish.
- **Business Snapshot.** This is a series of charts and lists that provides a quick visual overview of key data.

QuickBooks Online can't, of course, revive your business if the pandemic has created conditions that are out of your control. But that shouldn't stop you from controlling what you can, no matter what your situation is. It was designed not only to automate and streamline your daily accounting work, but also to provide the information you need as you evaluate your present situation and plan for the future. Please call on us if you need help making optimal use of QuickBooks Online.

### **SOCIAL MEDIA POSTS**

Are you struggling in the current business atmosphere? QuickBooks Online can help you identify financial problem areas.

Do you carefully scrutinize and categorize the transactions that QuickBooks Online has imported? It's important for many reasons. Ask us.

Are you invoicing your customers for all billable time and expenses? QuickBooks Online can help you capture all of them.

You can attract new customers and please existing ones by allowing online payments. We can help you get set up with a merchant account.