

## Preparing for your Accountant

Whether we are producing your accounts or carrying out your annual audit, being prepared for us will ensure our work is carried out smoothly and efficiently and with the minimum disruption to yourselves.

You may also be able to help by preparing some of the routine schedules for us. This will mean our time can be better spent advising you on the running of your business.

We highlight below many of the ways in which you can help.

It is however important for you to discuss these ideas with us since all of the suggestions may not be applicable.

### Setting the Scene

#### Keeping us informed

We will be better prepared ourselves if we know of any changes within your business that could affect our work. These could include changes in your:

- product or market
- business strategy eg pricing policy
- bookkeeping system
- key personnel.

#### What we need

If you know what information we need to be able to complete our work, you can make sure it is available.

We can decide together what you can prepare for us, and what we will need to prepare for ourselves.

Better communication between us will help to minimise misunderstandings and avoid unnecessary work.

#### Timetable

We need to agree a suitable timetable in advance. This gives us both a chance to be properly prepared.

However, if you find yourself behind schedule let us know as soon as possible so that the timetable can be rearranged if necessary.

### How you can help

#### Books and records

Setting up and maintaining your books in an organised manner will help us to extract quickly and easily the information needed to prepare or audit your accounts. It will also enable you to see at a glance the state of your business.

Consideration of the following points may improve the organisation of your records:

- totalling and balancing your books at regular intervals will help you spot and correct any mistakes
- analysing your payments and receipts so that information can be easily extracted
- filing your invoices in a logical order (numerical, alphabetical or date) to make it easy to find any one of them.

**Bishop Fleming** has been serving the South West for over 90 years.

We're wholly committed to providing businesses and individual clients with the full range of pro-active support and advice.

Our specialist teams include some of the region's top experts in wealth management, corporate finance, business recovery and insolvency, business tax, payroll services, forensic and litigation support, VAT advice, and of course audit assurance and accounts.

## Bishop Fleming Factsheets

Capital Taxes

Corporate and Business Tax

Employment Issues (Tax)

Employment Related Matters

### General Business

ICT

Pensions

Personal Tax

Specialist Areas

Starting Up In Business

VAT

## Procedures

By establishing and maintaining certain procedures, you will be able to keep a better control over your records and your business. It will also mean we can cut down on the work we need to do which may save you some money.

We can help you set up these procedures initially and once established you will be able to carry them out yourself. These procedures will include control accounts, reconciliations and stocktaking.

## Control accounts

Control accounts record the movements of cash, debtors and creditors by using the monthly totals from your cashbook and sales and purchases summaries.

The cash control account will show how much cash the business has at the end of each month.

The debtors or sales ledger control account will show how much your customers owe you at the end of each month.

The creditors or purchase ledger control account will show how much you owe your suppliers at the end of each month.

## Reconciliations

Reconciliations help to ensure that the figures in your books are complete and accurate. Therefore if produced on a regular basis they will help you spot any errors which can then be corrected before we examine your records. Some of the records that will need reconciling are:

- bank accounts
- control accounts
- suppliers' statements.

## Stocktake

If your business carries any stock, you will need to count it at least once a year. To ensure that the count is carried out efficiently and accurately you should consider the following points:

- stock items should be stored neatly and logically to make counting easier
- all staff involved in counting should be given clear instructions
- try to minimise the movement of stock during the count. If possible deliveries in and out should be withheld until the counting has finished
- spot checks should be performed during the count.

If you hold large amounts of stock, we may need to attend the stocktake and perform our own checks.

## Schedules

There are a number of schedules that have to be produced so the accounts can be prepared and/or audited. We can prepare all of these schedules ourselves, but if you were to produce them, it would save time and money.

You may wish to consider the preparation of some of the following schedules:

- a detailed list of additions and disposals of fixed assets with a copy of the appropriate sales and purchase invoices attached
- schedules showing each item of stock held, the quantity, unit value and total value. Indicate any stock

items which are old or damaged

- a list of your debtors at the year-end including how much they owe you and how long they have been outstanding. Indicate any which are unlikely to pay you
- a schedule of all bank and cash balances at the year end, together with all the bank statements for each bank account
- a list of creditors that should include HMRC as well as the usual business suppliers.

Not all of these schedules will be applicable to your business and therefore before doing anything you may wish to discuss this with us.

## How we can help

There are undoubtedly many advantages to be gained if you are better prepared before we commence our work.

We will be able to complete our work in less time. This will mean less disruption to you and your staff. In addition, we will be better placed to provide you with useful and constructive advice regarding the development of your business.

However, perhaps the most rewarding of all these advantages will be the fact that your books and records will provide you with more useful information, helping you to make better-informed business decisions.

If you would like to discuss these procedures any further or would like us to provide further assistance with your monthly or quarterly accounts please contact us.

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