Recordkeeping for Small Businesses
Bay Area Development Company

- Licensed and regulated by the U.S. Small Business Administration (SBA) as a Certified Development Company (CDC) and 504 lender.
- 504 loans help companies finance commercial real estate at below market fixed rates with low down payments and long terms
- As one of the top twenty of over 300 SBA 504 lenders nationwide
  - Assisted more than 2,200 companies with 504 financing
  - Provided over $4 billion of 504 project financing
  - Helped create more than 20,000 new jobs
Thank You to Our Sponsors

City of Oakland

www.oaklandbusinesscenter.com
We are the premier provider of Business Advisory Services to the small business community.

Our mission is to create economic opportunity by empowering entrepreneurs.
Our Services

Free One-on-One Consulting

Free & Low Cost Seminars
# Seminar Examples

<table>
<thead>
<tr>
<th>Access to Capital</th>
<th>Successful Business Plans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Starting a Business</td>
<td>Meet the Lenders</td>
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<tr>
<td>Social Media</td>
<td>Government Contracts</td>
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<tr>
<td>Marketing</td>
<td>Law for Entrepreneurs</td>
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<td>Worker Owned Businesses</td>
<td>Buying a Business</td>
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<tr>
<td>Starting a Restaurant</td>
<td>Crowdfunding and Alternatives</td>
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<tr>
<td>Starting a Food Business</td>
<td>How to Pitch Your Company</td>
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<td>Finding Your Core Customer</td>
<td>Exporting</td>
</tr>
<tr>
<td>Website Development</td>
<td>Home Based Businesses</td>
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</table>
ACSBDC Consultants

Cynthia Mackey
Social Media

Deagon Williams
Food & Restaurants

David Bokash
Business Technology

Ron Barrett
Loans

Paula Mattisonsierra
Retail

Mari Lovalvo
Human Resources

David Mitroff
Social Media

Ed Duarte
Construction
ACSBDC Consultants (cont’d)

Tom Yeh
Strategy

Paul Bozzo
Equity Funding

Dorian Webb
Operations

Mary Passarella
Accounting

Bob Komoto
Export/Import

Tom Camerato
Financial Modeling
To Register for One-on-One Counseling

www.acsbdc.org
Our Client Results

2016 TOTAL CAPITAL INFUSION:
$30.3 M
$10.0 M

2016 INCREASED SALES:
$9.5 M
$17.0 M

2016 JOBS Created/Retained:
437
390
To Obtain a Copy of Today’s Presentation

www.acsbdc.org/handouts
Topics

• Accounting Terms
• Purpose of Bookkeeping
• Purpose of Budgeting
• Purpose of Financial Reports
• Accounting Support
Accounting/Bookkeeping Terms

• Cash -vs- Accrual Accounting
• Financial, Tax, and Cost Accounting
• Computerized Accounting Systems:
  • Peachtree
  • MYOB
  • Quicken
  • QuickBooks
  • etc.
# Cash Accounting

<table>
<thead>
<tr>
<th></th>
<th>January</th>
<th>February</th>
<th>March</th>
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<tbody>
<tr>
<td>Sales</td>
<td>50</td>
<td>100</td>
<td>175</td>
</tr>
<tr>
<td>Expense</td>
<td>25</td>
<td>50</td>
<td>275</td>
</tr>
<tr>
<td>Profit</td>
<td>25</td>
<td>50</td>
<td>-100</td>
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</table>
### Accrual Accounting

<table>
<thead>
<tr>
<th></th>
<th>January</th>
<th>February</th>
<th>March</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>100</td>
<td>150</td>
<td>200</td>
</tr>
<tr>
<td>Expense</td>
<td>100</td>
<td>125</td>
<td>175</td>
</tr>
<tr>
<td>Profit</td>
<td>0</td>
<td>25</td>
<td>25</td>
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</tbody>
</table>
Accounting/Bookkeeping Terms

- Cash -vs- Accrual Accounting
- Financial, Tax, and Cost Accounting
- Computerized Accounting Systems:
  - Peachtree
  - MYOB
  - Quicken
  - QuickBooks
  - etc.
Purpose of Bookkeeping

- Importance of Proper Bookkeeping
- Bookkeeping Process & Data flow
Accounts Receivable Process & Data Flow

Completed Workorders Arrive
Accounts Receivable Process & Data Flow (cont.)

Cash Receipts Arrive

Cash Receipts are Prepared for Deposit

$$$
Accounts Payable
Process & Data Flow (cont.)

Bills Arrive
Accounts Payable
Process & Data Flow (cont.)

New Cash Cycle Begins

Cash cycle analysis is performed
Payroll Process & Data Flow

Pay Period Ends
Bank Reconciliation Process & Data Flow

If Not OK

If OK
Purpose of Budgeting

- Importance of Budgeting
- Budgeting Techniques
  - Zero Based Budgeting
  - Historical Budgeting
Zero Based Budgeting

<table>
<thead>
<tr>
<th>Category</th>
<th>Calculation</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Sales</td>
<td>100 x $100 =</td>
<td>10,000</td>
</tr>
<tr>
<td></td>
<td>100 x $50 =</td>
<td>5,000</td>
</tr>
<tr>
<td>COGS</td>
<td>4 x $250 =</td>
<td>1,000</td>
</tr>
<tr>
<td>M&amp;S</td>
<td>5000 x $.10 =</td>
<td>500</td>
</tr>
<tr>
<td>N/I</td>
<td></td>
<td>$3,500</td>
</tr>
<tr>
<td>G&amp;A</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Purpose of Budgeting

• Importance of Budgeting
• Budgeting Techniques
  - Zero Based Budgeting
  - Historical Budgeting
Industry Statistic Resources

Local Public Library
Business Information Center Library
www.bizstats.com (Free service)
www.bizminers.com (Paid service)
Purpose of Financial Reports

• Balance Sheet
• Profit and Loss / Income and Expense
  - Actual -vs- Last Period/Year
  - Actual -vs- Budget
  - Actual -vs- Year-to-date %
• Statement of Cash Flows
• Accounts Receivable
• Accounts Payable
• Cash Flow Forecast
Accounting Support

- CPA/ Tax Support
- Financial Accounting/ Bookkeeping Support
- Payroll Service
QUESTIONS?

workshops@hilliardmg.com

“Like us on Facebook, Endorse us on LinkedIn, or Rate us on Yelp"