

## Bookkeeping

[Bookkeeping](#) services are the fundamental way a business keeps its books clean and up to date. There are rules that need to be followed and business owners are under obligation from the government to ensure that the company financial records are accurate and complete. Failure to maintain adequate records through established bookkeeping procedures can lead to serious consequences.

Inadequate bookkeeping will have a negative effect on the performance of your business. As a worse case scenario, poor records can even lead to the complete failure of your business and possible bankruptcy. Poor bookkeeping practices are perceived by others as indicative of an unstable business.

Other difficulties can arise from poor bookkeeping practices. Loans may be denied because of poor records and the bank's being unconvinced that your business is a good candidate for a loan. Potential investors in your business will be frightened away as will businesses you wish to have a credit arrangement with. If you are trying to cut business costs by saving money in the bookkeeping department you're cutting costs in the wrong place.

All of the problems associated with poor bookkeeping can be avoided by ensuring that your bookkeeping procedures are professional. Your own bookkeeper or the services of a bookkeeping company will keep your business above suspicion and provide a positive image to those who are considering extending you credit or investing in your company. Accurate records will also keep you informed as to how your business is progressing.

The Income Tax Assessment act requires that bookkeepers be either a registered tax agent or working under the authority of a registered tax agent. These regulations are in place to prevent theft in office, tax evasion, and other financial crimes.

Hiring a bookkeeper who is a member of ATMA ( Association of Taxation and Management Accountants ) and registered as a Certified Bookkeeper is one way to ensure professional bookkeeping. A member will adhere to ATO legislation and keep your business out of tax and legal difficulties.

## About the Author

[Qualified Bookkeeping](#) is a Brisbane based bookkeeping company servicing small and medium businesses.

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