

FACT SHEET: Why you need an Accountant AND an ICNZB Bookkeeper

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HOW MANY FINANCIAL EXPERTS DO YOU NEED IN YOUR BUSINESS? THE ANSWER MIGHT SURPRISE YOU. FIND OUT WHAT YOU NEED AN ACCOUNTANT AND A BOOKKEEPER HERE.

The roles that an Accountant and a Bookkeeper play in a small business are often confused. People assume that one of the two can cover everything you need, but that's not quite true. Each has specific skills.

If you run a small business and you have a limited budget for taking on staff or contractors, then you might be questioning whether you need an Accountant and an ICNZB Bookkeeper, or even either of them.

Let's answer that question once and for all! Read on to see how an Accountant AND an ICNZB Bookkeeper can help you with your business.

Why you need an accountant AND an ICNZB Bookkeeper

Outsourcing Your Finances

While it is possible to handle all your finances yourself, it's not recommended.

For one, if you are not proficient with accounting and the associated software, there is a high chance you might get something wrong which could cause you problems at tax time. And, every moment you spend wrangling balance sheets or columns of figures is time you aren't spending on doing other things in your business.



Outsourcing these tasks to a professional is the best move for your business. But, who should you outsource what to? Should a Bookkeeper or an Accountant take the reigns?

Let's find out...

What does an Accountant do?

An Accountant's main job is to handle the high-level elements of your finances. A big part is making sure all your returns and records are in order when it comes to tax time. They will help you file your tax return at the end of the financial year and also help to file any other necessary returns such as GST or FBT returns.

Using an Accountant for your tax return gives you peace of mind that your returns are all in order and that you won't be paying more tax than you need to.

But, your Accountant won't only help at tax time. Most will also assist you with financial advice about your business. They can help with things like setting up the right structure for your business in the early stages (or alterations later on), looking at profit and loss, forecasting performance, and analysing your figures regularly.

But they do not do all the nitty-gritty of your record keeping.

Enter an ICNZB Bookkeeper!

What does an ICNZB Bookkeeper do?

An ICNZB Bookkeeper is much more involved in the day-to-day running of your business. A Bookkeeper helps you to do a range of tasks including:

- Recording transactions accurately when money comes into or goes out of your company account

- preferably in an online accounting system such as Xero or MYOB

- Reconciling bank statements every month to ensure all transactions match
- Preparing financial reports, including profit and loss statements, balance sheets and cash flow statements
- Handling accounts receivable to ensure invoices are sent out on time and payments are made
- Handling accounts payable to ensure your business is paying its bills on time
- Managing payroll
- Filing GST returns

Your ICNZB Bookkeeper will become an integral part of your business, ensuring that you have accurate information when you need it.

Why you need both an ICNZB Bookkeeper AND an Accountant

Now that you know what each financial expert does, it makes sense that you need both in your business.

Having an Accountant will help you at specific times - when you file your tax return or need high-level financial reporting or advice. And, an ICNZB Bookkeeper will help you continuously by keeping on top of your finances.

While cloud accounting has made it easier for small business owners to do their own record keeping, taking on an ICNZB Bookkeeper who belongs to a recognized professional body gives you (and your Accountant) peace of mind that when it comes to tax time, all of your financial information is accurate and in the right place. Because Bookkeepers tend to keep more detailed records than a business owner might think to, it can help your Accountant get a clearer overall picture of how your business is operating.

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Having an ICNZB Bookkeeper prepare your day-to-day records can save you money also! When your ICNZB Bookkeeper handles your transactions, it can make your Accountant's bills lower because everything they need will be correct and in place, making their job easier.

Choosing The Right ICNZB Bookkeeper

If you think that engaging an ICNZB Bookkeeper for your business sounds like a good idea, then you want to make sure you choose one that is competent, reliable and efficient.

Choosing a Bookkeeper from the Institute of Certified NZ Bookkeepers means you are partnering with someone who works to the highest standards and belongs to a professionally recognized body. ICNZB holds Approved Advisor Group status with Inland Revenue which means members are required to strictly follow our Code of Ethical Conduct and maintain continued professional development. This also allows ICNZB members to be able to claim the right of non-disclosure for their clients.

Get your business finances straight today by picking the right Accountant and an ICNZB Bookkeeper. Search our Find a Bookkeeper directory to find options in your local area.

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