

## BOOKS

After the bank statements, these are next in line if you should be audited and must be clean.

### TRANSFERS:

ALWAYS LABEL TRANSFERS between company accounts (ex. savings to checking, checking to savings ) AS A "TRANSFER TO" OR "TRANSFER FROM" IN THE ACCOUNT REGISTER.

### MEAL EXPENSES:

Must DOCUMENT: Who was there, business acquaintance, what was discussed, time, date  
Overnight stay meals: document business reason for overnight stay. Keep log of overnights.

### Checking Register(s):

At the end of the year, place current register with the bank statements and start a new register.

Categories ENTER IRS accepted CATEGORIES on the memo line from the LIST-ask if you need one.

The memo line will either be an Expense, or an Account Payable, or a Transfer to:, or Account Receivable ( loan from the co.).

Deposits: LABEL DEPOSITS AS: Income, or Account Receivable, or Account Payable ( ie, a loan to the co.).

Fees/Int.: Fees and Interest: Remember to ENTER BANKING EXPENSES and interest income in the register, same date as on statement, everytime you get the statement, prior to filing it away.

### Company Charge cards:

Never: NEVER ever ever commingle personal and company purchases. The IRS may disallow your company entity which could cost you dearly. ( N/A for Proprietors )

m  
s  
,  
Either label the statement or the chronologically arraigned charge slips with the correct expense category.

Receipts: In an audit situation, the auditor will ask for a specific document to support a specific check number. Therefore, receipts should always be filed by category and then chronologically - most recent on top. *MAKE SURE TO write check number on receipt.*

Bank Stmt: Banking statements need to have deposits slips and canceled checks ( if any ) attached to the statements. Then file them, again, by date - most recent on top.

By Year: All receipt files and bank statements should be filed by calendar year to support a tax return for a given year.

Auto (&Trans) Employees submit miles logged for business purposes to company for reimbursement. This is the companies receipt on which the date paid and check number is written before filing away.

2003 ex. 

example slip: MILES FOR BUSINESS PURPOSES: _____ x 36.5c PER MILE = _____ FOR MONTH OF: _____ PAID TO EMPLOYEE ON: _____ W/CK# : _____
---