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Service Business builds success A BOOKKEEPING CASE STUDY



To ensure you are going to achieve your business goals it is absolutely crucial you have information at your fingertips when you need it.

That way you can identify superfluous costs and under performing areas quickly and rectify issues before they become major problems. Do you have all the information you need?

The Problem

Recently one of our clients a medium size service business – already a leader in their field – wanted to take their business to an even greater level of profitability. However their previous bookkeeping system hindered management decisions due to:

- Items being incorrectly coded in the General Ledger.
- Results from previous periods being changed due to backdated entries.
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We consulted with the directors and identified:

After thorough discussion with the directors and investigation of associated financial processes we identified a number of areas that were obstacles to creating a more successful business.

Areas of concern we identified were:

- Labour cost overruns on projects.
- Expenses were much greater than thought.
- Despite making a healthy profit the question was “Where is the money”?

Outcomes of our work included:

- Introduction of a time billing system in MYOB enabling the directors to see a daily report on the labour cost expended on each project.
- Reports were created to correctly identify expenses ensuring all costs were taken into account when quoting on projects.
- Created a monthly ‘Snapshot Report’ showing company performance, cash flow position, and cash outlays for investment in capital items.

As a result of these changes the Directors are thrilled at having crucial information available in a timely, accurate and simple format. They said:

“Thanks Ed, We have always measured our KPI’s carefully. Now, by having this information when we need it, we have tapped into new opportunities to improve profitability and make better business decisions.”



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For more information on how to use your bookkeeper to save you time, avoid hassles, and reduce your stress contact **Dedicated Bookkeeping** on **(07) 3871 3333** or visit **www.dedicatedbookkeeping.com.au**