



HOW TO FIX THE

Top Three

Money Blunders

(ALMOST) EVERY ENTREPRENEUR WILL MAKE



Hi Friend!

It takes courage to sort out money messes, especially when it's easier to pretend they don't exist.

But since you found your way here, I know you want to come out of the shoebox full of receipts you've been hiding in and learn 3 super-simple ways to right the ship and bring balance back into your money life.

Guess what? You're not alone! Please don't beat yourself up.

I see these 3 mistakes from business owners all the time. There is absolutely nothing wrong with you if you make one (or all!) of these mistakes. Here's the thing... Unless your parents were accountants or you majored in it at college, no one just naturally became good at managing money.

It's something to learn, with the help of a wise guide, so you can start correcting your mistakes, have ease and peace of mind with your money, and feel confident making choices about your money in the future.

And I'm so thrilled to be that guide for you! My mission in life is to help you feel confident when it comes to your numbers. I want to give you the peace of mind that your numbers are in order so you can get back to doing what you do best!

You may realize you need some guidance and I would love to be that person to help you discover a solution that works for you and is manageable. There is a light at the end of the tunnel and I can get you there. (I'm obsessed with spreadsheets so you don't have to be!)

Click here to schedule a free Discovery Call so we can chat about seeing the light at the end of your tunnel!

Let's get started!

Xo,
Laura

MISTAKE #1

“I’ve been using my personal bank account for business and I can’t keep track of anything. Help!”

This is surprisingly very common, and it’s very easy to fix! If you learn from just one mistake on this list, let it be this one!

It makes life so much easier when you set up a separate bank account for your business, for a number of reasons:

- Quickly see the true number your business has in the bank when you check each morning (you are checking your bank account regularly, right?). Hello, cash flow!
- Reconcile receipts much faster.
- Rapidly spot if there are charges made not by you (Identify theft is not a joke, Jim).
- Oh, and taxes will be easy breezy.

It’s basically Entrepreneur 101!

THE FIX

OPEN A SEPARATE BUSINESS BANK ACCOUNT!

Most financial institutions that you’re already doing business with have business options. (Read: You can most likely open a business checking account at the same place you do your personal banking. It doesn’t get easier than that!)

Go one step further and do these two simple actions to make your business life infinitely less-stressful:

- Take stock of any automated payments that come into/out of your current bank account and make a list of when and on what date.
- Systematically go through and update payment info to have your charges originate in your shiny new business bank account!

PRO TIP

GET CREATIVE WITH MULTIPLE BUSINESS BANK ACCOUNTS!

If you’re an overachiever (or just like things to be really, really simple for yourself and don’t mind doing a little work on the front end to have a stress-free money life for your business), **set up at least 2 bank accounts: one for your regular money management and one for taxes.**

When money comes in, reserve a portion of it for taxes in that separate account and consider it a locked vault until tax time. Trust me, you will thank me for this one!

You could also get creative about other accounts where you may want to allocate your money, like Savings, Owner Profit Share, Necessary Yoga Expenses for Stress Relief, and so on!

MISTAKE #2

“I’ve been using spreadsheets for the last two years and they are so cumbersome to maintain. How can I streamline my money processes?”

I see this one a lot, too.

I worked with a client who was very intimidated by her accounting system. She tried to circumvent using that system by putting in place a spreadsheet to track expenses and income.

The problem with this is that you have to manually update a spreadsheet each time you add a line item to your expenses in or out. It’s nothing more than a digital ledger. It doesn’t tell you anything about your income, late invoices, cash flow, etc.

And if you hate using spreadsheets, why use them! It is no wonder you’re stressed and anxious about money if you’re using not one but two systems that frustrate you! Let’s fix that.

THE FIX

SIGN UP FOR AN ONLINE ACCOUNTING TOOL!

There’s plenty of accounting software that is a piece of cake to operate (or, at least, not such a horrible nightmare that you’d rather use manual spreadsheets instead of your accounting system).

Sign up for an online accounting tool. I know, I’m making it sound simple. I love QuickBooks Online, but there are many options that are simple enough for you to easily manage that are also robust enough to give you the information you need at a glance.

Try Googling things like “accounting software for [my industry]” or “Quickbooks versus Wave [current year]”. Set a timer to do some quick, high-level research and when it goes off, make a selection. Don’t belabor this! If you end up not liking this one, you can pick a new one.

PRO TIP

MAKE A DATE AND SPEND SOME TIME IN YOUR NEW ACCOUNTING SOFTWARE!

First up, link your new business account to that system - just about any system nowadays has the capability to link to your bank account and automatically import in transactions.

Once you have your bank account linked, customize the list of products and services and expenses tailored to your business. Your future self will thank you because you have the list of categories for your business instead of the list the tool suggests-but-really-isn’t-helpful.

MISTAKE #3

“I’ve been consistently making \$10k months, but I can’t seem to keep money in the bank. How can I get visibility into where my money is going?”

Let’s preface this one by saying that cash flow is one of the most complicated money mistakes in a business because there isn’t just one simple fix since the issue could be so many things. But, in general, here is the very first step I’d suggest you take to get unstuck!

I once worked with someone who had no money in the bank and they didn’t know why. They’d have \$20,000 come in one day and didn’t have enough to pay their people the next.

If you’re spending beyond what you bring in or don’t know when money is incoming in relation to money that is outgoing, this mistake may be making your life way messier than it needs to be.

THE FIX

GET THE HIGH-LEVEL LAY OF THE LAND!

Once you have a clear picture, you’ll begin to resolve your cash flow and timing.

- Look at your last 3 months and average what you got in and what went out.
- Try to identify mismatches - ie: when there’s more going out than coming in.
- Make a list / chart of when expenses are billed and when invoices are deposited into your account. This will help you make sure there’s always enough cash in the bank for payments.

PRO TIP

DECIDE WHICH LEVER YOU’RE GOING TO PULL!

Okay, now you’re seeing clearly, which is great! Johnny Nash would be thrilled. **Next, there’s the bigger issue of needing to reserve money.**

See, if you were using a system, you would know you didn’t have the cash to spend so you couldn’t spend it, then you wouldn’t have cash flow problems. Let’s fix that with these two options:

ONE: If your expenses are more than your income, get serious about getting rid of expenses.

TWO: Get serious about bringing more money in.

Either way: Decide which lever you’re going to pull. Reduce expenses or make more money to affect that top line? Commit to doing more of that for at least a quarter!