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CKR Financial Services

monthly journal

HELPING OUR CLIENTS GET AHEAD OF THE COMPETITION

August signals the end of the summer but there are several weeks left still – just enough time to make some very important changes to put your company in the black before the end of the year!

End of Summer Checklist

Does it feel like the year has gotten away from you? It has flown by, but it's not too late to make some changes to put your business back on track before the end of the year. Here's my checklist of items to review:

1-Let's take a look at your Accounts Receivables Aging Report. We've talked about this previously. Who owes you money? How far out does it extend? You may be surprised at some of the names on that list, but don't let that stop you from collecting the money you've already earned! How dare they make you beg for your money. Seriously, if they are over 60 days, give them notice, suspend services, come in heavy-handed so that you don't get stuck without being paid.

2-Review your P&L and Balance Sheet. These are financial reports that show the health of your business. The P&L shows your income, profits, expenses, and losses. Running these reports at this point of the year and breaking it out by month can be a real eye-opener to your progress or challenges. It can inform you to get a

handle on your expenses or to collect those outstanding debts if revenues have been falling. Your Balance Sheet at this point in the year is going to show your progress on loan repayments and if you need to make changes to those arrangements. It may be time for an equipment purchase if the Balance Sheet is healthy.

3-Where are you according to your yearly goals? Did you want to hire another staff member to help with the workload? Those reports we just discussed will show if your company is healthy enough to absorb another salary along with the worker's comp increase and benefits. Were you looking at some building improvements or equipment purchases? It's a good time to look at these things in earnest and see if you need to pivot from your current trajectory to make them happen or whether you will have to push them into next year's budget and then to stay on track with it so those goals can be accomplished.

4-Think about taking some downtime for yourself and your family before school starts. Even if it's just a long

weekend somewhere close by but far enough to get away from work calls. Maybe a trip to Utah or Lake Havasu? Enjoy some time away with friends or family so that you don't burn out at the business that you also love.

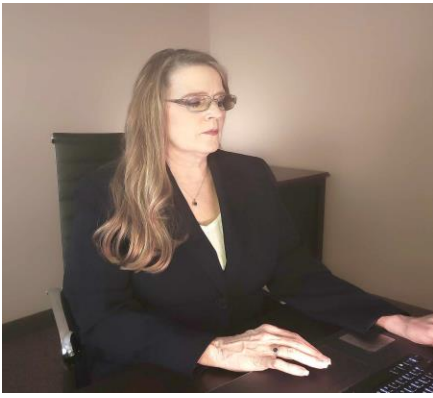
5-This is a great time to review processes. Maybe have a meeting and review what's gone right, what's gone wrong, and how to correct processes so that you can make your operations run more smoothly. By doing this, we've made improvements to our processes. Sometimes it involves software, sometimes it just involves a checklist. But it's good to re-evaluate your processes and see where you can smooth out the pain points both for yourself and for your clients.

6-End-of-Summer is a great time to get the team back on track. Let your team in on your goals so they can operate like a cohesive unit moving towards the same goal. Have a staff meeting to share your vision for where the company is headed. When you are able, as the leader, to make plain the vision of your company, you'd be surprised at the team members who are willing to come alongside and assist rather than just giving them instructions for daily tasks without a long-term goal. What sense would a double pass make in football unless you were told what was going on? Throwing the ball laterally or behind you doesn't make sense, except that it makes perfect sense when you're tricking the opponent to move the ball forward on the second pass. Sometimes, you just have to get your team on your side, and part of that is sharing your vision, which is a perfect activity for your end-of-summer checkup.



HUMAN RESOURCES

Because we process payroll, we often get a lot of questions relating to HR issues. Unfortunately, we are unable to give HR advice as we are not licensed, insured, or credentialed to do so. We pass on information when pay rates change, but that is common knowledge. However, we do offer a fix for your HR needs. HR-On-Demand has an interactive dashboard and also allows you to phone or email unlimited questions to qualified HR professionals and is available for \$95/month. Outsourced HR-a good thing!



PPP, EIDL, ERC...Oh My!!!

Toto, I don't think we're in Kansas anymore! Some of the programs created during the pandemic have gone from Oz to the Emerald City and landed back in Kansas. What now...

During the pandemic, there were a number of programs created to help business owners survive. The most recent is the Employee Retention Credit (ERC). The ERC is a program that refunds a portion of the employment taxes employers paid during the pandemic, within certain guidelines. Unfortunately, anymore these days you can't answer your phone, open your email or listen to the radio without being subjected to a barrage of ads claiming that if you paid employees during the pandemic you are eligible for this credit. This is not always the case and there are a lot of scammers and pop-up companies looking to cut corners claiming they can get you the credit regardless of whether or not you qualify. Oftentimes these companies are only looking to get your financial data to commit identity

theft. A couple important disqualifying items that should be red flags for any business owner looking to use a company to apply for the ERC.

1. All W-2 employees are eligible to receive the ERC. This is incorrect. Owners are not eligible for ERC credits.
2. It doesn't matter if you received either of the PPP loans: You're still eligible. This is misleading. You may still be eligible, BUT you can't receive ERC funds on wages that were claimed for the PPP forgiveness.

Before you sign up with any company to apply for the ERC, do your due diligence.

1. Did you contact them or did they call you?

2. Are they claiming CPAs and other tax professionals don't understand the nuances of the ERC credit and only THEY can get you the biggest credit?
3. Are they requiring the fees be paid upfront?

The requirements for the credit has changed several times since it was introduced. The IRS is actively auditing all ERC claims for fraud and you don't want to be out a bunch of money only to have the IRS tell you, you aren't qualified to take the credit. If you haven't yet applied for your ERC, give us a call. We would love to introduce you to our ERC specialists. They understand the law and how to apply it to each situation.

INSPIRATION -

"It's better to look ahead and prepare than to look back and regret."

-Jackie Joyner-Kersey

"The secret of getting ahead is getting started. The secret to getting started is breaking your complex overwhelming tasks into small, manageable tasks and then starting on the first one."

-Mark Twain

"Don't live the same day over and over again and call that a life. Life is about evolving mentally, spiritually, and emotionally."

-GERMANY KENT

Formal education will make you a living; self-education will make you a fortune.

- Jim Rohn

