

# Using Software to Keep Your Micro Business Organized

by Carol Topp, CPA

Keep your micro business organized and on track by using software. Some small business owners find that personal money management software like Microsoft Money or Quicken can work well for record keeping. Although these programs were not designed for business use, they have advantages:

- It frequently comes pre-loaded on new computers
- It may already be familiar software from your personal life.
- It is very intuitive because it looks just like a checkbook register.
- It will generate simple reports showing income and expenses.

Since Money and Quicken were not designed for business use, there are disadvantages:

- It will not create invoices or bill customers.
- It cannot record payroll and payroll taxes.
- It will not add sales tax to product sales.
- It does not track inventory.

Quicken or Money work well if you are in a service business, especially a one-person operation, as most micro businesses are. There are times when you will need accounting software for small businesses such as Quickbooks or Microsoft Office Accounting. Accounting software works better than personal financial software if you send your customers forms such as invoices, receipts or statements for progress billing, or if you manage inventory. Accounting software can:

- Print checks, pay bills, track sales & expenses
- Reconcile bank accounts
- Create estimates, invoices & reports
- Track employee time and calculate payroll withholding
- Generate reports
- Download credit card & bank transactions
- Track inventory and set reorder points
- Create business plans, budgets & forecasts

Both programs have tutorials and on-line assistance and books such as *Quickbooks For Dummies* can be very helpful. You can also hire someone to set up the software for your particular needs. Knowledgeable Quickbooks experts in your area can be found at <http://proadvisor.intuit.com/referral/>. They will also provide training in how to use the program.

Alternately, Microsoft's Office Accounting Learning Center has newsletters, on-line training and support at <http://office.microsoft.com/en-us/accounting/FX102487691033.aspx>.

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Carol Topp, CPA ([www.CarolToppCPA.com](http://www.CarolToppCPA.com)) consults with small business start-ups, work-at-home moms, and teenagers launching micro businesses. Her website has articles, links and ebooks on starting a small business.