

# THE FINANCIAL EDGE

January 2023



# 2023

## ADJUSTING TO CHANGE

*Personal comments by Mary*

Life seems to breeze by. Christmas was here and then it was gone. In the last 6 months, my backyard was overflowing with overabundant healthy green plants, then the frost killed them. In December we had snow that covered the entire yard for a while. Then today the snow is melted and we have vivid green grass with bare gardens. I am waiting for the snow to come back, it will, just a matter of time.

The weather along with life can be unpredictable and constantly changing, at least here in Green Bay. The best laid plans can go astray. I need to keep reminding myself of that. For along with change comes opportunities. I believe if I slow down and keep an open mind, I will see those opportunities.

**"Finding opportunity is a matter of believing it's there."**

~ Barbara Corcoran

**"If a window of opportunity appears,  
don't pull down the shade."**

~ Tom Peters

I have been working in creating a clearer vision for my future. For the last three years I feel as if fate was controlling my life and I was just hanging on – trying to keep up. Now it is time for me to balance – my control and fate. I could ride the wave with fate and just hang on or I could watch for the opportunities and choose the ones that will bring the results that I want. Today, I am adjusting my sail and working with the breeze to take me where I want to go.

Off to a new year, may you reach where you want to go.

**HAPPY NEW YEAR!**

*Mary Guldán-Lindstrom*



👂 My wife and I are most grateful for Focus CPA's help in teaching us the proper uses of QuickBooks and to make our company grow and become more efficient and hopefully more profitable too. There is soooooo much to learn about starting and running a new business. Professional guidance is a blessing.<sup>99</sup>

William Crouse,  
*Chief Designer and Founder of  
Protech Pattern & Design LLC*

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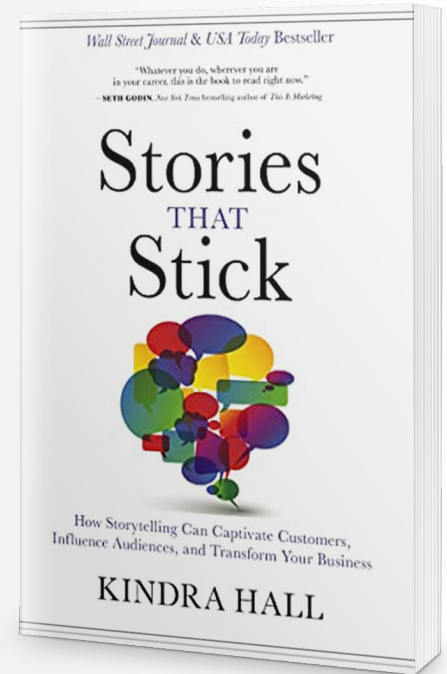
## THE BOOK REVIEW

**TITLE:** Stories that Stick  
**AUTHOR:** Kindra Hall  
**TOPIC:** Marketing & Communication  
**EASY TO READ:** \$\$\$\$\$ (5 out of 5 dollars)  
**APPLICABLE TO SMALL BUSINESS:** \$\$\$\$\$ (5 out of 5 dollars)

**Summary:** Kindra shares her passion for stories. She identifies the essential elements that bring a story to life, along with plenty of examples of the types of stories to use in business.

**My recommendation:** I enjoyed the book, her examples and analysis of how the stories impact the audience - your customers, investors and team. I like having the formula to create a story that can create results.

Pages: 205 | Published: 2019



## 2023 PAYROLL, HSA AND RETIREMENT ACCOUNT CHANGES

On January of every year, IRS releases updates to payroll taxes and other items that may affect your paycheck. Here's the latest for 2023.

PAYROLL	2022	2023
FICA	\$147,700	\$160,200
Medicare	No Limit	No Limit
Medicare, Extra 0.9%	\$200,000	\$200,000
FUTA Taxable Wages	\$7,000	\$7,000
WI UC Wages	\$14,000	\$14,000

RETIREMENT PLANS	2022	2023
Simple Plan Contributions	\$14,000	\$15,500
Simple Catch Up > 50	\$3,000	\$3,500
401K	\$20,500	\$22,500
401K Catch Up > 50	\$6,500	\$7,500

HEALTH SAVINGS ACCOUNT	2022	2023
HSA Single Plan Contribution	\$3,650	\$3,850
HSA Family Plan Contribution	\$7,300	\$7,750
Catch Up > 55	\$1,000	\$1,000

BUSINESS MILEAGE RATE	2022	2023
Jan - June	58.5¢	65.5¢
July - Dec	62.5¢	- -





## ARE YOUR FINANCIAL STATEMENTS ACCURATE AND REAL?

BY MARY GULDAN-LINDSTROM CPA

Now is a great time to review the process in which your financial statements are prepared. This time of year, many businesses are gathering their records to prepare a tax return. As a tax preparer we deal with financial records in all kinds of shape. Some I trust and some can be a nightmare.

Here's some basic guidelines to improve the accuracy of your business financial statements.

**DON'T MIX PERSONAL ACTIVITY AND BUSINESS.** If you keep everything in only business accounts – checking, credit card, etc. it is easier to gather the information. It is easier to keep the IRS out of your personal activity.

**KEEP THEM UP TO DATE.** It is very difficult to remember what happened yesterday, much less what happened 6 months ago.

**USE YOUR FINANCIAL STATEMENTS.** The more you use the them the more accurate the information will be. Review them at least monthly and make sure they are telling you the same story that you are seeing every day.

**PROTECT YOUR CASH & CUSTOMERS PAYMENTS.** Watch your bank account online. Review the process. Do not have someone signing checks, issuing customer invoices, making deposits and maintaining the business financial records – unless that person is you. Internal control procedures are put in place to keep people honest.

**MONTH END CLOSING.** Each month I recommend the business owner do the following:

- Review the monthly bank reconciliation report. Make sure it is current and there isn't a lot of old activity on it.

- Review the Accounts Receivable aging report. Do these customers still owe you money?
- Get a Balance Sheet:
  - Review the assets. Note your cash balance, how much customers owe you and the equipment that your company has recorded. If there are other accounts – do you know what they are? If not ask.
  - Review the liabilities. Note credit card balance, accounts payable and payroll liabilities. Do they look reasonable? Who has a credit card and how is the expense approved? Are payroll liabilities being paid?
- Review a Profit & Loss or Income Statement.
  - Compare this month to the same month last year. Are the close or has something changed? Compare year to date to last year's year to date. Again – are the numbers close or has something changed? If so, dig deeper and find out why.
  - Review sales. Did everything get billed? Did the business complete the sale? Review when a customer gets invoiced and how it is recorded.
  - Review Gross Margin /Gross profit. Is this what you are expecting? Watch timing on this one. It is important to record the sale the same month the expenses for that sale are recorded.
  - Review overhead. Review a month-by-month profit & loss. Compare each month. Are the costs similar each month?

**Financial statements are tools to manage a business. They are used to value a business, project future profits and a way to measure success. The more accurate they are the more reliable they become. I hate to make decisions on wrong information. Know is the time to review your process.**

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- Lorraine, is the QuickBooks online guru

Call our office or email to setup a time.

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## A LITTLE HUMOR FOR THE NEW YEAR

What is a New Year's resolution? Something that goes in one year and out the other.

What do snowmen like to do on New Year's Eve? Chill out.

Youth is when you're allowed to stay up on New Year's Eve. Middle age is when you're forced to.

What do New Year's Day parades have in common with Santa Claus? No one is awake to see either of them.

My grandparents had resolutions like donating more time and money to charities. I've decided to make my own coffee once a week.

Why do you need a jeweler on New Year's Eve? To ring in the New Year.

My New Year's resolution is to stop hanging out with people who ask me about my New Year's resolution.

What did the little champagne bottle call his father? Pop!

What do farmers give their wives at midnight on New Year's Eve? Hogs and kisses.

An optimist stays up until midnight to see the new year in. A pessimist stays up to make sure the old year leaves.

[www.rd.com/article/new-years-jokes/](http://www.rd.com/article/new-years-jokes/)

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