

**We admit, we're committed to serving you..**

(714) key-8-key

(714) key-8535 fax

www.business-keepers.com

Mar"key"t place

We continue in our series on keeping customers happy in an unforgiving society. The third Key is to act on the error.

In the example of the torn blouse in the dry cleaners shop, the shop keeper should offer to repair the rip. Many times we find that a sincere apology followed by the correction is all it takes. If the tear cannot be fixed, than refund their money for the cleaning and offer future cleanings up to a certain value for free.

Service is easy to absorb than out of pocket expenses. However, you do not want to harm your future relationship and potential word of mouth with the customer if money will appease them more.



(10/2/1870 Italy annexes Rome and Papal States; Rome made Italian capital)

## Q&A

**Client:** What if my contractor does not want me to give them a 1099?

**bkc:** It's not up to them to decide; it's the law. Anyone providing a service, that is NOT incorporated, and paid \$600 or more must be issued a 1099 by you. Before you use a contractor you should obtain their address and social security number to insure you have this information at year end.

## Business-keepers Consulting

can discover a better marketing tool for you.



(10/15/1829 Astronomer Asaph Hall born. Discovered the moons of Mars, Phobos & Deimos)

# KEEPING LEDGER

The Official Newsletter of business-keepers consulting



**Issue 10 October 2004 Volume 3**  
**The Year-End Clock**

We want to give another clear example of how the Profit & Loss Statement and the Balance Sheet report relate to each other. This example is the one that most confuses people when looking at these two reports: Net Profit in relation to the cash in the Checking account (which is an account on the Balance Sheet as an Asset).

Let us say that you have a net profit of \$89,000. This should mean that you have \$89,000 in the bank. However, let's say you don't; you have \$50,000 instead. The question we are asked frequently is why the difference? The answer is on your Balance Sheet and could be attributed to these reasons:

- With those profits you made payments on a loan (not an expense but a paying down of a liability), such as a car, credit line, etc.
- You paid old A/P or credit card debt sitting on the books from last year.
- You took draws out Next month we'll discuss why you might have more money in the Checking than your Profit.



(10/11/1968 Apollo 7 made 163 orbits in 260 hours)

### Quote

What is man that you are mindful of him, the son of man that you care for him?  
—Psalm 8:4

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### Calendar

Monday, October 11th  
Columbus Day  
Sunday, October 31st  
Daylight Savings Time  
(Set your clocks back 1 hour)