

Financial Logistics: Mastering the "Back Office"

Many businesses fail not due to a lack of skill or passion, but a lack of systems. A well-organized "Back Office" is the foundation upon which sustainable scaling and long-term impact are built.

1. QuickBooks for Beginners

Setting up a Chart of Accounts (COA)

Your Chart of Accounts is the skeletal structure of your financial records. It categorizes every dollar moving in and out, allowing for clear reporting.

- **Asset Accounts:** Checking, Savings, and Accounts Receivable (money owed to you).
- **Liability Accounts:** Credit cards, loans, and Payroll Taxes (money you owe).
- **Income Accounts:** Categorize by service line (e.g., "Personal Care Revenue," "Respite Care Revenue").
- **Expense Accounts:** Administrative costs, marketing, and direct service costs.

The Profitability Pulse: Sales by Product/Service

Revenue alone is a vanity metric; profitability is what keeps the doors open. Running a *Sales by Product/Service Detail* report reveals which parts of your business are actually generating the most value.

How to run the report:

1. In QuickBooks, navigate to the **Reports** tab.
2. Search for "Sales by Product/Service Detail."
3. Set the date range (Monthly or Quarterly).
4. Group by "Product/Service" to see your high-margin vs. low-margin services.

2. Tax Readiness Strategy

Understanding "Estimated Quarterly Taxes"

As a business owner, the IRS requires you to pay taxes as you earn income. Payments are typically due in April, June, September, and January. Failing to pay these can lead to significant interest and penalties.

The Digital Receipt Trail

Maximize your deductions by moving away from paper. Thermal paper fades, and shoe-boxes of receipts are audit-risks.

STRATEGY	BENEFIT
Cloud Scanning	Use apps like QuickBooks Mobile or Hubdoc to snap a photo immediately.
Bank Feeds	Auto-sync transactions to ensure no deduction is missed.
Email Archiving	Set up a dedicated "receipts@" email folder for digital invoices.

3. Pricing Your Worth

Service-based entrepreneurs often undercharge because they fail to account for the "hidden" costs of doing business.

Calculating Cost of Goods Sold (COGS)

For service businesses, COGS includes the **direct costs** of delivering a service. If you aren't doing the work yourself, this includes the caregiver's hourly wage, travel reimbursements, and any supplies used specifically for that client.

The Pricing Formula:

$$\text{Rate} = (\text{COGS} + \text{Overhead per Hour}) + \text{Target Profit Margin}$$

If your rate is just covering your COGS, you are effectively working for free or paying for the privilege of serving your clients.

Building the structure that empowers sustainable growth.

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