

Expense System

Keeping expenses and mileage records is very important, without accurate data you will never know exactly how much you have spent on your business.

Most business professionals hate typing up their expenses and put it off for months on end. When finally they cannot be put off any longer it takes ages to get them all in order and then because months of passed details maybe lost or forgotten.

Keeping your expenses up to date should not take more than a couple of hours at most a month. A good habit for any small business is to have one accounts day a month, which includes updating expenses, invoices, banking, supplier payments, cash flow etc.

Make it your slippers and tracksuit day. Do anything to make it nicer – take your laptop into the garden or in front of the TV. If you are organised, your accounts should not take more than one day a month, just 12 days a year. If you cannot get it done in the day outsource it, don't waste time on it.

Mileage: Have a small notebook kept in the drivers' door pocket with a pen. Get in the habit of pressing zero before leaving home and write up the date, destination(s), notes and mileage in the book at the end of the day.

Expenses: Have a spike, envelope, box – it does not matter just have somewhere you can chuck your expense receipts on your return or when you clear out your wallet. Also have a file in your email where you save receipts for online purchases.

On the receipt or in your mileage book make sure you note anything you will recharge to your clients. Do not presume you will remember! By doing your expenses/mileage and invoices all in one day you won't forget to cross charge.

This is the template I use to record my expenses, by entering the gross payment it calculates the net and VAT amounts. These can be overwritten for 0% VAT purchases.

June 2007 Mileage & Expenses

Date	Exp/Mil	Details	Payment	Payment gross	VAT net	Notes	Cross Charge
		Totals=	29.26	24.90	4.36		
01/06/2007	Mileage	Henley (16.7)	£6.68	0.00	0.00	Missing Link	
02/06/2007	Expense	Postage	£19.60	0.00	0.00	Thunderfresh	Thunderfresh
03/06/2007	Expense	Envelopes	£2.98	2.54	0.44	Athena Packs	Sarah McCloughry
04/06/2007			0.00	0.00	0.00		
05/06/2007			0.00	0.00	0.00		
06/06/2007			0.00	0.00	0.00		

If you would like to download this xl spreadsheet click [here](#)

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