

THE FINANCIAL EDGE

April 2025



TIME TO SAVOR LIFE AGAIN

Personal comments by Mary

Sorry for the late publication—tax season took over my life.

It seems like every year, I spend November and December preparing for it. We update procedures, revise workflows, set up templates—anything we can do to make the process smoother.

Then January hits, and my focus narrows dramatically. I put off anything non-essential: no dentist or doctor appointments, no unnecessary errands, no travel. I go into full work hibernation mode. Every day, I reassess my priorities: What can I get done? What can I delegate?

But then, April 16 arrives. The pressure lifts, emails slow down, the phone goes quiet—and I emerge from hibernation! Best of all, spring finds its way to Green

Bay. A season of renewal begins. The weather warms up, the snow melts, robins return, rabbits hop through the yard, and the lawn turns green again. Neighbors reappear, and every day my garden offers new signs of life—transforming from a desolate patch into a lush green canvas dotted with the first colorful blooms of spring.

I also get my life back. Our office is closed on Fridays, so I finally have time for park walks and home projects. The race is over—and now, it's time to savor life again.

Happy Spring!

*Mary Guldán-
Lindstrom*



"Change is an event, but a transition is the process that you go through in response to the change."

~ William Bridges

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"I so appreciate all of your support as I created this new vision. Mary, you are a standout among accountants in that you keep your eye on the big picture AND on the day-to-day functioning of my businesses. Thank you for sharing that rare gift with me!"

*Bonnie Nussbaum, Owner of
Empowerment Coaching*

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THE BOOK REVIEW

TITLE: The Value Journey

AUTHOR: Jayne McQuillan

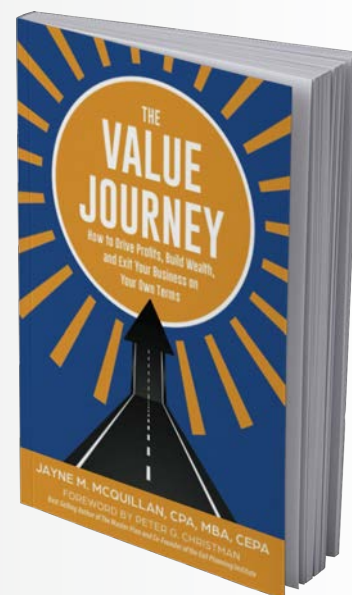
TOPIC: Business

EASY TO READ: \$\$\$\$\$ (5 out of 5 dollars)

APPLICABLE TO SMALL BUSINESS: \$\$\$\$\$ (5 out of 5 dollars)

Summary: Every business owner has a reason they started their business. For some it is to have a better job, for others it is to change the world and for some it is to create value to move to the next step in life. The author stresses the importance of working to increase the business value for the next step, no matter the reason you started. Most owners don't plan their exit.

My recommendation: Great read for owners who don't have an exit plan. It is easy to get stuck in the day to day. We can still do that, but do it smartly, keeping in my mind the business's future value.



Pages: 99 | Published: 2023



SAY GOODBYE TO PAPER REFUNDS: IRS ANNOUNCES MAJOR CHANGE

By Mary Guldán-Lindstrom CPA

On March 25, President Donald Trump signed an executive order requiring the federal government to stop issuing paper checks for all disbursements, including tax refunds.

Effective September 30, 2025, all tax refunds will be processed electronically—the IRS will no longer issue paper checks or refunds.

The government now has approximately six months to phase out paper checks for various purposes, including tax refunds and Social Security payments.

The goal is to modernize how the government handles

money, shifting from outdated paper-based payments to faster, more secure electronic transactions.

Eventually, payments made to the federal government—such as taxes, fees, fines, or loans—will also be required to be submitted electronically, with limited exceptions.

Exceptions are expected to be made for individuals without access to banking services, as well as in certain special cases, like emergency payments.

The overarching aim of this transition is to reduce fraud and increase efficiency.



USING YOUR FINANCIAL STATEMENTS TO IMPROVE YOUR RESULTS

By Mary Guldán-Lindström CPA

As a business owner the most useful tool to measure your success is your financial statements.

First step is to have a system in place to ensure your financial information is complete, accurate enough to use and timely.

✿ **COMPLETE.** Verify that all and only business accounts are included. Verify sales are recorded when earned, vendor invoices included when incurred and all expenses are recorded.

✿ **ACCURATE.** All bank and credit card statements are reconciled to your book balances. Accounts receivable & accounts payable are real and you understand every account that is stated on both statements.

✿ **TIMELY.** Ideally you have your financial statements available within 10 to 20 days after the end of the month.

The more they are used the more accurate they will be.

Next is to have statements that are useable. Profit and Loss statements in QuickBooks are typically in alphabetic order or they may be classified so a tax return can be prepared. In addition, generally accepted accounting principles do not usually separate out "direct costs". They lump them in with all the other expenses. Expenses can be grouped so it is easier to make decisions. It is important that you know all the relevant costs if you are considering moving your business or reviewing your sales and marketing costs. These statements are for your use. You want your Profit and loss or Income Statement clearly states sales, direct costs to generate those sales and overhead. The balance sheet includes current assets such as bank balances, client invoices to collect and inventory and current liabilities such as vendors invoices, credit card balances, and next year's loan principal payments.

Once you have something to work with, then evaluate these key items.

✿ **Profitability is improving.** Ensure that your Net Operating income is positive and near your industry average.

✿ **Gross margin is greater than your overhead.** Verify that after you pay all direct sales costs there is enough to pay your monthly overhead and a profit.

✿ **The cashflow is adequate and maximized.** Cashflow is not the same as profitability. Cash flow depends on profitability, but includes timing. In times of growth, cash flow is challenging. Profitability must be there. Then to survive, the timing needs to be maximized and outside resources, such as a line of credit, can help fill in.

✿ **Evaluate owners' compensation.** As a sole proprietor or partner the bottom line is your compensation. As a corporate shareholder, compensation is the total of wages and fringe benefits.

✿ **Calculate your return on investment.** As an owner you are entitled to a return on investment. Due to the high risk of a small business a 25% return is a general guideline. Whether it's your initial investment or money left in the business.

Measure at least quarterly to look for trends. Set desired results and compare where you are at - to where you want to be. Choose one area to focus on and develop a game plan to improve. On a regular basis evaluate your financial reporting system, improve the information you received, note your progress and reassess your next steps.

If you need assistance, please reach out to our office. We can set up a special project to review your current financial reporting system, reformat your financial statements, clarify the measurements that are important or meet to review your results.

**That's a Wrap on Q1.
How is your
business doing?**

We create a short financial scorecard for your business and discuss where you are at and how to get where you want to be. We focus on profitability, cash flow, owner compensation and financial stability.

We go through your financials and see how you score. By working together we uncover key areas and actions that will generate results.

Love to see how we can improve your life. If you are a current client, call Jennifer and set up an appointment with Mary at

920-351-4842

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A LITTLE APRIL HUMOR...

Name a bow that can't be tied.

A rainbow.

When do monkeys fall from the sky?

During APE-ril showers.

What goes up when the rain comes down?

Umbrellas!

What did the dirt say to the rain?

If this keeps up, my name will be mud.

How does the sun listen to its favorite music?

On the ray-dio

Did you see that all the snow and ice are melting?

Yes, I thaw!

When it starts raining ducks and chickens...

That's some fowl weather!

What do you call a bear caught in a spring shower?

A drizzly bear.

How can you tell the weather's getting warmer?

People have a spring in their step.

Can bees fly in the rain?

Not without their yellow jackets.

What's a tornado's favorite game?

Twister!

From tinybeans.com/spring-jokes/

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