



**MULTI-TALENTED:** Certified public accountant Carolina Camacho says that she has helped small-business owners find working capital, figure out whether they should incorporate and decide which bookkeeping software to use.

KEVIN SULLIVAN, THE ORANGE COUNTY REGISTER

### **Fast track**

If your accountant doesn't provide more than income tax returns, you might want to search for one who does. Here are some things to look for:

- Expertise in computers, software and business uses of financial reports.
- Active in the community, knows many business people.
- Knowledge of the latest tax and business laws.
- Personality and style with which you're comfortable.
- Experience in your industry and/or community.
- Education and licenses that meet your expectations.
- Availability throughout the year.
- Recommendations from people in similar types of businesses or the same industry whom you trust.
- Comfort level. Someone with whom you can communicate and confide in.

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## **CPAs do more than taxes**

**Accountants' services include business advice, referrals, buying help.**



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Fullerton accountant Nick Hodges used to put on seminars for clients on such topics as how to get business referrals.

Garden Grove accountant Carolina Camacho often meets with new business owners whose knowledge about how to start a company begins and ends with getting a fictitious business name.

Mission Viejo accountant Mervin Anderson explains to his business clients how to pay themselves properly.

Here are some surprising things many certified public accountants can provide:

## **BUSINESS ESSENTIALS**

Camacho often walks clients through the steps of setting up a business, depending on what they envision the company will become.

"I ask them a series of questions: How much do they want to make? How much do they want it to grow? Might they want to franchise eventually?" she said.

## **OWNERSHIP STRUCTURE**

She also can tell new business owners about the strengths and drawbacks of various ways to own the business, such as sole proprietorship, partnership or corporation.

Anderson said he also helps existing business owners understand if they should change the type of ownership.

"Most businesses start out as sole proprietorships, which are the easiest and least expensive to set up," he said. "But situations change, and it may be time to consider forming a limited liability company.

## **SOFTWARE RECOMMENDATIONS**

Most small-business owners also need help organizing their bookkeeping, Anderson added.

"I usually suggest my clients purchase QuickBooks (bookkeeping software by Intuit) because of its low cost and user friendliness," he said.

The owner needs such software, not just to prepare taxes, but know if the venture is profitable.

Accounting software can also tell them their net worth and provide documentation if they want to sell the business.

## **WAGES AND DISTRIBUTIONS**

Some business owners don't know the proper way to pay themselves, Anderson said.

"Corporations will generally pay their owners with wages and, in some situations, dividends," he said.

"Partnerships will generally pay their owners with guaranteed payments and distributions. Sole proprietors can pay themselves any time, but they shouldn't pay personal bills out of the business account."

## **ENTERPRISE ZONE CREDITS**

As the financial services industry has become more competitive, accounting firms have identified specialties that enhance their value to clients, said Ron Stumpf, a partner in **Elliott, Lewis, Lieber & Stumpf** in Santa Ana.

Santa Ana has both a state enterprise zone and federal empowerment zone, which provide businesses various tax credits depending on whom they hire. So Stumpf's firm has developed expertise in helping businesses get the most out of being located in the zone.

This expertise has brought the firm clients from other California cities with enterprise zones.

## REFERRALS

Accountant Hodges of **Hodges, Morris and Co.** provided the referral seminar to help clients be more successful. But he's always helping the right expert to meet a need.

"Clients tell us stories about great providers, and I jot that down, thinking I might need that resource some time," he said. "CPAs are like a listening post for the community."

## PERSONAL RESOURCES

Sometimes, those clients need resources that have little to do with their finances.

"I've referred clients to doctors, psychiatrists ... nursing-home care," said Hodges, who also advises several hundred accountants nationwide about building their practices.

## BUYING ASSISTANCE

"I know CPAs who bought cars for clients who felt intimidated by salesmen," Hodges said. "I know CPAs who find mortgages or reverse mortgages for clients."

"My biggest complaint," Hodges said, "is that clients bring me a problem after the fact. If they asked me first, it can be fixed in 15 minutes, but after the fact, it takes hours and is more difficult to deal with."

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