THOROUGH
Financial Services

CLIENT EDUCATION GUIDE

What “Current Books” Means for Growth

Why accurate books are the foundation for CPA review and advisory.

- What “current” actually requires — recorded, reconciled, recent
- QuickBooks Online and Xero readiness, in practical terms
- Where bookkeeping ends and CPA review begins

THOROUGH Financial Services
CPA-LED ADVISORY · CLIENT EDUCATION
TFS-EDU-009

01 THE FOUNDATION

The quality of advice depends on the quality of the data

Growth is a review and interpretation service. Everything it produces — variance analysis, tax positioning, decision support — is built on the financial information it receives. That information is either reliable or it is not, and the difference travels all the way through.

Transactions
Activity occurs

→

Books
Recorded & reconciled

→

CPA Review
Analyzed & interpreted

→

Decisions
Informed & timely

THE PRINCIPLE BEHIND EVERYTHING THAT FOLLOWS

The quality of advice depends on the quality of the data.

REASON 01

Decisions require accurate inputs

A margin that looks strong because expenses were never entered will lead to a decision that a correct number would not have supported.

REASON 02

Timeliness is part of accuracy

Information about a quarter that ended four months ago is history. Information about the quarter just closed is still actionable.

REASON 03

Review time is finite

Time spent reconstructing records is time not spent interpreting them. The engagement produces most value when it begins where the books end.

02 THE DEFINITION

Current books are recorded, reconciled, and recent

The phrase gets used loosely. In the Growth engagement it has a specific and modest meaning — three conditions, none of which requires an accounting background to verify.

CONDITION 01

Recorded

Every transaction through the most recent closed month has been entered and categorized. Nothing material is sitting outside the ledger.

CONDITION 02

Reconciled

Bank, credit card, and loan accounts agree with their statements through that same month, with discrepancies resolved rather than carried forward.

CONDITION 03

Recent

The books close on a monthly rhythm. They describe the business as it is now, not as it was two or three quarters ago.

SETTING THE BAR CORRECTLY

The standard is reliability, not perfection

No set of books is flawless, and none needs to be. Small classification questions are normal, and review is exactly where they surface and get resolved. What review cannot absorb is a different category of problem: months that were never entered, accounts that have never been reconciled, or a ledger no one can explain. The first is ordinary. The second stops the work.

A useful way to test it

ASK THIS

If someone opened your accounting file today, could they see last month's results without asking you to explain what is missing?

NOT THIS

Are the books perfect? They will not be, for anyone. That is a different question, and it is not the one that governs whether review can proceed.

IN ONE LINE

Current books are books that can be relied on as a starting point.

03 PLATFORM READINESS

Where the books live, and what ready looks like

Growth expects books maintained in QuickBooks Online or Xero, updated monthly at minimum, and reconciled to bank and credit accounts. Beneath those three requirements sits a short list of practical checks.

REQUIREMENT 01

QuickBooks Online or Xero

Both support standard reporting, an audit trail, and read-only accountant access — the conditions that make a monthly review repeatable.

REQUIREMENT 02

Monthly at minimum

The month is the unit of the cadence. A quarter reviewed in one sitting has already lost two-thirds of its decision windows.

REQUIREMENT 03

Reconciled to statements

Reconciliation is what converts a list of entries into a set of balances anyone can stand behind.

Practical readiness checks

- ✓ Bank and credit card accounts reconciled through the most recent closed month
- ✓ Reconciliation discrepancies at or near zero, not carried forward
- ✓ No large or aging uncategorized balances (“Ask My Accountant,” “Uncategorized Expense”)
- ✓ Opening balance equity resolved or explainable
- ✓ Chart of accounts is legible: no duplicates, no accounts created for a single transaction
- ✓ Loans, lines of credit, and owner draws recorded as such rather than as expenses
- ✓ Payroll posted from the payroll system rather than estimated by hand
- ✓ Undeposited funds cleared, not accumulating

WHY THIS LIST EXISTS

Each item is a place where a small unresolved detail quietly changes a number that a decision will later rest on.

04 SCOPE OF REVIEW

Review is insight on top of clean data

Bookkeeping and CPA review are both necessary, both skilled, and not the same work. They answer different questions, at different points, using different tools.

Dimension	Bookkeeping UPSTREAM	CPA Review — Growth DOWNSTREAM
Question answered	What happened?	What does it mean, and what now?
Primary activity	Recording, categorizing, reconciling	Analyzing, interpreting, advising
Output	Financial statements	Variances, issues, opportunities, decisions
Rhythm	Continuous and transactional	Scheduled and cyclical
Depends on	Source documents and access	Books that are already current

GROWTH DOES NOT INCLUDE

- Data entry or transaction coding
- Bank and credit card reconciliation
- Cleanup or catch-up of prior periods
- Building or rebuilding a chart of accounts

GROWTH DOES INCLUDE

- ✓ Reviewing financial results against expectations
- ✓ Identifying variances, issues, and opportunities
- ✓ Interpreting trends across periods
- ✓ Connecting the numbers to tax and planning decisions

THE DISTINCTION, STATED SIMPLY

Growth is insight on top of clean data.

05 COMMON MISUNDERSTANDINGS

Four assumptions worth setting straight

None of these is unreasonable. Each of them, left in place, quietly reduces what a review can produce.

COMMON BELIEF

“My CPA will clean this up later.”

IN PRACTICE

Cleanup is real work with its own scope, timeline, and engagement. It is not absorbed into a monthly review. When books are not current, the month's review has nothing current to review.

COMMON BELIEF

“If the reports run, the books are fine.”

IN PRACTICE

Every accounting system will produce a report on request. A report renders what is in the ledger — complete or not, reconciled or not. Its existence confirms nothing about its contents.

COMMON BELIEF

“Review means everything gets fixed.”

IN PRACTICE

Review identifies. Correction happens where the records are maintained — by you, by your bookkeeper, or under a separate bookkeeping engagement. Identifying an issue and repairing a ledger are two different acts.

COMMON BELIEF

“Being a few months behind is fine.”

IN PRACTICE

Decisions do not wait for the ledger to catch up. They get made anyway, with whatever information is at hand. Late books do not delay the decision — they only remove it from the conversation.

THE THREAD RUNNING THROUGH ALL FOUR

Unreliable data does not simply slow the review down. It changes the answer the review arrives at.

06 THE GROWTH CADENCE

How current books move through the year

The Growth engagement runs on a repeating rhythm. Each layer assumes the one beneath it has already happened.

MONTHLY

- Books are updated and closed
- Accounts are reconciled
- CPA reviews results and comments

The shortest loop, and the one everything else depends on.

QUARTERLY

- Deeper discussion of trends
- Estimated payments reviewed
- Tax and strategy adjustments

Where the monthly observations become decisions.

YEAR-END

- Positioning before December 31
- Planning for the coming year
- Filing becomes confirmation

The last point at which the year can still be shaped.

THE SINGLE DEPENDENCY

The cadence only works if the books are current

A monthly review with no closed month becomes a conversation about why the month is not closed. The quarterly discussion then inherits an incomplete picture, and the year-end window arrives before the year is understood. Nothing dramatic goes wrong on any single occasion. The cycles simply slip, and slipped cycles compound.

What each side is responsible for

YOU & YOUR BOOKKEEPER

Close the month, reconcile the accounts, and make the file available. Raise questions as they arise rather than saving them.

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Review the closed month, surface what the numbers show, and carry those observations into the quarterly and year-end decisions.

07 WHERE BOOKKEEPING FITS

Bookkeeping is upstream of advisory

Growth does not replace bookkeeping and does not compete with it. It sits downstream of it. Who performs the bookkeeping is a separate question — and there are three workable answers.

OPTION 01

You maintain the books

Common for owners already comfortable in QuickBooks Online or Xero. The readiness checks on page four are the standard to hold yourself to.

OPTION 02

Your bookkeeper maintains them

A capable bookkeeper is an asset to this system. Review works best when the bookkeeper is part of the loop rather than adjacent to it.

OPTION 03

TFS maintains them

Bookkeeping is available as its own engagement, scoped and priced separately from Growth and governed by its own engagement letter.

Bookkeeping
You, a bookkeeper, or TFS separately

→

Current Books
Recorded, reconciled, recent

→

CPA Review
The Growth engagement

→

Decisions
Tax, cash, and planning

WHY THE LINE IS DRAWN HERE

Separating the roles protects both of them

When review and record-keeping are bundled together, review tends to lose. Reconstruction is urgent and interpretation is not, so the hours drift toward the ledger and away from the decision. Keeping the two engagements distinct means each receives the attention it was scoped for — and it keeps the price of each honest about the work it contains.

THE PRACTICAL CONSEQUENCE

Before Growth begins, someone must own the books. It does not have to be TFS — but it does have to be someone.

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THE TAKEAWAY

**Clean books don't create insight —
but without clean books, insight isn't possible.**

NEXT STEP

Start with a Fit Conversation

A short, structured conversation to understand where your books stand today and confirm whether Growth is the right fit for them.

No documents required

No commitment created

We'll confirm likely fit

Schedule a Fit Conversation

Clarity first. Everything else follows from it.

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