

W/P REF	PREPARED BY	DATE PREPARED	QUALITY CHECK
WP C-1	RazaPro production team	October 2026	Checked by RazaPro before delivery ✓
Tickmarks: ✓ agreed to source document F footed and cross-footed R recomputed ¶ see exceptions page. Source documents used: prior bookkeeper's QuickBooks file (as received); bank and card statements Jan-Jun 2026; lender statement (truck loan); vendor invoices and receipts; payroll deposit records; owner email confirmations			

PREPARED FOR YOUR FIRM

Catch-up and cleanup January–June 2026

Client: **Rio Verde Landscaping LLC** (landscaping company, Colorado), books inherited from a prior bookkeeper · Basis: accrual · Prepared by RazaPro · This is scoped cleanup work, quoted separately from recurring monthly bookkeeping.

Result: 9 correcting entries. Year-to-date net income moved from **\$2,283.95** to **\$1,575.08** (-\$708.87). Cash, receivables and the truck loan now agree to outside records.

Why the cleanup mattered

The books looked healthy and were not. One error overstated revenue by 12,350.00, while payroll deposits, loan principal and personal expenses had understated profit. Before this work, the client would have estimated taxes and reported to a lender from the wrong number.

What we found and fixed

#	FINDING	TYPE	NET INCOME EFFECT	WHAT HAPPENED
1	Duplicate vendor bills	Duplicates	2,885.00	Three vendor bills were entered twice (Jan–Mar). The duplicates were never paid, so they sat in accounts payable and expenses.
2	Truck loan payments booked as expense	Misclassification	5,150.00	Six payments of 1,150.00 (6,900.00) were expensed. Per the lender statement, 5,150.00 was principal and 1,750.00 interest. Loan balance after correction 41,250.00 agrees to the June 30 statement.
3	Owner personal spending in business accounts	Owner items	4,118.65	Personal grocery, restaurant and household charges found in Meals, Office supplies and Miscellaneous moved to owner draws. Owner confirmed by email.
4	Uncategorized expenses	Uncategorized	0.00	14,632.40 of expense lines coded to "Uncategorized" were matched to receipts and bank memos and coded to fuel, repairs, subcontractors, insurance and software.
5	Uncategorized income	Uncategorized	(1,200.00)	3,200.00 of deposits coded to "Uncategorized income": 2,000.00 customer payments (revenue) and 1,200.00 owner contribution (not revenue).
6	Customer payments counted twice	Duplicates	(12,350.00)	Payments were recorded to Undeposited Funds, and the same bank deposits were also recorded directly to revenue. 12,350.00 of revenue was overstated.
7	Payroll tax deposits expensed	Misclassification	7,320.00	IRS and state payroll deposits of 7,320.00 were expensed instead of reducing the payroll liability, leaving a stale liability. Deposits agree to the Q1 and Q2 payment records; filed returns are to be tied by the firm.
8	Truck depreciation never recorded	Missing entry	(5,200.02)	Truck 52,000.00 placed in service Jan 2026, 5-year straight line: 866.67 per month × 6 = 5,200.02.
9	Unreconciled bank difference	Reconciliation	(1,432.50)	A 1,432.50 difference had been parked in "Ask My Accountant". Resolved to bank fees 612.50 and card processing fees 820.00 from statements.
Total			(708.87)	

Profit and loss, January–June 2026, before and after

ACCOUNT	AS RECEIVED	AFTER CLEANUP	NET INCOME EFFECT
4000 Service revenue	186,400.00	176,050.00	(10,350.00)
4900 Uncategorized income	3,200.00	0.00	(3,200.00)
5000 Materials	41,200.00	41,200.00	0.00
5100 Subcontractors	9,800.00	13,200.00	(3,400.00)
5200 Wages	68,500.00	68,500.00	0.00
5300 Payroll tax expense	14,200.00	6,880.00	7,320.00
6000 Fuel	4,100.00	9,310.55	(5,210.55)
6100 Repairs and maintenance	6,115.00	7,210.10	(1,095.10)
6200 Insurance	2,600.00	3,700.00	(1,100.00)
6300 Meals	1,204.30	0.00	1,204.30
6400 Office supplies	2,830.15	1,400.00	1,430.15
6500 Miscellaneous	1,484.20	0.00	1,484.20
6600 Truck loan expense (interest)	0.00	1,750.00	(1,750.00)
6650 Truck loan expense (as booked)	6,900.00	0.00	6,900.00
6700 Uncategorized expense	14,632.40	0.00	14,632.40
6800 Software	1,200.00	2,141.75	(941.75)
6900 Rent	7,200.00	7,200.00	0.00
6950 Utilities	2,150.00	2,150.00	0.00
7000 Advertising	1,800.00	1,800.00	0.00
7100 Professional fees	1,400.00	1,400.00	0.00
7200 Bank fees	0.00	612.50	(612.50)
7300 Merchant fees	0.00	820.00	(820.00)
7400 Depreciation	0.00	5,200.02	(5,200.02)
Net income	2,283.95	1,575.08	(708.87)

Revenue lines show revenue; expense lines show the effect on net income (a reduction in expense is positive).

Agreement to outside records after cleanup

ACCOUNT	OUTSIDE RECORD	RESULT
Checking, June 30	Bank statement, with the 1,432.50 difference resolved to fees	Tied
Accounts receivable	Open invoice listing	Tied
Truck loan	Lender statement: 41,250.00	Tied
Credit card	Card statement: 9,874.12	Tied
Payroll liabilities	Deposit records Q1 and Q2; filed returns to be tied by the firm	Open
Undeposited funds	Cleared to 0.00	Tied

Balance sheet, June 30, 2026, before and after

ASSETS	AS RECEIVED	AFTER CLEANUP	CHANGE
1000 Checking	18,420.77	18,420.77	0.00
1100 Accounts receivable	22,115.00	22,115.00	0.00
1150 Undeposited funds	12,350.00	0.00	(12,350.00)
1200 Ask My Accountant (suspense)	1,432.50	0.00	(1,432.50)
1500 Truck	52,000.00	52,000.00	0.00
1590 Accumulated depreciation, truck	0.00	(5,200.02)	(5,200.02)
Total assets	106,318.27	87,335.75	(18,982.52)
LIABILITIES	AS RECEIVED	AFTER CLEANUP	CHANGE
2000 Accounts payable	2,885.00	0.00	(2,885.00)
2100 Credit card payable	9,874.12	9,874.12	0.00
2300 Payroll liabilities	7,320.00	0.00	(7,320.00)
2400 Truck loan payable	46,400.00	41,250.00	(5,150.00)
Total liabilities	66,479.12	51,124.12	(15,355.00)
EQUITY	AS RECEIVED	AFTER CLEANUP	CHANGE
3000 Member capital	10,000.00	11,200.00	1,200.00
3100 Owner draws, year to date	(31,000.00)	(35,118.65)	(4,118.65)
3900 Retained earnings, prior years	58,555.20	58,555.20	0.00
Current-year net income (Jan–Jun)	2,283.95	1,575.08	(708.87)
Total equity	39,839.15	36,211.63	(3,627.52)
	AS RECEIVED	AFTER CLEANUP	
Total liabilities and equity	106,318.27	87,335.75	

Both columns balance. Owner draws are shown as a negative balance within equity. Retained earnings from prior years was not changed.

Open items for the firm

ITEM	WHAT WE NEED
Truck purchase documents	Confirm the in-service date and financing terms (we used Jan 2026 and the lender statement).
Payroll returns	Tie the 7,320.00 of deposits to the filed Q1 and Q2 Forms 941 (firm or client's preparer).
Owner contribution 1,200.00	Confirm source (savings transfer) and whether the client wants it documented.
Customer payments counted twice	Revenue fell 12,350.00. The firm should tell the client before any tax estimate or lender report is updated.

How this was priced and delivered: catch-up work is quoted as a fixed scope after reviewing the file, so the firm knows the cost before work starts. Recurring monthly bookkeeping begins once the cleanup is accepted.