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PRACTICAL GUIDE

Has Your Business Outgrown Its Accounting Setup?

A practical guide to deciding what accounting, business-tax, Controller, and CFO support your business actually needs

For owners and leaders of established privately held businesses

You probably do not need a full in-house finance department. You may need a more reliable close, stronger review, or better help with the decisions ahead.

Prepared by John W. Halloran CPA, P.C.

Start with the problem you are trying to fix

Most owners do not wake up thinking they need a controller or CFO. They notice that the books take too long, cash is harder to predict, or important questions keep coming back without a clear answer. Start with what is happening in the business. The service name comes later.

This guide is likely relevant if

- The business has recurring monthly accounting and business-tax needs.
- An owner or employee spends too much time chasing reports, explanations, or open items.
- The company wants a dependable process that works with its existing people and systems, not simply the lowest-cost transaction processing.

What you are seeing	What may be missing	Sensible first move
Monthly numbers arrive late or keep changing after management sees them.	A dependable close	Fix the recurring accounting work and reporting before adding higher-level analysis.
Staff complete the work, but no one owns the review, explanation, or follow-up.	Controller-level oversight	Put an experienced person in charge of closing, reviewing, explaining, and following through.
The numbers are dependable, but an important decision needs a forward view.	Forecasting and decision support	Use targeted CFO Advisory for the cash, financing, investment, or planning question at hand.
Several problems overlap and management cannot tell where to begin.	A clear diagnosis and sequence	Consider an Accounting Operations Assessment before committing to a new service model.

How to use this guide

- Mark the two or three situations that sound most familiar.
- Write down the next decision or deadline that matters within six months.
- Note which questions require a spreadsheet rebuild, a call to the accountant, or a guess.
- Use the worksheet privately; it is a conversation aid, not a score.

> **Do not start by buying a title. Start by fixing the recurring problem that is costing the business time, credibility, or cash visibility.**

Six signs the fit has changed

One difficult month is normal. A pattern is different.

1. Month-end is never really finished

Reports arrive late, reconciliations remain open, or entries change after management has already reviewed the numbers. Year-end cleanup has become a substitute for a reliable monthly close.

2. Every answer requires another spreadsheet

The financial statements show totals, but not the reason they changed. Questions about margin, jobs, customers, inventory, locations, or cash require a fresh reconstruction each time.

3. Tax questions surface after the decision is made

The tax conversation begins after a purchase, ownership change, financing decision, or year-end deadline has narrowed the options. Accounting and tax schedules repeatedly need last-minute repair.

4. The process lives in one person's head

One employee remembers the workarounds, keeps the calendar, and knows which numbers still need attention. There is little backup, documentation, or independent review.

5. Profit looks fine, but cash feels tight

The income statement says the company made money, yet cash keeps surprising the owner. Collections, inventory, debt, taxes, capital spending, and distributions are not connected in one usable view.

6. Routine outside requests become emergencies

A lender, external auditor, buyer, or adviser asks for schedules that take days to assemble, do not tie to the books, or depend on one person to explain.

The recurring fire drill is usually more informative than the job title on the business card.

First, make the monthly accounting dependable

An owner should not have to wonder whether last month's numbers are final. Client Accounting Services should create a repeatable close, reports management can use, and a clear division of work between the company and the firm.

When the company also needs year-round tax planning and compliance, Business Tax can be coordinated with the accounting calendar. The written proposal should make clear what is included, who does what, when reports are due, and whether cleanup is needed first.

What a dependable month looks like

- The close has a target date and does not drift without explanation.
- Bank, debt, payroll, credit-card, and other material accounts are reconciled before reports go out.
- Old accounting issues are assigned, resolved, or clearly flagged for management.
- Reports arrive early enough to affect the next decision, not simply document the last one.
- Tax information and planning dates are coordinated when Business Tax is part of the relationship.

What the owner should know without chasing

- Which results changed materially and why.
- What cash is available and what large payments are coming.
- Which balances or estimates are still uncertain.
- Who owns each open item and when it should be resolved.

How the engagement begins

The company and the firm agree on responsibilities, access, timing, reports, transition work, and fees before the recurring schedule begins. A stronger process starts with clear ownership, not a larger stack of reports.

If management cannot rely on the monthly numbers, fix that first. Forecasts and strategic analysis will not rescue an unreliable close.

When the business needs experienced financial oversight, not more bookkeeping

Many companies already have someone entering bills, running payroll, sending invoices, or maintaining the general ledger. The missing piece is often an experienced person who owns the close, reviews the work, explains the numbers, and makes sure open items do not disappear into next month.

Controller oversight may help when

- The owner has become the final reviewer of accounting work.
- Month-end requires repeated chasing across employees, systems, or outside providers.
- Capable staff need technical review, direction, or reliable backup.
- Reports are distributed before material accounts and entries receive experienced review.
- Payment approvals, system access, or accounting changes are not reviewed consistently.

What the controller-level work should include

- Set the close calendar and hold people to it.
- Review material reconciliations, entries, judgments, and unusual transactions.
- Explain the largest changes in results and cash.
- Keep an open-item list with owners and dates.
- Coordinate the accounting team, tax team, payroll provider, and other advisers where needed.

When it may be more than the business needs

If the books are straightforward, the close is timely, and management already receives reliable explanations, a well-run accounting scope may be enough. More senior involvement should solve a real review or ownership problem.

Good controller oversight does not replace a capable bookkeeper. It gives that person a clear process, experienced review, and someone accountable for the finished work.

When dependable numbers are not enough for the decision ahead

CFO Advisory is not a more senior name for bookkeeping. It becomes useful after the numbers are reasonably dependable and management has a real decision that requires a forward view.

The questions should be concrete

- Can we afford the hires, equipment, or new location being considered?
- How much cash will the business need through a seasonal low point?
- What happens if sales arrive later, margins narrow, or collections slow?
- How much financing is needed, and what must the business show a lender?
- How would a major distribution, acquisition, or expansion affect liquidity?

Useful work for the decision

- A forecast built from assumptions management understands and owns.
- A short-term cash view when timing is tight.
- A base case and a less favorable case with clear decision points.
- Focused analysis or lender materials tied to the question being considered.

The line between advice and management

The firm can analyze choices, test assumptions, explain tradeoffs, and make recommendations. Company leadership still approves transactions, makes decisions, and remains responsible for the outcome.

If there is no specific decision, forecast, or cash question to address, CFO Advisory may not be the next thing the business needs.

A simple way to decide what belongs in the scope

Start with dependable recurring accounting and coordinated business tax. Add Controller oversight when ownership or review is missing. Add targeted CFO Advisory when a specific forward-looking decision requires it.

> **One coordinated relationship, only where needed. John W. Halloran CPA, P.C. can provide the recurring accounting foundation, add controller oversight where ownership and review are missing, and bring CFO Advisory to defined forward-looking questions. The scope can expand or narrow around the company's existing team and systems; every company does not need every layer.**

If this is the problem	Add this capability	What should improve
The books close late, change after review, or do not answer basic questions.	Client Accounting Services, with Business Tax when appropriate	A predictable close, cleaner records, useful reporting, and fewer year-end surprises.
Work gets done, but no one owns the final review or explanation.	Client Accounting Services + controller oversight	Clear accountability, experienced review, and follow-through on open items.
The numbers are dependable, but management must make a significant forward-looking choice.	Client Accounting Services + targeted CFO Advisory	A forecast, cash view, or scenario analysis tied to that decision.
Recurring work, review, and planning gaps overlap.	Accounting foundation + controller oversight + targeted CFO Advisory	A coordinated close, experienced oversight, and decision support matched to the responsibilities that are missing.

See one piece of the process

The Illustrative Monthly Business Review shows one way to organize results, operating causes, cash, outlook, and next actions for management. It demonstrates one part of the process, not the full scope of an accounting, controller, or CFO Advisory relationship.

Four ways the support can be structured

These examples are illustrations. They are not client outcomes, fixed packages, or recommendations for a company that has not been evaluated. Controller and CFO support can be added separately or together, depending on which responsibilities are already covered.

1. Outside accounting becomes the primary finance function

Situation: The business has capable operating managers but no dedicated accounting department. The owner needs a reliable monthly close, reporting, and tax coordination without hiring a full internal team.

How support might work: Company personnel approve transactions and provide source information. The firm handles the accounting responsibilities in the written scope. Controller oversight or CFO Advisory is added only when a specific need emerges.

2. Internal bookkeeper plus controller oversight

Situation: An internal bookkeeper knows the business and handles daily work, but month-end, review, reporting, and backup depend too heavily on that person.

How support might work: The employee continues daily processing. Controller oversight runs the close, reviews material work, organizes reporting, and coordinates with the tax team when Business Tax is included.

3. Established team plus targeted CFO Advisory

Situation: The close is dependable and controller responsibilities are already covered, whether internally or through an outside provider. Management is considering financing, significant hiring, capital investment, or a new location.

How support might work: The accounting and controller team maintains the actual results, reporting process, and operating assumptions. CFO Advisory develops the forecast, cash scenarios, and decision analysis for that specific choice.

4. Accounting foundation plus controller and CFO support

Situation: The business needs help with recurring accounting, experienced ownership of the close and reporting, and forward-looking support for financing, expansion, or cash planning. More bookkeeping alone would not address the full need.

How support might work: Existing employees keep the work they perform well. Client Accounting Services fills defined recurring gaps. Controller oversight owns the close, review, reporting, and staff coordination, while targeted CFO Advisory handles forecasts, cash scenarios, financing, and significant decisions.

Preserve useful internal knowledge. Add only the capacity, review, or judgment the business is missing.

Keep what works. Add what is missing.

Stronger accounting support does not require starting over. A sensible engagement preserves useful people, systems, and advisory relationships, then assigns the missing responsibilities clearly.

A sensible engagement should preserve

- Capable employees: Keep the daily processing, billing, collections, payroll coordination, schedules, or reporting they perform well.
- Systems that work: Keep the current general ledger and connected tools when they support the agreed process, access, controls, and reporting needs.
- Specialized advisers: Keep legal, payroll, lending, insurance, valuation, investment, and external-audit relationships in their proper roles.
- Management authority: Company leadership continues to approve transactions, own assumptions, review results, and make decisions.

John W. Halloran CPA, P.C. can add the recurring accounting, controller oversight, tax coordination, or CFO Advisory responsibilities that are missing without forcing every layer into the scope.

What a useful first conversation should uncover

- When was the last month closed, and did the numbers change afterward?
- Which two or three financial questions are hardest to answer today?
- What decision, deadline, or cash pressure matters in the next six months?
- Who handles daily work, closing, review, approval, and follow-up?
- What would a meaningfully better process look like within 90 days?

Finance Function Priorities Worksheet

Set aside 15 minutes and answer based on the last three months, not on how the process is supposed to work. Complete the choices first; the notes are optional and can be added later. This is not a score or a professional assessment. Its purpose is to identify the two problems worth discussing first.

Can you trust the monthly numbers?

1. For each of the last three months, did management receive final monthly financial statements by a predictable date?

☐ Yes, consistently ☐ Sometimes or partly ☐ No or not now

Optional note or person to ask:

2. Before reports went out, were bank, credit-card, debt, payroll, and other material balance-sheet accounts reconciled?

☐ Yes, consistently ☐ Sometimes or partly ☐ No or not now

Optional note or person to ask:

3. Can someone explain the largest changes in revenue, margin, expenses, and cash without rebuilding the answer in another spreadsheet?

☐ Yes, consistently ☐ Sometimes or partly ☐ No or not now

Optional note or person to ask:

4. Are unresolved accounting items listed with an owner and a date, rather than carried into the next month without a clear plan?

☐ Yes, consistently ☐ Sometimes or partly ☐ No or not now

Optional note or person to ask:

Is the work clearly owned and reviewed?

5. Does every critical accounting task have a named preparer, reviewer, deadline, and backup?

☐ Yes, consistently ☐ Sometimes or partly ☐ No or not now

Optional note or person to ask:

6. Is one person accountable for deciding when the month is closed and the reports are ready for management?

☐ Yes, consistently ☐ Sometimes or partly ☐ No or not now

Optional note or person to ask:

Finance Function Priorities Worksheet - continued

Is the work clearly owned and reviewed? - continued

7. Does someone other than the person doing the work review new vendors, payments, bank access, and significant accounting changes?

☐ Yes, consistently ☐ Sometimes or partly ☐ No or not now

Optional note or person to ask:

8. Do the accounting and tax advisers hear about major purchases, financing, ownership changes, and unusual transactions before the decision or deadline?

☐ Yes, consistently ☐ Sometimes or partly ☐ No or not now

Optional note or person to ask:

Can the business see what is coming?

9. Is there a current cash forecast covering the next major decision, financing need, or period when cash may be tight?

☐ Yes, consistently ☐ Sometimes or partly ☐ No or not now

Optional note or person to ask:

10. Before committing to a major hire, purchase, location, financing, or distribution, can management see the cash effect and a less favorable case?

☐ Yes, consistently ☐ Sometimes or partly ☐ No or not now

Optional note or person to ask:

11. Are forecast assumptions written down and owned by the people closest to sales, costs, collections, staffing, and inventory?

☐ Yes, consistently ☐ Sometimes or partly ☐ No or not now

Optional note or person to ask:

12. When actual results differ from the plan, does management update the forecast and decide what action, if any, should follow?

☐ Yes, consistently ☐ Sometimes or partly ☐ No or not now

Optional note or person to ask:

Turn the worksheet into two priorities

Do not add points. Choose two gaps that recur, affect an important decision or deadline, or create the greatest risk of surprise. A useful priority is specific enough for someone to own the next step.

Priority 1

What is happening:

Decision, deadline, or risk affected:

Who owns the next step:

What can be done in the next 30 days:

Priority 2

What is happening:

Decision, deadline, or risk affected:

Who owns the next step:

What can be done in the next 30 days:

What do the gaps point to?

- Questions 1-4 reveal weak monthly numbers: begin with the close, reconciliations, and reporting through Client Accounting Services.
- Questions 5-8 reveal unclear ownership or review: discuss controller oversight and the division of responsibilities.
- Questions 9-12 reveal a real cash or planning need: if the accounting is dependable, discuss targeted CFO Advisory for that decision.
- The gaps are spread across all three areas: consider an Accounting Operations Assessment before deciding on the service mix.

The pattern is a discussion prompt, not an automatic recommendation. Keep the worksheet private and bring the two priorities to the conversation.

> **Want an outside perspective? Bring your two priorities to an introductory conversation. Discuss your accounting setup at johnwhalloran.com/contact/ or call (631) 677-1344.**

About John W. Halloran CPA, P.C.

Founded in 2005, John W. Halloran CPA, P.C. is a licensed New York CPA firm based in Commack. The firm serves privately held businesses, owners, and private clients across Long Island and the New York metropolitan area.

The firm combines ongoing accounting and business-tax relationships with clearly defined Audit Readiness, seller-side Transaction Advisory, and Internal Audit support. It also provides year-round Private Client Services. This guide focuses on Client Accounting Services, Business Tax, controller oversight, and CFO Advisory.

John W. Halloran, CPA - Managing Partner

John W. Halloran, CPA founded the firm in 2005 and leads its professional accounting and tax practice. He works with privately held businesses across accounting, tax, and advisory matters. He holds an MBA in Taxation and a B.S. in Accounting from St. John's University and is an alumnus of Archbishop Molloy High School in Queens, New York.

John W. Halloran, Jr., CFA - Managing Director - CFO Advisory Practice Lead

John W. Halloran, Jr., CFA leads the firm's CFO Advisory practice and its business development, marketing, technology, and growth initiatives. His background includes private equity investing, strategy consulting, and senior management roles, including serving as a chief financial officer. He holds Bachelor of Science and Master of Science degrees from the Massachusetts Institute of Technology and is an alumnus of Chaminade High School in Mineola, New York.

Important boundaries

This guide provides general educational information. It is not accounting, tax, legal, investment, or other professional advice and does not address a company's specific facts. Use of the guide does not create a client relationship. A client relationship begins only after the firm accepts an engagement and the parties execute an engagement agreement.

John W. Halloran CPA, P.C. does not perform external financial-statement audits. Audit Readiness helps management prepare for an audit performed by a separate CPA firm; Internal Audit is not an external audit.

CFO Advisory is advice and decision support. Company leadership retains management authority and responsibility for assumptions, decisions, transactions, and results.

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Licensed New York CPA firm | Established on Long Island in 2005

Choose the right next step

You do not need to diagnose the finance function before calling. A useful first conversation starts with the recurring problem, the next important decision or deadline, and the people already doing the work.

When the need is reasonably clear

A direct service conversation makes sense when the problem is already clear. Examples include late monthly reporting, no one owning the close, a need for year-round business-tax planning, or a specific financing or investment decision.

The discussion should confirm fit, what the company will continue to handle, what the firm would handle, the timing, and any transition work. If the path is clear, the next step is a written proposal.

When the path is not clear

The Accounting Operations Assessment is useful when several problems are connected and management cannot tell which one is causing the others. The issue may involve the close, reporting, responsibilities, systems, or tax coordination.

The Assessment is a separate engagement. It reviews the current function, identifies the most important gaps, and organizes practical next actions. Management decides what to implement, and any additional work is proposed separately.

Bring three things to the conversation

What keeps breaking

The recurring delay, surprise, or workaround.

What happens next

The decision, deadline, or cash pressure within six months.

Who does the work

The employees, systems, and advisers involved today.

Discuss the level of accounting support your business needs. Share what keeps breaking, what decision or deadline is coming, and who handles the work today. Start a conversation at johnwhalloran.com/contact/ or call (631) 677-1344.

Please do not submit confidential financial records through the inquiry form.