1. Bookkeeping Basics for Small Business Owners - Cash vs Accrual Method of Accounting - YouTube

<https://www.youtube.com/watch?v=m018u9LeQZs>

Transcript:

the third step is choosing between the cash versus accrual method of accounting on a cash basis you only recognize revenue when you receive it for example when you deposit the check into your account on an accrual basis you recognize revenue when it's earned for example once you complete a project and write the invoice if you're a small business or just getting started you can probably use the cash method it's easy to switch from cash to accrual if you need to if your business is more complex for example if your business earns more than

5 million per year in revenue or if you manage large assets or investments you'll probably need to use the accrual method either way you should talk to your accountant to figure out which method will be best for your business