



## **Investing in Non-Critical Assets**

*Before we run we should walk. This can put you out of business.*

Business owners can fall into the trap of the latest and greatest anything. You just have to have the latest cell phone. You can take pictures, it can access email and it lets you boil water without having to watch the pot.

Or you have to look good so you trade in your Corolla for that new Cadillac or Lexus.

Don't lease or buy a copier that can produce 5,000 copies a month when you only make 10 copies a day. Even though you plan on having that output a few years from now, by then the machine will be old technology.

What I consider critical, and you should too, is anything that lets you do your job quicker, better and saves you time. In this instance it pays you to acquire it.

In my case that means QuickBooks software. I always have the latest edition. In your case it could be word processing software. What we use on a daily basis will help us to make more money because of the additional features the new software brings us or in time saved or enabling us to better run and manage our business.

It's simple really. Only get it when you really, really need it.

A general rule to keep in mind:

If you can lease it, don't buy it.

If you can rent it, don't lease it.

If you can borrow it, don't rent it.

**©Mike Crosa CPA, QuickBooks Coach 2008**