

In This Issue:

- **2nd Round PPP Borrowers - Loan Forgiveness Portal Reminder**
- **Financial Data Aggregation Platforms - Are They For You?**
- **Non-Profit Spotlight - Disability Resources in Reno, Nevada**
- **U.S. Government Launches First One-Stop Ransomware Resource at StopRansomware.gov**
New Website Provides Cybersecurity Resources from Across the Federal Government
- **What to Know About Profit and Loss Statements**
What is a P & L statement and when do you need to prepare one?

Non-Profit Spotlight - Disability Resources in Reno, Nevada

Disability Resources is a Reno, Nevada based non-profit committed to helping local individuals with disabilities achieve their highest potential through the development of individualized goals and supports. Their mission statement is: "Empowering individuals with intellectual and developmental disabilities in achieving personal growth and fulfillment through life skills training in support of independence, inclusion, and community engagement."

Disability Resources accomplishes this goal in part through New2U Computers, their eWaste recycling center. They are a certified electronic recycler providing employment opportunities to people with intellectual and developmental disabilities.

The check pictured came from an annual event hosted by Gratis Payment Processing. They provide their clients with the option to have a portion or all of their merchant services savings donated to local non-profits.

Disability Resources Corporate Officers Holding the Check from Left to Right: Arissa Panches (secretary), Vivian Ruiz (executive director), Chris McQuattie (vice president) (also Vice President, Branch Relationship Manager for Meadows Bank), Keenan Polan (president), and Kenneth McCormick (director).

What to Know About Profit and Loss Statements

What is a P & L statement and when do you need to prepare one?

The profit and loss statement is a financial statement summarizing a business's total income and expenses over a specific period — usually a fiscal quarter or year. The P & L statement is also known as an income statement. Looking at a P & L statement for the first time can be daunting. As a manager or business owner, though, the ability to read and interpret the statement is essential to making informed business decisions and preparing a business tax return.

What does a P & L statement show?

Unlike a balance sheet, which shows your business's assets and debt at a single moment in time, the profit and loss statement shows your business's financial performance over a period of time. "It begins with an entry for revenue, known as the top line," explains financial analyst Jason Fernando. After the top line, the statement lists operating expenses such as cost of goods sold and costs of doing business. "The difference, known as the bottom line, is net income," Fernando says.

P & L statements are often used to compare a business's financial performance across two different time periods. For example, it may have a column for the current fiscal year and one for the previous year. This makes it easier for you to see how revenue and expenses are evolving and to identify areas for potential change in the future.

When should you prepare a P & L statement?

According to Fernando, all publicly traded companies are "required to prepare profit and loss statements and must file their financial statements with the SEC so that they can be scrutinized by investors, analysts, and regulators." Though small, private companies may be legally exempt from preparing formal financial statements, doing so is nonetheless advisable if only because preparing a P & L statement can grant owners valuable insight into the state of their business.

Additionally, investors and analysts can use P & L statements to assess the profitability of a business. You'll need to prepare such a statement if you are hoping to convince an investor to lend you money. P & L statements are also a valuable tool when preparing business taxes.

Finally, businesses that are just starting up are required to create a P & L statement. "This statement is created pro forma, meaning that it is projected into the future," writes Jean Murray, an expert on business law. "Your business will also need a pro forma P & L when applying for funding for any new business project."

P & L statements are typically prepared quarterly as well as yearly, but depending on your business operations, you may need to prepare them more frequently — on a monthly or even weekly basis.

How do you prepare a P & L statement?

Preparing a profit and loss statement can be a major endeavor if you run a large business. Information necessary to create a P & L statement includes detailed transaction and income listings, invoices, receipts, and information about discounts or returns. "Don't forget to add cash transactions, both income and expenses," Murray warns. "Even if you have business accounting software, you may still have to enter cash transactions manually, including cash for petty cash and income." For pro forma statements, you'll need to make projections instead.

Owners of small businesses may find it feasible to prepare P & L statements using only specialized software. However, as the business grows in complexity, it's generally better to hire a professional accountant or even an accounting team to handle this task. This will help ensure the statement is accurate and give you more time to devote to assessing and improving your business.

If you're still not sure about P & L statements, consider contacting a business or financial advisor to help you create this essential document.



2nd Round PPP Borrowers - Loan Forgiveness Portal Reminder

Meadows Bank is using our technology partner, PCFS, and their forgiveness portal for all 2nd round PPP loan forgiveness applications. An email with a link to the portal was sent to the main authorized signer on the PPP loan in the past several months. If you have several companies under that same authorized signer's email address, you should be able to see all loans eligible for forgiveness within the portal.

This is simply a reminder that if you haven't already done so, click on the link in that email and login to the forgiveness portal to submit for loan forgiveness once your covered period (anywhere between 8 and 24 weeks) is completed. If you have already started the process but not yet finalized it, please login to the portal, complete and submit your forgiveness application.

If you have any further questions on PPP loan forgiveness, please contact your Meadows Bank loan officer.

U.S. Government Launches First One-Stop Ransomware Resource at StopRansomware.gov

New Website Provides Cybersecurity Resources from Across the Federal Government

Excerpts from Department of Justice Press Release:

StopRansomware.gov establishes a one-stop hub for ransomware resources for individuals, businesses and other organizations. The new StopRansomware.gov is a collaborative effort across the federal government and is the first joint website created to help private and public organizations mitigate their ransomware risk.

“The Department of Justice is committed to protecting Americans from the rise in ransomware attacks that we have seen in recent years,” said Attorney General Merrick B. Garland of the Justice Department. “Along with our partners in and outside of government, and through our Ransomware and Digital Extortion Task Force, the Department is working to bring all our tools to bear against these threats. But we cannot do it alone. It is critical for business leaders across industries to recognize the threat, prioritize efforts to harden their systems and work with law enforcement by reporting these attacks promptly.”

StopRansomware.gov is the first central hub consolidating ransomware resources from all federal government agencies. Before today, individuals and organizations had to visit a variety of websites to find guidance, latest alerts, updates and resources, increasing the likelihood of missing important information. StopRansomware.gov reduces the fragmentation of resources, which is especially detrimental for those who have become victims of an attack, by integrating federal ransomware resources into a single platform that includes clear guidance on how to report attacks, and the latest ransomware-related alerts and threats from all participating agencies. StopRansomware.gov includes resources and content from DHS’s Cybersecurity and Infrastructure Security Agency (CISA) and the U.S. Secret Service, the DOJ’s FBI, the Department of Commerce’s National Institute of Standards and Technology (NIST), and the Departments of the Treasury and Health and Human Services.

Ransomware is a long-standing problem and a growing national security threat. Tackling this challenge requires collaboration across every level of government, the private sector and our communities. Roughly \$350 million in ransom was paid to malicious cyber actors in 2020, a more than 300% increase from the previous year. Further, there have already been multiple notable ransomware attacks in 2021, and despite making up roughly 75% of all ransomware cases, attacks on small businesses often go unnoticed. Like most cyber attacks, ransomware exploits the weakest link. Many small businesses have yet to adequately protect their networks, and StopRansomware.gov will help these organizations and many more to take simple steps to protect their networks and respond to ransomware incidents, while providing enterprise-level information technology (IT) teams the technical resources to reduce their ransomware risk.

DHS, DOJ, the White House and our federal partners encourage all individuals and organizations to take the first step in protecting their cybersecurity by visiting StopRansomware.gov.

Financial Data Aggregation Platforms - Are They For You?

A recent survey noted that 50% of people use a minimum of two banking or finance apps, while a whopping 20% use five or more financial apps on a regular basis. Only 18% of the world's banking customers report not using any financial apps at all. As financial customers continue to demand more access to financial data via digital methods, it is only natural that they will begin to pursue options that can simplify the way their financial information is managed digitally. Banks are meeting that demand by utilizing account aggregation, also known as financial data aggregation.

What is a Data Aggregation Service?

A financial data aggregation service provides a link between consumers banking accounts, budgeting systems, credit card accounts, and financial planning software and pulls it together into one streamlined location, typically through an online app or web based site. Once a user has connected their various financial platforms into one location, they are able to get a full picture of their various assets, liabilities, spending habits, investments, etc., in effect creating a personal wealth management tool completely centered around their financial health.

Financial institutions are able to connect to data aggregation services by utilizing an application programming interface (API). API's provide a secure connection between computer programs, in this case allowing you to link your various financial platforms together safely and securely.

Are API's Safe?

Application programming interfaces are considered to be the gold standard for connecting unrelated computers or computer programs to each other, API's allow bank customers to use third party applications without giving up their login credentials, API's also limit the scope of data the aggregator software is allowed to access, the majority of banks in the U.S, including Meadows Bank will only allow a connection to an account aggregator software to occur if that platform utilizes an application programming interface.

Benefits of Financial Data Aggregation for consumers?

Financial aggregation services pull in financial information and combine it into one interface, allowing the user to manage their personal finances from a single dashboard, thus saving the user time and allowing them to have a true and up to date view of their financial well being as a whole. Many financial aggregation products offer personalized financial advice, and budgeting tools based on the data which has been compiled from the users various financial platforms and are able to provide insights on saving, investing and even tips on increasing the users credit score.

How Can I Protect Myself When Using Financial Data Aggregation Platforms?

First and foremost, DO YOUR RESEARCH do not download apps with poor reviews from your app store, Do not download apps that do not have a large number of previous downloads.

Ask for recommendations from your friends, business associates and banking representatives.

Only download apps from a trusted source; specifically your Google Play store or for IOS users your official App store.

Never click a link within an email or web page to access an app, fraudsters may be tricking you into accessing a copycat app in an attempt to steal your login information.

Change your passwords frequently and be sure to select a password that is not easy to guess.

Never share your password.

If something doesn't feel right, don't do it, trust your instincts.

