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Business Financial Health Checklist

Use this checklist to evaluate whether your business is doing well financially and identify areas for improvement.

Profitability

- Review monthly profit and loss reports.
- Confirm consistent profitability over time.
- If not profitable, adjust pricing or reduce unnecessary expenses.

Cash Flow

- Check bank balance weekly.
- Compare available cash to upcoming bills.
- Set aside a percentage of income regularly to build a cash cushion.

Owner Compensation

- Pay yourself a fixed amount or percentage each month.
- Avoid waiting until the end of the month to see what's left over.

Revenue Trends

- Review monthly sales and revenue trends.
- Ensure income is steady or growing.
- If inconsistent, improve marketing or client retention strategies.

Expense Management

- Review all expenses line by line.
- Cancel unused subscriptions or services.
- Identify and address areas where spending has increased.

Debt Reliance

- Avoid using credit cards or loans for regular operating expenses.
- Create a plan to reduce debt by cutting costs or increasing cash flow.

Bookkeeping Accuracy

- Reconcile accounts monthly to match bank records.
- Ensure financial reports are accurate and up to date.

Financial Understanding

- Schedule monthly time to review financial reports.
- Focus on key numbers: profit, expenses, and cash balance.
- Build simple habits to make financial management easier.

If financial clarity is a challenge, consider setting up a system that simplifies tracking and understanding your numbers. For personalized guidance, book a call to get professional support tailored to your business.