



Business Financial Advisors

Managing Money: Reinvented

What's going to happen?

All companies

Each month

Prepare a cashflow forecast
for the coming month.

Each month or quarter

Prepare margin and operating costs forecasts
for the coming month or quarter.

Always

Keep these as low as you can:

- ++ Accounts receivable
- ++ Inventory
- ++ Accounts payable
- ++ Short-term debt

Review each of them at least every month.

What do I need to do about it?

Respond to what you learn in your
"What's going to happen?" review.

continued over

Housekeeping

All companies

Separate your business and personal finances:

- ++ Have bank, credit card, and loan accounts that are only for your company

Each month

Review your bank, credit card, and loan statements.

As needed

Work with your tax advisor on:

- ++ Tax planning
- ++ Tax return preparation
- ++ Tax payments

Always

Maintain appropriate financial and tax records.

Companies that invoice their customers

As soon as possible:

Invoice your customers.
Collect outstanding invoices.

Each month

Review all outstanding invoices, with particular attention to invoices that are past due.

Companies that have employees

Have a payroll service:

- ++ Prepare your payroll
- ++ Pay your payroll taxes
- ++ File your payroll tax returns

Companies that reimburse employees

Do not let your payroll service pay these reimbursements.

All companies

As soon as possible after the end of the year

Prepare an Income Statement and Balance Sheet for your tax advisor, so they can prepare your company's income tax returns.