

FINANCIAL REVIEW PREPARATION

Schedule a meeting with your SBDC Advisor choosing a time and place where you're able to get away from the business and focus.

Provide the following information one week prior to the scheduled meeting:

- Prior three years Profit & Loss (Income Statement). Company tax returns or CPA-prepared financial statements are preferred.
- Prior three years Balance Sheets dated 12/31/XX.
- Current year-to-date Profit & Loss (Income Statement) and Balance Sheet dated the end of the most recently completed month.

Determine what topics are most important to address during this review:

- What should I look at on my financial statements?
- What are my profit margins - overall and by product?
- Is my business profitable? How do I know?
- What are the positive and negative financial trends in my business?
- What contributes to my business cash flow cycle?
- What activities can I do to offset seasonality?
- Will my current pricing allow me to reach my goals?
- How can I develop a budget?
- How do I determine break-even?
- How will additional costs affect my profitability?
- How do I finance growth?
- How do I compare to the industry?

Schedule a follow-up meeting with your SBDC Advisor to develop cash flow projections for the upcoming year:

- Have list of all revenue sources
- Have list of all costs and amounts
- Understand the cycles of your business

"Someone's sitting in the shade today because someone planted a tree a long time ago."

~ Warren Buffett
