

Crucial Financial Reports for Your New & Growing Business

When it comes to getting your new business up and running, organization and proper reporting are key. Many new business owners who are just getting started are focused on other new business priorities like staffing, training, and marketing. But keeping an eye on the numbers will keep you connected to what's going on with your business, and will become your greatest tool for maximizing growth as you move forward.

So where do you look for the numbers? There are many ways to examine your business and you should consult with your bookkeeping services provider about the reports that will be most important to you. That said, there are three main reports that will be crucial whether you are selling shoe polish or operating a traveling circus: these are your income statement, balance sheet, and cash flow statement.

1. Income Statement

Your income statement will show you your business' earned revenue, expenses, and profits over a fixed period. Basically, this document tells you if you're making money or losing it — definitely something you want to be aware of. At the very least, you should be going over your Income Statement every month with your bookkeeping services team.

2. Balance Sheet

The Balance Sheet will show you your business' liabilities, assets, and capital on a specific date. This can be a very important document for sharing with potential investors, as it reveals what your company actually owns, and what your company owes as well. Review your balance sheet on a monthly basis.

3. Cash-Flow

The Cash-Flow Statement is of particular importance for small, newly started, and growing enterprises, as these are the businesses that might have the most trouble getting their hands on the cash they need. You'd be well served by taking a good look at your cash-flow statement on a monthly basis. Unlike your income statement (which will show you revenues even when they have yet to be collected) your cash flow statement lets you know how much cash you have at your business' disposal.

4. And the Rest

The above are the three main financial reports to look at, but there are many ways to examine a business. It may be an analysis of the percentage of new leads that become clients, or a look at how your clients are finding you (by word of mouth? By internet search? Through your advertisements?). Your bookkeeping services provider can help you come up with a strategy, figuring out which financial metrics will be relevant for you to examine and preparing them for you.

About Us

Supporting Strategies has provided efficient and effective outsourced bookkeeping services and operational support to growing businesses since 2004. Our clients get the support they need, when they need it, at a price they can afford, allowing them to focus on their core business. Supporting Strategies' skilled, experienced professionals use secure, best-of-breed technology and a proven process to deliver a full suite of services, including accounts payable, accounts receivable, bookkeeping, financial reporting, and payroll administration. Supporting Strategies has more than 60 offices across 24 states.