

A close-up photograph of a man with short dark hair and a beard, wearing glasses and a light-colored suit jacket over a white shirt. He is looking down and to the right with a thoughtful expression. The background is softly blurred, showing green foliage and a white lampshade.

ASSESSING YOUR BUSINESS'S FINANCIAL HEALTH

Checklist

BEING K

ABOUT US

As a small business owner, managing your business finances is crucial for long-term success. This checklist will help you gauge your business's financial health and identify areas that may need improvement. By following this checklist, you can gain valuable insights into your financial situation and make informed decisions to drive your business forward.

If you need further assistance, visit being-k.com for more resources and courses tailored to your needs. Remember, my name is Christine, and I'm here to support you along your entrepreneurial journey.

HELLO!



GOODS-BASED BUSINESSES

Inventory Management:

- Implement an inventory tracking system to monitor your stock levels and avoid overstocking or stockouts.
- Regularly conduct inventory audits to reconcile physical stock counts with recorded inventory levels.

Cost of Goods Sold (COGS):

- Calculate your COGS by adding the direct costs of producing or acquiring goods, such as raw materials, manufacturing costs, and supplier expenses.
- Review your COGS regularly to ensure it aligns with your pricing strategy and allows for a reasonable profit margin.

Sales and Revenue:

- Track your sales volume and revenue by product or product category to identify your best-performing items.
- Analyze your sales trends to forecast future demand and adjust your inventory levels accordingly.

GOODS-BASED BUSINESSES

Supplier Management:

- Evaluate your relationships with suppliers, ensuring you're getting the best pricing, quality, and delivery terms.
- Seek opportunities to negotiate better deals or establish long-term partnerships with reliable suppliers.

Profitability and Expenses:

- Assess your overall profitability by calculating the gross profit margin (revenue minus COGS) and net profit margin (revenue minus all expenses) for your goods-based business.
- Regularly review your expenses, identifying areas where you can reduce costs or optimize operational efficiencies.



Congratulations on completing the checklist!

Here's some advice based on the number of boxes you checked.

0-3 boxes checked

There might be room for improvement in maintaining financial records and managing the financial aspects of your business. Exploring and implementing the unchecked boxes could significantly enhance your financial organization and strategies, ensuring a more stable financial foundation.

4-6 boxes checked

You've shown attention to several critical financial aspects of your business, but there are areas where additional focus could be beneficial. Exploring the unchecked boxes would further strengthen your financial management practices, leading to better financial stability and growth.

7+ boxes checked

Your business displays a comprehensive approach to financial management, showcasing attention to crucial financial aspects. Continue refining your strategies by addressing any remaining areas to ensure a well-rounded and robust financial framework for your business.

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