



10-Point Financial Health Checklist



Brought to you by Premier Business Services, Inc.

1. Is your Profit & Loss Statement clean and categorized correctly?

→ Action: Review all accounts in detail for any “uncategorized” income or expense items. There should be minimal if none, miscellaneous accounts with the goal of clear and clean financial statements. **These distort your margins.**

✓ We help clean up messy books so you can clearly see where your money is going.

2. Are you reviewing your P&L monthly—at minimum?

→ Action: Set a monthly calendar reminder to review your P&L before making financial decisions. Real time coding/classifications can help with real time analysis for major decisions.

✓ We provide monthly financial reviews to help you make data-backed decisions.

3. Are expenses split out in a way that makes sense for your business model?

→ Action: If you can't tell what you spent on marketing vs. overhead, it's time to restructure your chart of accounts.

✓ We'll tailor your chart of accounts so your financials work for *you*.

4. Does your Balance Sheet actually balance?

→ Action: If it doesn't, check for unreconciled bank accounts, negative asset balances, or duplicate entries. Ensure accounts clear timely.

✓ Our team routinely catches these issues before they become audit flags.

5. Are your bank and credit card accounts reconciled monthly?

→ Action: Reconcile every statement. If you're behind more than 60 days, get help now.

✓ We can reconcile and catch up quickly—even if it's been months (or years).

6. Do your Accounts Receivable and Payable make sense?

→ Action: If customers or vendors show outstanding balances that are clearly wrong, it's time for a cleanup.

✓ We can clean up aged receivables/payables and help improve your cash flow.

7. Is your Owner's Draw or Equity section accurate?

→ Action: If it looks inflated or negative, review transactions that were miscategorized as personal vs. business.

✓ We help owners properly separate business and personal funds, and fix past mistakes.

8. Are you monitoring your Gross Profit Margin?

→ Action: Divide gross profit by revenue. If it's too low, revisit pricing or cost of goods sold.

✓ We track and advise on industry-specific benchmarks to protect your margins.

9. Are your debt ratios manageable?

→ Action: Debt-to-equity or debt-to-asset ratios too high? It could signal financial strain.

✓ We help you analyze these metrics and guide financing or repayment strategies.

10. Do you know your break-even point?

→ Action: If not, you're flying blind. This is the baseline you need to cover all costs.

✓ We'll help you calculate and adjust this regularly as your business changes.

While it's challenging to pinpoint an exact percentage of small businesses with disorganized financial records, several studies highlight significant concerns regarding bookkeeping practices among small business owners:

- **Lack of Financial Literacy:** A survey by Intuit QuickBooks revealed that 42% of small business owners admitted to having limited or no financial literacy before starting their businesses.
- **Absence of Professional Accounting Support:** Nearly 70% of small businesses operate without an accountant, potentially leading to errors in financial record-keeping.
- **Self-Managed Bookkeeping:** Approximately 34% of small business owners handle their company's bookkeeping themselves, which can increase the risk of inaccuracies.



Need help with this checklist or curious what else is hiding in your financials?

Let's talk. Don't assume your dedicated accounting support has these covered, in fact most don't. Whether you're just getting started or need a deeper dive, our team can help bring clarity, clean-up, and confidence to your financials—so you can focus on growing your business.