



**E-Book**

# 5 TIPS FOR FINANCIAL CONTROL IN YOUR BUSINESS

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Financial control is a crucial aspect of managing a successful business. It involves monitoring and managing the financial resources of the company to ensure that it operates within budget, maximizes profits, and achieves its financial goals. By implementing effective financial control measures, businesses are able to make informed decisions about spending, investments, and growth opportunities. Without financial control, businesses may struggle to make ends meet, face unexpected financial difficulties, and have limited ability to grow and expand. As a result, establishing and maintaining financial control is essential for the long-term success and stability of any business.



## Keep the Correct Financial Records

Financial control is an essential aspect of managing any business. It involves keeping track of all financial transactions, understanding the financial status of the company, and making informed decisions to improve the bottom line. To have financial control in your business, it is crucial to maintain accurate and up-to-date financial records. Here are five financial records that you should be keeping to ensure financial control in your business:

### Cash Flow Forecast

A cash flow forecast is a projection of the expected inflow and outflow of cash in your business over a specific period. It helps you predict future cash shortages and surpluses, allowing you to make informed decisions on how to manage your finances effectively. Having a cash flow forecast in place helps you make necessary preparations to meet future expenses, such as paying bills and salaries, and taking advantage of opportunities to invest in your business.

## **Profit and Loss (P&L) Statement**

A Profit and Loss statement provides an overview of the financial performance of your business over a specific period. It shows the total revenue earned and the expenses incurred, including both fixed and variable costs. A P&L statement gives you an idea of whether your business is operating at a profit or loss and provides valuable information on the areas where you can reduce expenses and increase revenue. It is an essential tool for measuring the financial health of your business and making informed decisions about future investments and expenditures.

## **Balance Sheet**

A balance sheet provides a snapshot of your business's financial position at a specific point in time. It shows your assets, liabilities, and equity, allowing you to assess the net worth of your business. A balance sheet helps you understand your business's liquidity and solvency, providing valuable information on whether your business has the resources to meet its financial obligations and whether it is in a position to grow.

## **Budgets**

A budget is a financial plan that outlines the expected revenue and expenses of your business over a specific period. It helps you control your spending, track your progress towards financial goals, and make informed decisions on how to allocate resources. A budget gives you a roadmap for the financial future of your business and helps you identify areas where you can reduce expenses and increase revenue.

## **Invoices and Receipts**

Invoices and receipts are the foundation of any financial record-keeping system. They provide an accurate record of all financial transactions, including sales, purchases, and payments. Invoices and receipts are essential for preparing financial statements and for tracking the flow of cash in and out of your business. By keeping accurate records of all financial transactions, you can ensure that your financial statements are accurate and up-to-date, providing a clear picture of the financial health of your business.

Keeping the correct financial records is essential for ensuring financial control in your business. By keeping a cash flow forecast, profit and loss statement, balance sheet, budgets, and invoices and receipts, you can have a comprehensive view of the financial status of your business, making informed decisions to improve its financial performance.



# Monitor Cash Flow

Cash flow is a crucial aspect of managing a successful business. It is the movement of money in and out of your business, and it is essential to monitor your cash flow in order to maintain financial control. Whether you are just starting a business or looking to improve the financial health of an established company, here are five tips to help you monitor your cash flow and achieve financial control in your business.

### **Track Your Cash Flow Regularly**

The first step in monitoring your cash flow is to track it regularly. This means keeping accurate record so fall of your income and expenses, and reviewing them on a regular basis. This information will help you to understand the flow of money in and out of your business, and to identify areas where you can improve your cash flow.

### **Forecast Your Cash Flow**

In addition to tracking your cash flow, it is also important to forecast your cash flow. This involves projecting your future income and expenses, and using this information to estimate your future cash flow. By forecasting your cash flow, you can anticipate potential cash flow problems, and make adjustments to your finances accordingly.

Whether you are just starting a business or looking to improve the financial health of an established company, taking the time to monitor your cash flow will help you to achieve financial stability and success.

### **Monitor Your Accounts Receivable**

One of the biggest challenges in monitoring cash flow is managing accounts receivable. Accounts receivable refers to the money that you are owed by your customers, and it is important to monitor it closely in order to maintain a positive cash flow. This may involve setting up payment terms, sending invoices promptly, and following up on overdue payments.

### **Monitor Your Accounts Payable**

In addition to monitoring accounts receivable, it is also important to monitor your account payable. Accounts payable refers to the money that you owe to your suppliers, and it is important to manage it effectively in order to maintain a positive cash flow. This may involve negotiating payment terms, paying bills on time, and avoiding late fees.

## Seek Professional Advice

Finally, seeking professional advice can be a valuable resource when monitoring your cash flow. A business coach or accountant can provide you with expert guidance and advice on how to manage your finances, and can help you to identify areas where you can improve your cash flow. In addition, they can help you to understand complex financial concepts and regulations, and to make informed decisions about your finances.

Monitoring your cash flow is a critical aspect of maintaining financial control in your business. By following these five tips, you can improve your cash flow, manage your finances effectively, and make informed decisions about your business finances. Whether you are just starting a business or looking to improve the financial health of an established company, taking the time to monitor your cash flow will help you to achieve financial stability and success.

## Implement Cost Control Measures

Implementing cost control measures is an essential aspect of achieving financial control in your business. Cost control involves managing your expenses and reducing unnecessary spending, which can help to improve your cash flow and increase your profits. Whether you are just starting a business or looking to improve the financial health of an established company, here are five tips to help you implement cost control measures in your business.



## **Identify Areas of High Expenditure**

The first step in implementing cost control measures is to identify areas of high expenditure in your business. This may involve reviewing your financial statements, such as your profit and loss statement, and identifying areas where you are spending a large amount of money. By identifying areas of high expenditure, you can then focus your cost control efforts on these areas to maximize the impact of your efforts.

## **Evaluate Your Expenses**

In order to effectively control your costs, it is important to evaluate your expenses. This involves examining each expense item in your business and determining whether it is necessary and justified. This may involve renegotiating contracts, reducing the frequency of non-essential expenses, or finding more cost-effective solutions.

## **Streamline Your Operations**

Streamlining your operations is another effective way to implement cost control measures in your business. This involves identifying areas of inefficiency in your operations, and making changes to improve them. For example, you may be able to reduce your costs by automating certain processes, or by outsourcing certain functions to reduce the number of employees required to perform them.

## **Utilize Technology**

Technology can play an important role in implementing cost control measures in your business. For example, you may be able to reduce your costs by using online tools, such as cloud-based accounting software, to manage your finances. This can help to eliminate the need for manual processes, reducing the time and effort required to manage your finances, and freeing up resources that can be used to focus on other areas of your business.

## **Consider Outsourcing**

Finally, outsourcing can be an effective way to implement cost control measures in your business. By outsourcing certain functions, such as accounting or marketing, you can reduce your overhead costs and free up resources that can be used to focus on other areas of your business. This can also help to improve your cash flow, as you will be able to reduce your expenses and increase your profits.

Implementing cost control measures is an essential aspect of achieving financial control in your business. By following these five tips, you can reduce your expenses, improve your cash flow, and increase your profits. Whether you are just starting a business or looking to improve the financial health of an established company, taking the time to implement cost control measures will help you to achieve financial stability and success.



# Maintain Accurate Financial Records

Maintaining accurate financial records is a crucial aspect of having financial control in your business. Accurate financial records help you to understand your financial situation, make informed decisions, and ensure that your business is in compliance with financial regulations. Whether you are just starting a business or looking to improve the financial health of an established company, here are five tips to help you maintain accurate financial records in your business.

### **Develop a Record-keeping System**

The first step in maintaining accurate financial records is to develop a record-keeping system. This may involve setting up a manual or computer-based system for recording transactions, such as invoices, receipts, and bank statements. A good record-keeping system should be easy to use, organized, and allow you to quickly access the information you need.

### **Record Transactions on a Regular Basis**

In order to maintain accurate financial records, it is important to record transactions on a regular basis. This may involve keeping a daily or weekly record of transactions, and reconciling your records with your bank statements to ensure that they are accurate. By recording transactions on a regular basis, you can avoid missing important information, and ensure that your records are up-to-date and accurate.

Accurate financial records help you to understand your financial situation, make informed decisions, and ensure that your business is in compliance with financial regulations.

### **Use Accurate Accounting Methods**

Another important aspect of maintaining accurate financial records is using accurate accounting methods. This may involve using a recognized accounting method, such as cash or accrual accounting, and ensuring that your financial records are in compliance with financial regulations. By using accurate accounting methods, you can ensure that your financial records accurately reflect the financial situation of your business.

### **Keep Receipts and Invoices**

It is important to keep receipts and invoices for all transactions in your business. This includes all purchases, sales, and expenses, as well as any other transactions that impact your financial records. By keeping receipts and invoices, you can ensure that you have a complete record of all transactions in your business, and that you can easily access this information when needed.

## Conduct Regular Audits

Finally, conducting regular audits of your financial records is an important aspect of maintaining accurate financial records. This may involve reviewing your records on a regular basis, such as monthly or quarterly, and checking for accuracy. By conducting regular audits, you can ensure that your financial records are accurate and up-to-date, and that your business is in compliance with financial regulations. Maintaining accurate financial records is a crucial aspect of having financial control in your business. By following these five tips, you can develop a strong record-keeping system, ensure that your financial records are accurate, and keep your business in compliance with financial regulations.



## Creating a Financial Plan

Creating a financial plan is an essential step in establishing financial control in your business. It helps you to define your financial goals, track your progress, and make informed decisions about your finances. Whether you are just starting a business or looking to improve the financial health of an established company, here are five tips to help you create a financial plan that will give you the financial control you need to succeed.

### Define Your Financial Goals

The first step in creating a financial plan is to define your financial goals. What do you want to achieve financially? Do you want to grow your business, save for retirement, or build an emergency fund? Once you have a clear idea of your goals, you can start to develop a plan to achieve them.

### Assess Your Current Financial Situation

The next step in creating a financial plan is to assess your current financial situation. This includes analyzing your income, expenses, and debts, as well as reviewing your current investments and savings. This information will help you to understand your current financial position and to identify areas where you can improve your finances.

## **Set a Budget**

Once you have assessed your current financial situation, you can set a budget. A budget is a financial plan that outlines your income and expenses, and helps you to manage your money effectively. It should include all of your regular expenses, such as rent, utilities, and food, as well as any discretionary spending. When setting a budget, it is important to be realistic and to allow for unexpected expenses.

## **Monitor Your Progress**

One of the key benefits of having a financial plan is that it helps you to monitor your progress. By tracking your income, expenses, and savings, you can see how your financial situation is changing over time, and identify areas where you need to make adjustments. Regularly reviewing your financial plan will help you to stay on track and make any necessary changes to achieve your financial goals.

## **Seek Professional Advice**

Finally, seeking professional advice can be a valuable resource when creating a financial plan. A business coach or accountant can provide you with expert guidance and advice on how to manage your finances, and can help you to identify areas where you can improve your financial control. In addition, they can help you to understand complex financial concepts and regulations, and to make informed decisions about your finances.

Creating a financial plan is an important step in establishing financial control in your business. By following these five tips, you can develop a plan that will help you achieve your financial goals, monitor your progress, and make informed decisions about your finances. Whether you are just starting a business or looking to improve the financial health of an established company, taking the time to create a financial plan will help you to achieve financial stability and success.

# A Bit About Us

## Our History

Founded by Brad Sugars in 1993, ActionCOACH has served thousands of businesses and their owners worldwide and in every category imaginable. By showing owners how to get more time, better company teams, and more money on their bottom line.

## Vision and Purpose

We want you to succeed. At ActionCOACH, every individual within our team commits to our vision of "World Abundance through Business Re-education, purpose "A Coach in Every Business," so together we can make a difference.



## Making Business Ownership Easy

It is time to make a change... With 98% of clients saying they would recommend ActionCOACH, this will be a change we are certain you will be proud of when looking back at your business growth.

## A Commitment to C.A.R.E

ActionCOACH clients, whether they be small, medium, or large, will have a desire to have us help them achieve their goals and be able to take on our commitment to them by returning their commitment to ActionCOACH. They will be forward-thinking, willing to learn and grow, and willing to work as a team player in the development of an organization of "people."

Our clients will be selected more on attitude than size and they will want to deal with us because we understand people are important, systems should run a company, we offer the most practical, most applicable, and fastest strategies on growth, and most importantly, because we mean what we say. We will give people back their spirit and freedom through business development.

## Finding a Coach

If you would like to act now and start your business coaching journey with our committed team, simply reach out to us at [actioncoach.com](http://actioncoach.com).