

Small Business Financial Fundamentals Guide



BUSINESSLINK



Knowing your numbers can be challenging. Creating a great product or service and connecting with customers is usually more fun than organizing receipts and figuring out what's a debit and what's a credit. However, the keys to understanding how to price your products and services, streamline your business, create a stable income for yourself, and survive in challenging times can all be found in your financials.

If you want to leverage the services of your bookkeeper and accountant more effectively, it helps to speak the language and know what questions to ask. The more informed you are, the better you will be at guiding your team of experts to give you the right information to make better business decisions.

Understanding your financials is easier than you think. Review and answer the checklist questions below. Each question comes with a supporting help guide or worksheet. If you are feeling stuck, our Business Strategists are available to provide **one on one support**.

I have a full understanding of financial terms such as fixed and variable costs, profit loss analysis, and cash flow projections.

Yes - I know the lingo.

No - It's all stuff and numbers to me...

Download our [guide to financial terms](#).

I understand how to price my products or services using a breakeven analysis.

Yes - I am on my way to profitability!

No - I'm not sure how low I can go...

Download our [breakeven analysis worksheet](#).

I know my personal budget and how to plan a budget for my business.

Yes - I know how to separate personal expenses from business/professional expenses.

No - I didn't know I needed a budget!

View the Government of Canada's free [interactive budget planner](#) website.

I know the difference between an income statement and a balance sheet and why those are so important.

Yes - It's second nature!

No - My eyes just glazed over...

Download the [financial statements 101](#) cheat sheet.

I understand how to use ratios to improve the performance of my business.

Yes - I know the math.

No - Um...

Visit the [BDC website](#) to learn more about ratios and why they are so important.

I know what financial software is best for my business.

Yes - I am already using accounting software.

No - My shoebox of paper receipts is piling up and I need help!

Download our guide to [accounting software](#).

I know why lenders look so closely at the Cashflow Statement in my business plan.

Yes - but I'd still like to learn more about business planning and financials.

No - I thought my bank account would be a good tracker...

Download our [cash flow template](#) and visit our [interactive business plan builder](#).

I know what to look for in a good accountant/bookkeeper.

Yes - My accountant answers all my questions.

No - I was hoping my spouse would provide FREE bookkeeping!

Download our [hiring an accountant](#) guide.