THE SME CFO · RESOURCE

SME Financial Health Checklist

A quick diagnostic to see where your business stands today. Tick what is already true; the unticked boxes are your priorities for the next quarter.

CASH AND RUNWAY

- [ ] You know your current cash balance to the day, not the week.
- [ ] You track how much cash the business burns each month.
- [ ] You know your runway: how many months of cash you have left.
- [ ] You hold at least three months of operating expenses in reserve.

BOOKS AND RECORDS

- [ ] Your books are reconciled against the bank every month.
- [ ] Business and personal finances are completely separate.
- [ ] Every transaction is categorised to a clear account.
- [ ] Receipts and invoices are stored for all expenses.

REPORTING

- [ ] You produce a profit and loss statement every month.
- [ ] You review a balance sheet, not just the bank balance.
- [ ] You track cash flow separately from profit.
- [ ] You compare actual results against a budget or plan.

MARGINS AND PRICING

- [ ] You know your gross margin by product or service line.
- [ ] You review your pricing at least once a year.
- [ ] You know the revenue level at which you break even.

COMPLIANCE

- [ ] Taxes are calculated and filed on time.
- [ ] Statutory and company records are up to date.
- [ ] Annual financial statements are prepared each year.