

# Monthly Financial Review Checklist

FOR BUSINESS OWNERS/  
EXECUTIVE DIRECTORS

By: Heather Garland



SYNERGY PATHFINDERS, LLC ®

[synergypathfinders.com](http://synergypathfinders.com) | (703) 965-1355

# Review Key Financial Reports

Understand your organization's performance at a glance.

## Profit & Loss (Income) Statement



- See your revenue, expenses, and net profit for the month. Watch for unexpected spikes or dips.

## Balance Sheet



- Snapshot of your assets, liabilities, and equity. Helps assess your organization's financial position.

## Cash Flow Statement



- Shows how cash is moving in and out of your organization. This is especially important if your Profit & Loss Statement shows a profit but cash feels tight.

# Track Key Performance Indicators (KPIs)

Monitor the numbers that matter most to your growth.

## Revenue Growth



- Are sales increasing compared to last month or the same time last year?

## Gross Margin Percentage



- Are you keeping enough of each sale after covering direct costs?

## Net Profit Margin



- How much profit are you making after all expenses?

## Accounts Receivable Turnover



- How quickly are you being paid? Longer times may hurt cash flow.

## Accounts Payable Turnover



- How quickly are you paying vendors? Managing this well helps with cash management.

## Operating Cash Flow



- Is your organization generating cash from core operations (not loan or investments)?

# Track KPIs (Continued)

## Industry- Specific KPIs



- Think utilization rates, customer retention, average order value. This should be whatever moves the needle!

# Compare Against Budget or Forecast

Spot trends early by comparing actuals to your plan.

## Revenue vs. Forecast



- Are you ahead or falling behind? Consider seasonality or changes in demand.

## Expenses vs. Budget



- Are you overspending in any category? Time to investigate or adjust.

## Variance Analysis



- Identify any significant differences between what you expected and what actually happened.

## Update Forecast, if needed



- Adapt to what's really happening, not just what you hoped would happen.

# Evaluate Cash and Liquidity Position

Ensure you have enough cash to cover operations.

## Cash on Hand



- Do you have enough to cover 1-3 months of operating expenses if sales dip?

## Upcoming Cash Needs



- Any large bills, payroll, or seasonal swings on the horizon?

## Line of Credit Availability



- Make sure you have a backup option, if needed.

# Assess Receivables & Payables

Keep the money flowing smoothly in both directions.

## Customer/ Donor/ Client Payments



- Follow up on overdue invoices to protect your cash flow.

## Aging Receivables Report



- Are there any customers, clients or donors consistently late? Time to review terms or follow up.

## Vendor Payments



- Are you managing due dates well? Not too early or late?

# Schedule Monthly Finance Review

Make it a habit, not a one-off.

## Block Time Monthly



- Whether solo or with your team, review your financial statements consistently.

## Meet with Your Accountant or Advisor



- Get expert insights and stay accountable.

## Set Action Items



- Use your findings to improve next month's results. Don't just observe, act!