

Budgeting

Budget/Expense Tracking Worksheet

MONTHLY PAYMENT SCHEDULE

Income

Sales \$ _____
 Royalties \$ _____
 Subscriptions \$ _____
 Capital Gains \$ _____
 Other sources \$ _____

Expenses

Fixed Expenses

Rent \$ _____
 Vehicle payment \$ _____
 Vehicle insurance \$ _____
 Internet \$ _____
 Loan Repayment \$ _____
 Advertising \$ _____
 Staff \$ _____
 Other \$ _____

Variable Expenses

Savings \$ _____
 Utilities \$ _____
 Cell phone \$ _____
 Equipment \$ _____
 Transportation/gas \$ _____
 Vehicle maintenance \$ _____
 Supplies \$ _____
 Other \$ _____

TOTAL INCOME \$ _____

TOTAL FIXED EXPENSES \$ _____

TOTAL VARIABLE EXPENSES \$ _____

Financial Tips For Your Small Business
Healthy Business Practices

BASIC BOOKKEEPING CHECKLIST

Get business accounting software

Open a separate business checking account

Reconcile your checking account monthly

Track sales

Deposit all sales

Write business checks for all business expenses (or use a business check card)

Obtain a separate business credit card

Run a profit and loss (P&L) statement

Keep these two rules of thumb in mind:

Pay **business expenses first**. Most businesses start out as a sole proprietorship. In sole proprietorships, you, the owner, do not get a salary; rather you take an owner's draw. A common question is how much draw to take? Here's a rule of thumb: Sales pays for business expenses first, **personal expenses second**.

Pay yourself with **owner's draw**. Owners should pay themselves by writing a check or making an electronic transfer **from the business account to a personal account**. If you are a sole proprietor, assign those draw checks to an equity account called "Draws."

Regions Small Business Calculators

regions.com/bizcalculators

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LOANS

Steps for getting ready:

1 Have a business plan (include profit plan)



4 Check your credit report



2 Know what you can afford



5 Establish collateral options

6 Show your equity contributions

3 Study your financial statements



7 Research your financing options

WHY ARE CASH FLOW PROJECTIONS USEFUL?

Excess cash flow?

- Take advantage of trade terms
- Pay down line of credit



Shortfall in cash flow?

- Extend trade credits for payables
- Offer better trade terms to accelerate receivables
- Focus on collecting receivables
- Review forecast and adjust, as needed

HEALTHY CREDIT PRACTICES

- Separate** your business and personal finances.
- Keep your business and personal credit **clean**.
- Maintain **positive** cash flow.
- Develop a banking **relationship**.
- Build a **strong** business credit profile.

ACTION PLAN

- 1.
- 2.
- 3.
- 4.
- 5.

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