

'Tis the season of freshly sharpened pencils, unblemished notebooks, new shoes and (temporarily) organized binders.

It has admittedly been a few years — er, decades — since most of us have experienced the rush and/or unmitigated horror of a back-to-school season. Well, folks, grab those pencils. We're heading into the classroom.

School is in session, and the lesson plan is Business Financials 101.

We know what you're thinking: "I run a business. I already know this stuff." Still, we can't resist a pop quiz:



POP QUIZ:

BUSINESS FINANCIALS 101

1. What are the net terms on your accounts payable and receivable?
2. Why are they set to those terms?
3. What percentage of the time are your terms achieved?
4. What is the range of acceptable inventory levels?
5. How much extra cost do you eat for each standard deviation out of that range?
6. If your air conditioning blew up next week or a virus attacked all your staff's computers, do you have the cash flow to cover it?
7. What reports should you look at each day, each week, each month, and each year?
8. What's the ROI on your marketing initiatives?
9. What is your fraud policy?

OOF. DON'T WORRY, WE'LL GIVE EXTRA CREDIT.

You already earned it, because nobody knows your business better than you. Plus, you're earning double ninja bonus points simply by reading this newsletter. That shows that you're committed to elevating your business.

We can't give you the answer key, because every business is different. But we can tell you how important it is that you brush up on business basics. Unfortunately, pop quizzes crop up in business all the time, and extra credit isn't always available.

Familiarity with each of the topics above can help mitigate disasters, maximize potential, and help you answer the ultimate bonus question: *where do you want your business to go?*

We know how these lessons tend to go.

You understand that you should stay on top of the topics addressed in the pop quiz. They're on the "to-do" list. Yet, somehow, there's never time.

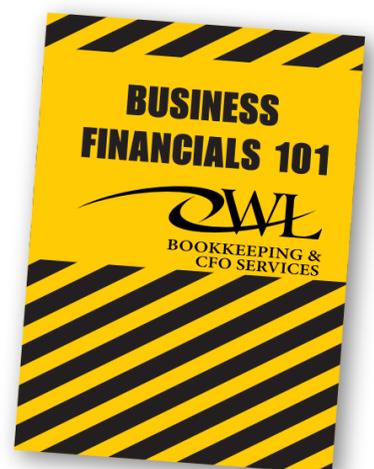
We understand. You have enough on your plate. The good news? You don't have to do this alone. We highly recommend a qualified study partner.

That might mean a great bookkeeper, a genius controller, or an over-the-top fabulous CFO. They get paid to ace these quizzes, and they can serve as your Cliff's Notes.

Let us know if we can help. When it comes to business finances, we tend to be the kids sitting in the front of the class with our hands perpetually raised in the air.

For more information, contact us at 612-816-6007 or visit owlbookkeepingandcfo.com

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OWL BELIEVES TWO THINGS ABOUT SMALL BUSINESS MONEY:

- > It should be stable and secure.
- > There should be more of it.