

5 Questions every Small Business should ask and how to find the Answers!

To be successful, there are five questions every small business needs to have answered each month. The answers to these questions will give them the information necessary to make informed decisions to improve profits and reduce taxes.

- 1. How much did I make?**
- 2. Where did my money go?**
- 3. How much money should I have made?**
- 4. What do I need to do to make what I should be making?**
- 5. Am I paying the minimum taxes required by law?**

Like most things, the answers are not hard to find, but they do require planning, a system of gathering information, and a commitment to do the work each month.

The answers to first three questions are found in a set of accurate, timely and easy to understand monthly *financial statements*, i.e., a profit and loss and balance sheet. Financial statements should be management tools not just historical documents.

The fourth question can be answered by an experienced *business consultant* with a working knowledge of the business. A fresh set of eyes that can recognize patterns and offer solutions.

The fifth question requires a trained *tax professional*. A professional maintains their license or certification through annual continuing education classes. Tax laws are always changing, businesses need someone who stays current and can advise them of available tax benefits and business strategies.