

Basic Finances for Small Businesses: A Resource Guide

More and more women have become successful in launching and growing their own companies. Small businesses owned by women is growing 50% faster than the total number of small businesses, according to American Express. Guardian Small Business Research Institute projects that women-owned businesses will generate 5 million new jobs by the year 2018. If you want to join the success of these many women-owned business, you need more than a great idea, you need to have all of your financial ducks in a row.

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Budgeting

Budgets are essential to the operation of your business. They help you manage costs, determine profit goals, and keep you on track with short-term and long-term money management. According to the Small Business Association (SBA), “A budget is a detailed plan of future receipts and expenditures.” Most budgets start by identifying a profit goal and the expenses the business expects to incur over a set amount of time. Here are additional resources that can help you plan your budget:

- 📖 The SBA blog, “**How to Build and Use a Business Budget That’s Useful All Year Long**” – This blog includes information on how to build a year-long budget, how and why budgets are important and templates for budget building. Visit sba.gov, click on Blogs, and search for the title in the search bar.
- 📖 The SBA blog, “**Managing Small Business Cash Flow – Answers to 10 Commonly Asked Questions**” – This blog includes information about how to manage cash flow once you have it, a 12-month cash flow template, how to calculate a break-even point, making sure you get paid and lines of credit.

Creating a Business Plan

The success of a small business depends on many things. Understanding these important aspects of a small business can be the difference between success and failure, especially when only 20 percent of new businesses survive past five years (according to letsmakeaplan.org). Different factors that go into creating a business plan include start-up expenses, profit and loss projections, risk management, tax planning, retirement planning, investment planning, and estate planning. There are a number of resources small business owners can access to help in business planning.

- 📖 **SCORE.org** also offers templates in its “**Business Planning & Financial Statements Templates Gallery**” – These include business planning resources like an online workshop and what to do and not to do when making a business plan.

continued

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- ☒ **Let's Make a Plan** (letsmakeaplan.org) is a website that offers advice on tax planning, risk management, retirement planning, investment planning, and estate planning.

General Resources

- ☒ **SBA.gov** – The Small Business Administration is a government organization that delivers assistance to small businesses through counseling sessions, loans, loan guarantees and contracts.
- ☒ **SCORE.org** – SCORE is a nonprofit association that helps small businesses through counseling, free business tools, and inexpensive workshops and webinars.

When starting and building a small business, don't forget about the importance of also planning for retirement, both for you and your employees. To learn more on this topic, read WISER's Fact Sheet *Retirement Plans for Small Businesses*.

Direct URLs to Listed Resources:

BUDGETING

How to Build and Use a Business Budget That's Useful All Year Long

<https://www.sba.gov/blogs/how-build-and-use-business-budget-thats-useful-all-year-long>

Managing Small Business Cash Flow – Answers to 10 Commonly Asked Questions

<https://www.sba.gov/blogs/managing-small-business-cash-flow-answers-10-commonly-asked-questions>

Budgeting in a Small Service Firm

<https://www.score.org/system/files/u129009/Budgeting%20in%20a%20Small%20Service%20Firm.pdf>

Better Business through Budgeting

<http://www.bloomberg.com/bw/stories/2006-01-18/better-business-through-budgeting>

CREATING A BUSINESS PLAN

Business Planning & Financial Statements Templates Gallery

<https://www.score.org/resources/business-planning-financial-statements-template-gallery>

Let's Make a Plan

<http://www.letsmakeaplan.org/blog/posts/2013/10/23/financial-planning-for-small-business-owners>

GENERAL RESOURCES

Small Business Administration

www.sba.gov

SCORE

www.score.org