eCourse Outline

Understanding Your Financial Statements - Your Cash Flow Statement

1. Cash Flow Statements
   a. Cash in-flow and out-flow

2. Starting a business
   a. Part of a business plan
   b. Assess viability
   c. Identify start up costs
   d. Track ongoing costs
   e. Cover debt service

3. Start up costs
   a. Buying equipment
   b. Rental deposit
   c. Other one-time expenses

4. How many will you sell for how much?
   a. Research
      i. Industry
      ii. Competition
      iii. What sets your business apart from others
      iv. Potential traffic flow
      v. Demographics of customers

5. Estimating costs of goods sold
   a. COGs

6. Managing a business
   a. Monitoring cash flow
   b. Make projections
   c. Identify issues
   d. Understand accounting
   e. Invoicing
   f. Have an emergency backup plan
   g. Use technology
i. Accounting systems and online payment

7. Managing Seasonality

8. Growing
   a. Cash
   b. Seek outside funding from a bank or investor
   c. Cover all of your business costs

9. Your Cash Flow Statement
   a. Cash position
   b. 12-month forward-looking cash flow statement
      i. Cash on hand (beginning period)
      ii. Total cash available
      iii. Cash paid out
      iv. COGs
      v. Gross wages and payroll expenses
      vi. Owner draw-salary line
      vii. Advertising and marketing
      viii. Total cash paid out
      ix. Total cash available minus total cost paid out over cash position

10. Making adjustments
    a. Living document

11. What your cash flow statement tells you
    a. assess the viability of a business idea
    b. identify the start up costs
    c. help you make decisions
    d. anticipate potential cash flow problems

12. Creating a cash flow statement

13. Summary