FPA CONSULTING SERVICES

FINANCIAL HEALTH CHECKLIST FOR GROWING BUSINESSES

A 15-Point Diagnostic Framework for Accounting Integrity, Cash Flow Visibility & FP&A Readiness

SECTION 1: 15 CRITICAL FINANCIAL & REPORTING CONTROLS

- [ ] **1. Monthly Financial Close Timeline:** Is your financial close completed within 10 business days of month-end with full balance sheet reconciliations?
- [ ] **2. Bank & Credit Card Reconciliations:** Are all operational bank accounts, credit lines, and merchant processors fully reconciled monthly?
- [ ] **3. Chart of Accounts Standardization:** Is your COA structured cleanly by distinct revenue streams, department cost centers, and expense categories?
- [ ] **4. Revenue Recognition Integrity:** Are earned revenue and unearned/deferred revenue separated in compliance with accrual accounting principles?
- [ ] **5. Accounts Receivable (AR) Aging Control:** Is Days Sales Outstanding (DSO) tracked weekly with systematic collections enforcement for invoices >30 days?
- [ ] **6. Accounts Payable (AP) Approval Workflow:** Are vendor payments pre-authorized against Purchase Orders and vendor payment terms systematically leveraged?
- [ ] **7. Gross Margin Tracking by Segment:** Do you measure Gross Profit Margin by product SKU, client tier, or service line to catch margin erosion early?
- [ ] **8. Operating Expense (OPEX) Classification:** Are operating costs strictly categorized (Direct COGS vs Sales/Marketing vs General & Administrative)?
- [ ] **9. Tax & Statutory Filing Punctuality:** Are sales tax, payroll withholdings, and income tax returns filed on schedule with zero late penalties?
- [ ] **10. 13-Week Rolling Cash Flow Forecast:** Does management maintain a weekly updated 13-week cash flow model predicting cash receipts and payments?
- [ ] **11. Budget vs. Actual (BvA) Variance Reviews:** Are monthly variance reports evaluated to flag budget overruns and re-forecast spending dynamically?
- [ ] **12. Runway & Net Monthly Burn Visibility:** Do founders and executives know your exact net monthly cash burn rate and cash runway remaining in months?
- [ ] **13. Unit Economics & Strategic KPIs:** Are unit economics (CAC, LTV, Retention Rate, Payback Period, Contribution Margin) measured monthly?
- [ ] **14. Downside Scenario Stress Testing:** Has financial leadership modeled downside revenue scenarios (e.g. -20% sales contraction or delayed collections)?
- [ ] **15. Fractional CFO / Executive Guidance:** Does senior leadership receive strategic financial analysis, board decks, and capital growth planning monthly?

SECTION 2: FINANCIAL MATURITY SCORING MATRIX

12 – 15 Points: High Maturity
Strong accounting controls & cash visibility. Ready for capital scaling & M&A.

8 – 11 Points: Moderate Risk
Control gaps exist in forecasting or AP/AR. Fractional CFO advisory recommended.

0 – 7 Points: Critical Warning
High cash burn & compliance risk. Immediate accounting cleanup & cash model required.

HOW FPA CONSULTING SERVICES ACCELERATES YOUR GROWTH

FP&A & Financial Modeling
13-Week Cash Flow Models, Rolling Budgets, Unit Economics, & Scenario Planning.

Fractional CFO Leadership
Senior Strategic Advisory, Board Reporting, Capital Structuring, & M&A Readiness.

Accounting & Bookkeeping
Month-End Close Acceleration, Bank Reconciliations, & Audit/Tax Preparation.

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