



Evaluate Business Solutions

Work Smarter. Learn. Grow your Business.
Let me show you how

3 Essentials for a Profitable Business

If you are in business, or starting out, here are 3 essential things you need to do to give yourself the best chance at success.

Much like having kids, it's easy to get caught up in the excitement of a business venture without thinking about the details - the sleepless nights and dirty nappies or, in this case, the sleepless nights and cashflow worries!

Avoid common early mistakes and set your business up for long term success.

This simple PDF is here to help!

What you will get from this document :

- Set yourself up for success
- Proceed with confidence, knowing exactly where you are at
- Build a profitable and long term business model



1 - Price for Profit, not just Sales

Many new businesses forget about all the additional costs involved in operating a business. These 'overheads' are there whether you make a sale or not - for example;

- Rent / Power (whether this is a home office or external space)
- Subscriptions - email, websites, accounting software, internet
- Vehicle costs
- Insurances

They aren't something you can itemise on your sales invoices to your customers so you need a methodology for building them in to your pricing.

Knowing what the monthly or annual total of these costs are, as a percentage of your target sales, and applying a portion to your product or service costings is key to making sure there is profit for you at the end of the year.

TIP: If you would like a simple pricing template, drop me an email

2 - Build some basic systems

It's easy to "just do the thing" when you're small, but chaos grows with you. Having repeatable, documented processes (even simple ones) makes it:

- Easier to onboard help when you need it
- Less stressful to step away if you are ill, or need to take a break

Ensuring that your sales system can be repeated, whether you are there or not. **

You don't need any fancy software - a pen and paper or a word document is a great start. Document your checklists, email templates or processes - whatever it takes to save time and stay consistent.

*** Solopreneur businesses of course do actually rely on your own skills and input to be a business at all, so this wouldn't necessarily apply in those cases. That being said, it still pays to have something documented in the event that something happens to you - even if it's just a client contact list accessible to someone you trust.*

Make a checklist	Summarise the key steps you take from start to finish of a sale transaction
Detail the 'how'	Expand on each step to detail exactly how you carry out the task so that any other person could come along and follow the plan
Record your values and non-negotiables	<p>It's a good idea to document your own values behind your business practice. How you had in your head that you wanted to operate as a business owner eg ;</p> <p><i>“Operate in a transparent, honest and trustworthy way, never cutting corners, always do a great job with the goal of repeat business and word of mouth advertising”</i></p> <p>This context helps any employees or others to understand the person behind the business or brand and to act with those principles in mind</p>



3 - Understand Your Numbers

No, you don't need to become an accountant but you do need to know more than what's in the bank. Your financial reports can tell you what's working, what's not, and what needs fixing.

Know what your tax rate is - if you are a limited liability company operating in New Zealand this is 28%. If you are a sole trader, it will vary depending on your level of income

As a bare minimum, make sure you know how to run a Profit and Loss from your accounting software and be able to extract and understand some core information from it.

In simple terms:

Sales less your Trading Expenses = Gross Profit

Deduct your Overheads from Gross Profit = Net Profit pre tax *

* *There may be some 'non-cash' variables such as depreciation on assets that will come off this before tax is calculated but this will give you a close enough idea*



Calculate your approximate tax on this amount to arrive at an expected after tax profit.

Trading expenses are all those expenses that are directly related to your goods or services ie if you are an electrician these will be vehicle costs, purchase of materials, labour (yours or employees)

Overheads are the expenses that you incur whether you make a sale or not

Over time you should be able to see some consistent results start popping up. These become your markers for measuring against and can be invaluable for early identification of something going wrong.

Remember - your financials are unique to **your** business. The more you become familiar with your numbers, the more confident you will feel at making decisions and moving forward.

The worst thing you can do is leave it all to chance, crossing your fingers and waiting for a good result at end of year when your accountant has done his thing.

Checklist - Summary

- 👉 Review your pricing—does it cover your time, overheads, and profit goal?
- 👉 Pick one task you do often (quoting, onboarding staff, invoicing) and document it
- 👉 Diary a recurring 'meeting' with yourself to review your finances - sales, expenses and cashflow
- 👉 Still not confident? A good business advisor or bookkeeper can help you avoid costly mistakes—and sleep better at night.

Action Stations!

If you can see that you need to take on board all or some of these steps, do yourself a big favour and get on to that checklist now.

Even if you have been in business a while, costs change and regularly reviewing your pricing is crucial to keeping up with increasing costs, without losing margin.

If this all feels a little overwhelming, please don't simply put your head in the sand and do nothing! 😊

You don't have to do it alone - this stuff is my bread and butter (ok, it's my happy place - sad but true!) Feel free to reach out to me and we can work on your plan together.

My services are completely bespoke - I work with what my clients need, not try to make them fit into pre-determined boxes.

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