CASS KNOWLEDGE SERIES · WORKBOOK 02

The 10 Numbers Every Business Owner Should Know

Understand the numbers that help you make better business decisions.

OUR PROMISE

Practical Guidance, Nothing Else

Every CASS workbook is created with one purpose: to give business owners practical guidance they can use immediately.

You'll never find unnecessary jargon, overly complicated theory or pages of filler. Instead, you'll find honest questions, practical ideas and straightforward actions designed to help you make better business decisions.

Whether you complete this workbook on your own or use it as the starting point for a wider conversation, we hope it gives you greater confidence, clearer direction and a better understanding of your business.

Giving You More Than Numbers.

WELCOME

Ten Numbers, Reviewed Regularly

Business owners don't need hundreds of reports. They need a handful of numbers they understand, review regularly and use to make better decisions.

This workbook explores ten numbers that every business owner should understand. Work through each section, score yourself honestly and identify the areas that deserve your attention over the next 90 days.

HOW TO SCORE

2	Yes, consistently
1	Sometimes
0	Not yet

UNDERSTANDING YOUR SCORE

This guide applies to each of the ten numbers in this workbook.

8–10
You have a strong understanding of this number. Keep reviewing it monthly.

5–7
There's an opportunity to strengthen your understanding. Make it part of your monthly review.

0–4
This is an area worth focusing on. Learn how it influences business decisions.

1

NUMBER ONE

Cash in the Bank

Cash provides confidence and flexibility.

- [ ] I always know today's cash balance.
- [ ] I know how much cash is genuinely available.
- [ ] I review cash at least weekly.
- [ ] I understand expected cash next month.
- [ ] Cash rarely surprises me.

Your Score: _______ / 10

ASK YOURSELF

If sales stopped today, how long could the business continue?

2

NUMBER TWO

Cash Flow Forecast

Forecasting helps you prepare rather than react.

- [ ] I maintain a rolling cash forecast.
- [ ] I update it monthly.
- [ ] I compare forecast to actual.
- [ ] I include VAT and tax.
- [ ] I forecast at least three months ahead.

Your Score: _______ / 10

ASK YOURSELF

What does my cash position look like three months from now?

3

NUMBER THREE

Gross Profit Margin

Margins drive profitability.

- [ ] I know my gross margin.
- [ ] I review it monthly.
- [ ] I understand changes.
- [ ] I protect margin through pricing.
- [ ] I know my highest-margin work.

Your Score: _______ / 10

ASK YOURSELF

Where is margin being lost?

4

NUMBER FOUR

Net Profit Margin

Profit funds future growth.

- [ ] I know my net margin.
- [ ] I review overheads.
- [ ] I monitor trends.
- [ ] I understand cost increases.
- [ ] I know how to improve profit.

Your Score: _______ / 10

ASK YOURSELF

Is turnover turning into profit?

5

NUMBER FIVE

Break-even Point

Know what it costs to stand still.

- [ ] I know monthly break-even.
- [ ] I know fixed costs.
- [ ] I know required sales.
- [ ] I review it regularly.
- [ ] I plan around it.

Your Score: _______ / 10

ASK YOURSELF

What happens if sales fall?

6

NUMBER SIX

Debtor Days

Slow payments reduce cash.

- [ ] I know debtor days.
- [ ] Invoices go out promptly.
- [ ] Overdue debts are chased.
- [ ] Credit terms are controlled.
- [ ] Collections are consistent.

Your Score: _______ / 10

ASK YOURSELF

How much cash is tied up in unpaid invoices?

7

NUMBER SEVEN

Creditor Days

Manage supplier payments strategically.

- [ ] I know creditor days.
- [ ] I use agreed payment terms.
- [ ] I avoid late fees.
- [ ] Payments are planned.
- [ ] Suppliers are reviewed.

Your Score: _______ / 10

ASK YOURSELF

Could payment timing strengthen cash?

8

NUMBER EIGHT

Monthly Recurring Costs

Know your financial commitments.

- [ ] I know recurring costs.
- [ ] I review subscriptions.
- [ ] I remove unnecessary spend.
- [ ] I budget accurately.
- [ ] I monitor overheads.

Your Score: _______ / 10

ASK YOURSELF

Which recurring cost adds the least value?

9

NUMBER NINE

Average Customer Value

Understand the value of each client.

- [ ] I know average customer value.
- [ ] I encourage repeat business.
- [ ] I monitor trends.
- [ ] I know my best customers.
- [ ] I review customer value regularly.

Your Score: ______ / 10

ASK YOURSELF

How could I increase value without finding more customers?

10

NUMBER TEN

Customer Concentration

Reduce dependency on one client.

- [ ] No customer dominates income.
- [ ] I review concentration regularly.
- [ ] I diversify my client base.
- [ ] I understand my risk.
- [ ] I actively reduce dependency.

Your Score: ______ / 10

ASK YOURSELF

What would happen if my largest customer left?

BRINGING IT TOGETHER

Your Business Numbers Summary

NUMBER	SCORE	STATUS
1 Cash in the Bank	______ /10	Green / Amber / Red
2 Cash Flow Forecast	______ /10	Green / Amber / Red
3 Gross Profit Margin	______ /10	Green / Amber / Red
4 Net Profit Margin	______ /10	Green / Amber / Red
5 Break-even Point	______ /10	Green / Amber / Red
6 Debtor Days	______ /10	Green / Amber / Red
7 Creditor Days	______ /10	Green / Amber / Red
8 Monthly Recurring Costs	______ /10	Green / Amber / Red
9 Average Customer Value	______ /10	Green / Amber / Red
10 Customer Concentration	______ /10	Green / Amber / Red

OVERALL SCORE ________ / 100

TAKING ACTION

Your 90-Day Action Plan

Use the numbers above to identify your three priorities for the next ninety days.

PRIORITY	ACTION	COMPLETE BY
1		
2		
3		

WHAT'S NEXT?

Let's Talk About What You've Found

Understanding these ten numbers won't guarantee success, but they will help you make better business decisions.

If you'd like support understanding what these numbers are telling you about your business, we'd be delighted to help.

Giving You More Than Numbers

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