

**Roy A. McDonald** B.Comm. F.C.P.A.  
First Floor, 28-30 Jackson Court  
East Doncaster VIC 3109  
Phone: 03 9848 5933  
taxinvest@royamcdonald.com  
ABN 70 929 740 177  
[www.royamcdonald.com](http://www.royamcdonald.com)



## **Analyse the Financial Health of your Business**

Reviewing the financial health of your business should be an important part of the process you undertake before re-opening after a disaster & re-valuating your financial health of your business. This should involve preparing or re-constructing your year to date financial statements.

Financial statements allow you to undertake a detailed analysis to help you determine how you want your business to operate after you have re-opened and whether it is financially viable for you to re-open. Our accountants will be able to assist you with the analysis.

Such analysis would also enable you to spot any trends in your business prior to the disaster and compare how your business performed against similar businesses in your industry (more on benchmarking below). Such information will be useful in identifying areas of the business that were operating well and those areas that should be improved or closed.

### **[Click this link to download the Disaster Recovery Template and Tool Kit.](#)**

Included is a template of the ratios commonly used to assess the financial health of your business and how to calculate such ratios. We recommend that you compare your results to other businesses in your industry. Benchmark data is provided by several commercial providers. Basic benchmarking data for many Australian industries can be found on the [Australian Taxation Office](#) (ATO) website and searching “small business benchmarks”.

Feel free to contact us to assist with re-valuating your financial health of your business.