

# Financial Optics Releases Guide on How to Use a Chart of Accounts to Improve a Small Business

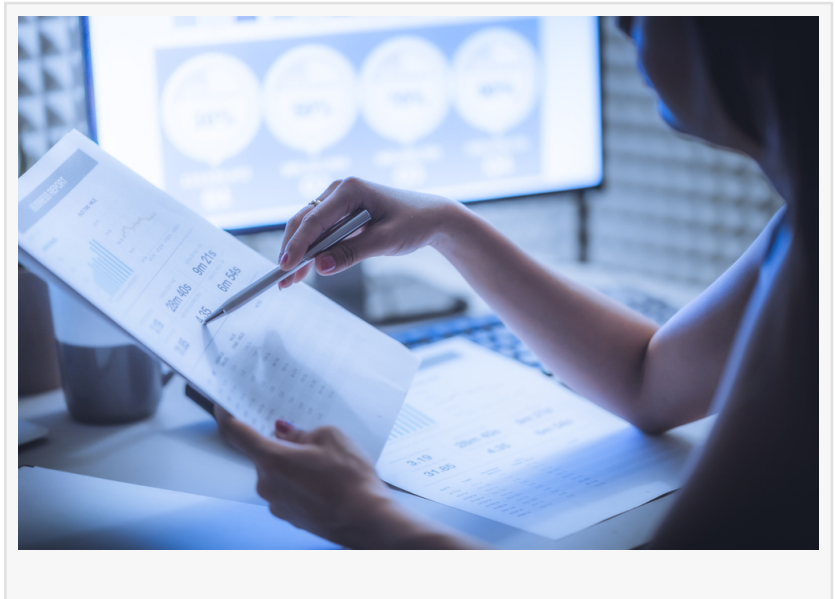
RENO, NEVADA, UNITED STATES, May 26, 2022 /EINPresswire.com/ -- Financial Optics has released a guide on how to use a [chart of accounts to improve a small business](#). The categories in a chart of accounts can give business owners a unique insight into their performance and how to improve.

A chart of accounts is a tool used to analyze the financial activities of a business over time. They compile all accounts into one area for easy oversight. The five categories that comprise a chart of accounts include a business's assets, liabilities, equity, revenue, and expenses. And depending on the industry the business is in, it may include a sixth category tracking Cost of Goods Sold.

A business can utilize each category to investigate further the investments that paid off and the ones that need to be reevaluated. It can be a tool for business owners when they're unsure about a business decision that could change the course of their company.

Business owners can utilize the five categories to understand the trajectory of their business as follows:

- **Assets:** Analyzing the business assets will indicate the value of the business and allow the owner to prioritize investments.
- **Liabilities:** The liabilities show the owner which debts are still owed and allow them to see if they can pay them with their current revenue.
- **Shareholder's Equity:** Considering the shareholder's equity will provide financial insight into



the business's quarterly and yearly profitability to see if the company is still worth investing in.

- Revenue: Considering the state of the revenue before making a business decision can save an owner from making a choice that could affect the business's success.

- Expenses: Comprising the expenses will allow the owner to see which investments are helping the company gain profitability.

[Financial Optics can help](#) small businesses analyze their chart of accounts to make better decisions about their business. The virtual accounting firm offers outsourced small business accounting that helps minimize costs and get the best result. Financial Optics helps small businesses with sustainable growth, from bookkeeping to financial advice.

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