GBS Accountants

Newsletter

2026
November
EDITION

The November edition explores how businesses can review and strengthen their financial foundations before the year ahead. From cash flow, profitability and business valuation to hidden costs, financial systems and growth readiness, we highlight the decisions that drive long-term success. We also explore how AI is transforming accounting and why staying ahead of tax and compliance matters.



Profitable on Paper, Struggling in Reality

Sarah Zahid

How does a business report a profit and still struggle to make payroll? Timing. Profit is recognised when a sale is invoiced, but cash arrives only when the customer pays. Meanwhile, suppliers, salaries, tax and loan repayments keep falling due. Growth can widen the gap further, as inventory and receivables absorb cash before it returns. The lesson for every business owner: watch cash as closely as you watch profit.





Lung Cancer Awareness Month

Raising awareness about lung cancer, its risk factors, early detection and the importance of timely medical support.

World Diabetes Day

Promoting diabetes awareness, prevention, early diagnosis and better management for healthier lives.

National Skin Cancer Action Month

Encouraging skin protection, regular skin checks and early detection to help reduce the risk of skin cancer.

AI Is Changing Accounting: What Does This Mean for Business Owners?

Bisma Nadeem

Artificial Intelligence (AI) is transforming accounting by making financial tasks faster, easier, and more accurate. AI-powered software can automate tasks such as data entry, invoice processing, bank reconciliation, and financial reporting. This saves time, reduces human errors, and allows accountants to focus on important activities such as financial analysis and business planning. For business owners, AI provides better financial insights and supports smarter decision-making. However, human supervision is still important to ensure accuracy, data security, and compliance with tax regulations.



Your Balance Sheet Has a Story to Tell

Wishma Khan

Many business owners focus primarily on sales and profit, but the balance sheet can reveal an equally important story about the financial health of a business. It provides a snapshot of what the business owns, what it owes, and the value that remains for its owners.

Assets show how resources are being used, from cash and inventory to equipment and receivables. Liabilities highlight financial obligations, such as loans, supplier balances and other amounts due. Equity represents the owners' stake in there's business after its liabilities are deducted.

Looking at these figures together can reveal important trends. Is the business holding enough cash to meet its obligations? Are debts increasing faster than assets? Is the owner's equity growing over time?

A regularly reviewed balance sheet helps business owner's make informed decisions, identify potential risks early and build a stronger foundation for long-term growth.



The Hidden Costs of Running a Business

Bisma Jutt

Running a business involves many expenses beyond the obvious costs, such as rent, salaries, and inventory. Hidden costs may include bank charges, software subscriptions, maintenance, late payment fees, employee training, and unnecessary purchases. These expenses can gradually reduce business profitability if they are not properly monitored. Business owners should regularly review their financial records, identify unnecessary spending, and prepare realistic budgets. Understanding hidden costs helps businesses control expenses, improve cash flow, increase profits, and make better financial decisions.

Is Your Business Worth What You Think It

Sarah Zahid

Ask any owner what their business is worth and the answer is rarely modest. The market, however, tends to disagree. Buyers look well beyond profit: How dependent is the business on its owner? How predictable is revenue? How reliable are the records? How much debt sits beneath the surface? Two businesses with identical earnings can sell at very different prices. Value is not set on sale day; it is built, year by year, through disciplined financial management.



Are You Ready to Scale?

Abeera Khan

Business growth presents exciting opportunities, but successful expansion requires more than increasing sales or attracting new customers. Understanding whether a business is financially prepared to scale is essential for sustainable success. Consistent cash flow, healthy profit margins, manageable debt levels, and sufficient working capital are key indicators of readiness. Reviewing financial performance, identifying potential funding requirements, and assessing operational costs can help business owners make informed expansion decisions. With the right financial foundations in place, businesses can pursue growth confidently, minimise financial risks, and build a stronger, more sustainable future.



Registered agent lodgment program due dates for November 2026

21 November

- Lodge and pay October 2026 monthly business activity statement.

25 November

- Lodge and pay quarter 1, 2026–27 activity statement if you lodge electronically.



> Behind every financially healthy business is a tax strategy that thinks ahead.



From Surviving to Growing

Wishma Khan

Running a business involves managing daily operations, from paying suppliers to handling customers and payroll. However, sustainable growth requires looking beyond short-term demands. Strong financial systems, accurate records and regular reporting help business owners understand their financial position, identify unnecessary expenses and make informed decisions. Budgeting and cash flow forecasting also help prepare for future expenses and opportunities. As businesses grow, reliable processes for invoicing, expense management and financial reviews become increasingly important. Growth is not just about increasing sales; it is about building strong financial foundations that support long-term stability and sustainable success.



The Cash Flow Reality Check

Abeera Khan

Understanding cash flow is fundamental to maintaining a financially healthy business. While profitability reflects business performance, cash flow determines a business's ability to meet its financial obligations and sustain operations. A cash flow reality check involves examining the sources of cash inflows, monitoring expenditure, and identifying gaps between incoming and outgoing funds. By analysing cash movements, business owners can uncover potential cash shortages, manage working capital more effectively, and make informed financial decisions. Regular cash flow reviews provide greater financial visibility, strengthen business resilience, and support sustainable growth through proactive planning and better financial management.

The Business Owner's Blind Spot

Fajar Ali

Running a business involves constant decision-making, but financial matters can sometimes take a back seat. Many business owners focus on sales and growth while overlooking issues such as rising expenses, delayed customer payments, poor record-keeping and mixing personal and business finances. These seemingly small mistakes can gradually affect profitability and cash flow. Regularly reviewing financial statements, monitoring outstanding receivables and maintaining accurate records can help identify problems early. Understanding the financial position of a business is not just an accounting exercise; it is essential for making informed decisions and achieving sustainable growth.

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