

STAY IN THE BLACK NEWSLETTER

Your Numbers Look Fine. So Why Does It Feel Wrong?

By Colin Barnhart · 7 Jan 2026 · 5 min read

New year, new approach. You're getting reports. You've got dashboards and weekly updates. On paper, the business looks steady. But something feels off.

You can't quite put your finger on it, but you know the numbers don't tell the whole story. The team's busy, invoices are going out, but cash flow still feels tight. You're answering questions about budgets, pricing, and hiring, but not with real confidence.

This is the tension a lot of business owners feel once their company starts to grow. It's not that your books are wrong. It's that your reporting isn't built for the business you've become.

When your numbers don't reflect reality

Most small to mid-sized companies build their finance foundation in stages. At first, it's about getting bills paid and invoices out. Then you add reports for revenue, profit, and expenses.

That system works, until it doesn't. As soon as your business adds complexity (more people, bigger clients, longer projects), that simple model stops telling the truth.

What you see in your P&L isn't always what's happening in your operations. A few signs you've hit that wall:

You're growing revenue but not profit.

Your pipeline looks healthy, but cash is unpredictable.

You're saying yes to work without knowing the real margin.

Your team's busy, but you're not sure if you're making money on the work.

If this sounds familiar, the problem isn't the data. It's how the data is structured.

When finance and operations aren't speaking the same language

In project-based businesses (agencies, studios, consultancies) timing is everything. Revenue recognition, staffing, and billing rarely move in sync.

Your operations team might see a project as "in progress," while your finance system won't show that revenue until the invoice hits. That lag creates blind spots. You're steering the business by looking in the rearview mirror.

The fix isn't just cleaner bookkeeping. It's alignment. You need a finance model that mirrors how your business actually earns money: when it's won, when it's worked, and when it's collected.

That's where project-based accounting comes in. When your financial reporting tracks project progress, resourcing, and bill rates in real time, your numbers finally start telling the truth. You can see profitability as it's happening, not just after the quarter ends.

Why what used to work doesn't anymore

In the early years, your finance setup probably worked fine. QuickBooks, a part-time bookkeeper, a basic P&L. It gave you what you needed: a view of income and expenses.

But once the business scales, you start asking different questions:

Can we afford to hire another producer?

Are our bill rates high enough for this level of staff?

Why are our margins tighter even though revenue is up?

Those aren't accounting questions, they're business model questions. And that's where a traditional finance setup starts to break down.

To grow with confidence, you need a model that connects rates, budgets, and resourcing. A model that tells you what "healthy" actually looks like.

Building a finance model built for growth

The goal isn't just better reporting, it's better decision-making.

At Black Ink, we help clients rebuild their financial structure around how their business actually operates. That starts with a few key steps:

Redefine your revenue recognition. Capture revenue when work is performed, not just when invoices go out. This shows your true margin in real time.

Revisit your bill rates and capacity. Your rates should reflect your cost structure, not just the market average. When you model this correctly, you'll know what kind of work supports growth and what drags it down.

Bridge finance and operations. Bring both teams into the same conversation. When finance understands delivery, and delivery understands finance, decisions get faster and smarter.

Use outsourced finance intentionally. A fractional CFO or outsourced finance team isn't just about saving money, it's about getting the right expertise at the right stage. Not every CFO fits every business model.

This is how you stop guessing and start operating from a position of clarity.

Not all CFOs are the same

This is one of the biggest misconceptions I see.

There's a belief that a CFO is a CFO, that any experienced finance leader can drop into any business and drive results. In reality, the difference between a CFO who understands your business model and one who doesn't is night and day.

A great family office CFO might excel at wealth management and tax strategy, but that doesn't help much when you're trying to figure out why your project margins are shrinking or your bill rates aren't covering overhead.

If you run a project-based company, you need a finance partner who understands how projects ebb and flow, how resource utilization affects profit, and how cash moves differently when your revenue depends on milestones instead of monthly subscriptions.

That's not a spreadsheet problem. It's a business design problem.

What it means to have a "grip" on profitability

Profitability isn't just about revenue minus expenses. It's about understanding when and how you earn money, and what it costs you to earn it.

When you have a clear financial model, you can answer questions like:

Which projects are profitable today, not just at year-end?

How much can we grow before we need to hire again?

What's our true break-even bill rate per role?

That's when your numbers stop being something you review. They become something you use.

And that's when the business starts to feel right again.

So now what?

If your numbers "look fine" but you still don't trust them, it's time to rethink your financial structure. Growth changes everything: how you price, how you plan, how you recognize revenue, and how you measure success.

You don't need a bigger spreadsheet. You need a smarter model and people who understand how your business actually makes money.

When finance is built around your operations, not separate from it, you can stop second-guessing and start making confident moves again.

If you're ready to build that clarity, reach out. Let's make sure your numbers not only look right but feel right.