

Annual Cashflow Forecast - Outline and Benefits

Why we developed this service.

Cash is the lifeblood of any business; even profitable businesses can fail because of poor cashflow.

Every business should undertake an annual Cashflow Forecast to aid their planning and decision making. We want our clients to be proactive in managing their cashflow; not assuming they only need one if the bank asks for it.

If you know how much money will be coming in and out of your business, and when, you can confidently plan and execute desired growth and improvement strategies to achieve positive changes in your business.

Who should undertake this service?

Every business should prepare a Cashflow Forecast each year; even if your business has a positive cashflow. An annual Cashflow Forecast can help you unlock a lot of cash, just by making a few changes.

What is involved?

We'll draft your Cashflow Forecast using the information from your accounting software. We'll then send you the draft to review, along with some questions to make sure our assumptions are correct and to find out if we need to adjust the Cashflow Forecast for any changes you're aware of in the next 12 months.

We'll then meet with you to review the draft Cashflow Forecast and discuss seasonal fluctuations, material changes to last year's cashflow, any implications of staffing changes, significant one-off items, tax payments and timing, and capital expenditure. Following this meeting, we'll finalise your Cashflow Forecast in your accounting or reporting software.

We recommend you create actual vs. forecast reports each month to track your progress and clarify areas that may present improvement opportunities. We can also help you with this.

When should I have a session?

If you don't prepare a Cashflow Forecast annually, this is something you should prioritise as soon as possible. The sooner you understand your cashflow, the sooner you'll be able to make better informed decisions and implement strategies to improve your cashflow.

Call us now on 07 548 0248 to further discuss our Annual Cashflow Forecast service.

Benefits of an Annual Cashflow Forecast

- Gives you an understanding of your cashflow for better decision making
- Enables you to predict and plan for large cash outflows
- Identifies key drivers of cashflow in your business
- Allows you to monitor your actual cashflow against forecast in your accounting or reporting software
- Identifies ways to avoid late payment penalties and interest from suppliers
- Provides peace of mind that your cashflow needs are known and properly funded
- Improves communication and relationships with your financiers and suppliers