

Budget & Cash Flow Forecasts



BUDGET VS ACTUAL

Monitor your business performance.

CUSTOMISED REPORTING

Reporting is customised to your business requirements.

'WHAT IF' ANALYSIS

Know the impact of every decision you make, before you make it.

- ✓ Model scenarios for informed decision making
- ✓ Measure performance
- ✓ Provide structure
- ✓ Predict cash flows
- ✓ Allocate resources
- ✓ Understand your business earn and burn rates

How much financing will your farm or business require this year? When will money be needed and from where will it come? A little advance planning can help avoid short-term shortages of cash. One useful tool for planning the use of capital is a cash flow budget.

A cash flow budget is an estimate of all cash receipts and all cash expenditures that are expected to occur during a certain time period. Estimates can be made daily, weekly, monthly, bimonthly, or quarterly. Cash flow budgeting looks at money movement, not just at net income or profitability.

A cash flow budget is a useful management tool because it:

- Forces you to think through your plans for the year.
- Tests your plans, such as if you will produce enough income to meet all your cash needs.
- Projects how much operating credit you will need and when projects and loans can be repaid.
- Provides a guide against which you can compare your actual cash flows.
- Helps you communicate your plans and credit needs to your lender.

Budget and cash flow management is especially useful for giving a business guidance regarding the direction in which it is supposed to be going.

Thus, it forms the basis for planning what to do next, reducing the work associated with financial predictions and allowing the business to shift its operational focus on short notice.

Speak to an EnVision Partners consultant today in relation to your cash flow and budgeting needs.

The EnVision Partners Process



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