Financial Planning and Forecasting

Small Business Financial Literacy Guide

Provided by Clarity Impact Finance

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Financial Planning and Forecasting

Financial planning transforms your business from reactive to proactive, allowing you to anticipate challenges and opportunities.

Creating Realistic Financial Projections

Financial projections help you set goals, make plans, and measure progress.

* Start with historical data as your baseline
* Research industry benchmarks for comparison
* Create multiple scenarios (conservative, moderate, optimistic)
* Include detailed assumptions for each projection
* Update projections regularly based on actual results

Action Steps

* Create a 12-month budget with monthly targets
* Develop three-year financial projections with annual updates
* Establish a tax planning meeting with your accountant
* Create a savings plan for building 3-6 months of operating expenses