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Question1: Financial management is the process of planning, organizing, controlling and monitoring financial resources with a view to achieving organizational goals and objectives. It is an ideal practice for controlling the financial activities of an organization. Non-Governmental Organization primary task may be working towards social service and not financial management. But unless its finances and funds are sorted, they cannot achieve their objectives. The primary significance of financial planning and management in NGOs lies in achieving its overall goals and objectives. Here are some points indicating the importance of financial management for an NGO.

Being accountable to the donors: Most NGOs rely completely on funding and therefore having proper accounting systems in place becomes more important. NGOs need to be accountable to the donor agencies and individuals who support their cause. With proper systems in place NGOs can keep track of their expenditures and submit timely reports to their funders. This would lead to enhanced trust between organization and the donor, thereby increasing the chances of getting a continuous support.

Securing future: The present financial condition of any organization determines its future. In a similar manner, NGOs should also opt for sustainable use of finance. This simply means that NGOs should spend in their present ventures, keeping in mind the future. After all, it is quite important to have future plans and become well secured as well as future-ready.

Eliminating fraud and theft: Malpractices and illegal deeds such as overuse of resources, fraud and theft have become prevalent among NGOs. Firm checks are mandatory, for minimizing such illicitness and preventing abuse of resources. With complete financial planning, coordination and control, these issues can be easily addressed.

Making productive decisions: With sound financial management, NGOs can make more productive decisions concerning resource allocation, fund raising, fund mobilizing and other undertakings. Good decision making skill enables right amount of funds to be invested at the right place. Funds are therefore efficiently and optimally utilized.

Achieving objectives: Every NGO is guided by certain policies and procedures, which are related to its overall objectives. Each decision that is undertaken by the authority is driven towards successful achievement of its set goals and objectives. Without organizing finance, it will be difficult for the organization and its employees to reach its aim and fulfill purpose of its existence.

Enhancing credibility: Managing finance is a matter of skills and tactics that ideally changes from time to time. With excellent finance management, NGOs enhance their image that enhances its value and making them more credible. By framing well defined financial plans and policies NGOs also earn good reputation within its community. They can also improve their current position and look forward to gain trust, faith and reliability.

Strengthening fundraising efforts: Most of the NGOs solely survive on its funds. Well organized financial resources help in strengthening fundraising efforts by giving an overall idea about available finance and the amount of finance that needs to be accumulated. Thus, employees get a fair idea regarding the expected amount and plan their fundraising ventures accordingly.

**Improve Profitability:** Profitability of the concern purely depends on the effectiveness and proper utilization of funds by the business concern. Financial management helps to improve the profitability position of the concern with the help of strong financial control devices such as budgetary control, ratio analysis and cost volume profit analysis.

**Increase the Value of the Firm:** Financial management is very important in the field of increasing the wealth of the investors and the business concern. Ultimate aim of any business concern will achieve the maximum profit and higher profitability leads to maximize the wealth of the investors as well as the nation.

**Promoting Savings:** Savings are possible only when the business concern earns higher profitability and maximizing wealth. Effective financial management helps to promoting and mobilizing individual and corporate savings.

Finance is the lifeblood of business organization. It needs to meet the requirement of the business concern. Each and every business concern must maintain adequate amount of finance for their smooth running of the business concern and also maintain the business carefully to achieve the goal of the business concern. The business goal can be achieved only with the help of effective management of finance. (J. Cammack 2014)

**Question2:** Principles of Financial Management are the guiding rules and regulations that governed Organizations in their day today transactions. It’s important for a business to have effective financial management to ensure a smooth financial flow. Having an organized financial process can increase the chances of a company of being successful in an industry. However, a business should consider these principles in managing their finances.

Stewardship: The organization must take good care of the resources it is entrusted with and make sure that they are used for the purpose intended. The board of trustees has overall responsibility for this. In practice, managers achieve it through careful strategic planning, setting up appropriate controls, considering risks, and by setting up systems that work in tune with the rules of NGO field work.

Accountability: The organization must explain how it has used its resources and what it has achieved as a result to all stakeholders, including beneficiaries. All stakeholders have the right to know how their funds and authority have been used. NGOs have an operational, moral and legal duty to explain their decisions and actions, and submit their financial reports to scrutiny.

Transparency: The organization must be open about its work, making information about its activities and plans available to relevant stakeholders. This includes preparing accurate, complete and timely financial reports and making them accessible to stakeholders, including beneficiaries. If an organization is not transparent, then it may give the impression of having something to hide.

Integrity: On a personal level, individuals in the organization must operate with honesty and propriety. For example, managers and trustees should lead by example in following procedures and by declaring any personal interests that might conflict with their official duties. The integrity of financial reports depends on the accuracy and completeness of financial records.

Viability: Expenditure must be kept in balance with incoming funds, both at the operational and the strategic levels. Viability is a measure of the NGO's financial continuity and security. The trustees and managers should prepare a financing strategy to show how the NGO will meet all of its financial obligations and deliver its strategic plans

Accounting standards: The system for keeping financial records and documentation must observe internationally accepted accounting standards and principles. Any accountant from anywhere around the world should be able to understand the organization’s system for keeping financial records.

Consistency: The organization’s financial policies and systems must be consistent over time. This promotes efficient operations and transparency, especially in financial reporting. While systems may need to be adapted to changing needs, unnecessary changes should be avoided. Inconsistent approaches to financial management can be a sign that the financial situation is being manipulated.

Financial planning: It is linked to the organization’s strategic and operational plan. The budget is the corner stone of any financial management system and it plays an important role in monitoring the use of funds (e.g. fieldwork activities)

Financial monitoring: Organization having set a budget have kept and reconciled its accounting records in clear and timely manners; it is then possible to produce financial report for all stakeholders, internal budget. Monitoring report helps organization to monitor the progress of project and annual financial statement provide accountability to external stakeholder.

Internal control: System of controls checks and balances- collectively referred to as internal control. They are put in places to safeguard an organization asset and manage internal risks.

Their purpose is to deter theft or fraud and detect error and omission in the accounting records. An effective internal control system also protects staff involved in financial task.

Organizing: The first step of getting financial success is to organize your finances. You should track all your financial sources and activities. These include bank accounts, credit cards, loans, mortgages, and brokerage and retirement accounts. You can use a budgeting software to track your finances. Budgeting software will help you track accounts, payments, and other financial transactions.

Understanding Risk: The more you take risks, the better the return will be. This is the key to understanding return on investments. It is called a risk-return, and you should have a deep understanding of your investments or finances. Stocks and bonds are investments that have a higher rate of return but also have a higher risk of losing your investment.

Spending Less: It’s vital to spend less than you earn. Tracking your expenses and finances can help you spend lesser. You’ll be able to control your money if you effectively track your budget. There is financial software that provides tools to track your finances or budget that will help you achieve your personal or business goals. Whether it’s a short-term or long-term goal, if you learn to track your finances, you’ll easily achieve it.

Pay Attention to Taxes: Considering the related tax implications for your investments is important. Using financial tools will help you analyses your taxes. Being able to manage your tax information effectively will help you anticipate any tax issues in the future. We all know that any money that we make is going to be taxed, therefore, we need to ensure that our tax filings are done properly.

Limiting Debt: The essential principle of financial management is to limit debt to income-producing assets. Credit cards and loans are also money flushed down the drain. Don’t apply for a car loan or credit if you don’t need it. And if you plan to apply for it, you should reconsider making money out of it for a return on investment.

There are several principles of financial management. They provide a high-level guide for trustees and senior managers, to help them make sure that their organization is using funds effectively and that staff are working appropriately. (Arthur J. Keown 2018)

Question3: The Building blocks of financial management **are the pillars that** provide the framework to deliver a successful Project. For any project to be successful and deliver the benefits of better public accountability and better public financial management, there must also be changes in financial management culture and behaviors. Good financial management involves the following building blocks:

Financing building block: This is where funds are sourced for investment into the enterprise. These can be obtained from a number of sources such as enterprises owned capital, Shares sold to the public and borrowed funds raised through financial intermediaries for example banks. Liabilities are the amount of money that the enterprise owes to other people or entities, such as banks and supplies.

Investment building block: This is where we utilize the funds raised in there financing building block to purchase assets for the running of the business or for investment. Assets are resources with an economic value that are controlled by the business and from which the business expects to derive future benefits.

Operations building block: The operations area includes the assets that are acquired with the fund raised and that are used to conduct business activities. This is where the revenue, expenses and profitability are managed in order to ensure that maximum profitability is achieved.

Keeping records: the foundations of all accounting are basic records that describe earnings and spending of any business. This means the contracts and letters for money receive and the receipts and the invoices for things bought. These basic records prove that each and every transaction has taken place. They are the cornerstones of being accountable.

Internal control: making sure that organization has proper controls in place so that money cannot be misused. Controls always have to be adapted to different organizations. however, some controls that are often used include: keeping cash in a safe place ideally in a bank account, making sure that all expenditure is properly authorized, following the budget, monitoring how much money has been spent on what every month, employing qualified finance staff, having an audit every year and carrying out a 'bank reconciliation' every month - which means checking that the amount of cash in the bank is the same as the amount in cashbook.

Budgeting: for good financial management, you need to prepare accurate budgets, in order to know how much money you will need to carry out your work. A budget is only useful if it is worked out by carefully forecasting how much one expect to spend on activities. The first step in preparing a good budget is to identify exactly what one hope to do and how do it.

Financial reporting: This is writing and reviewing financial reports. A financial report summarizes income and expenditure over a certain period of time. Financial reports are created by adding together similar transactions. For instance, this might mean adding together all the money one spent on fuel and vehicle insurance and calling them "transport costs". Financial reports summaries the information held in the cashbook. This is normally done using a system of codes, to allocate transactions to different categories. These categories might often be defined by donors.

People and resources: the right people, with the right skills, knowledge and approach, to drive the reforms supported by adequate resources.

Standards and policies: The standards in accordance with which financial statements will be produced, the process for setting them and the policies that will be adopted.

Systems and processes: putting in place the right infrastructure, corporate governance and business processes to enable high-quality information so policymakers can make informed decisions and achieve optimal outcomes

Structures and ownership: The political and wider organizational and leadership structures that need to be in place to deliver the change.

Strategy: Effective prioritized plan to deliver the change, manage critical dependencies and risks and to ensure staff and stakeholders understand what is required of them and when.

Project delivery: Setting up the project team and running the project with appropriate governance and oversight.

In conclusion, each building block relies upon the strength and stability of the personal finance strategies used in the blocks below it. Decisions for one building block may have a definite impact on options available in adjacent blocks. (John Tennent 2003)

Question4: A financial management tool is the methodology and software that an organization uses to oversee and govern its income, expenses, and assets with the objectives of maximizing profits and ensuring sustainability.

Keeping up with the financial side of owning a small business can feel like a never-ending job. From invoices to expenses to day-to-day accounting and dealing with all transactions, it’s a wonder that entrepreneurs ever find the time to deal with actually producing goods or providing services. Fortunately, technology has brought about a multitude of tools to save small business owners time and headaches on daily financial tasks. To streamline financial management process here are some tools to use.

Accounting Software: QuickBooks has long been the gold standard for small business accounting, but online accounting solutions such as Xero are recently gaining traction. Whatever program one choose for accounting, it work as long as one chooses a tool that’s both as robust and as flexible as possible.

Budgeting Tools: Creating a realistic budget and sticking to it is crucial to small business’s financial success. Depending on the accounting software, one may be able to create budgets for business right there without needing a separate tool. If there is need for a separate standalone budgeting tool, one should definitely check out Plan Guru.

Payroll Management System: Payroll management is time-consuming and prone to mistakes. Zen Payroll and Zen fits are the main tools that helps in streamlining the payroll process and eliminate costly inefficiencies. These are just two of many payroll management tools.

Agile Billing: The smoother and more nimble one’s billing process is, the quicker payments will be made and processed and the faster the cash flow into the business. With a quick, cloud-based billing system such as Fresh Books or Bill.Com one can shorten the billing process and even increase customer satisfaction. By implementing agile billing tools and processes, it will improve customer experiences and shorten accounts receivables delays.

Financial Dashboard: Implement a dashboard such as Live Plan or Indi Nero to see a snapshot of the business’s financial health. These programs will allow one to track key performance indicators to measure whether the business is thriving and not just surviving.

Cash Flow Analysis: Whether you use your accounting software’s cash flow statement capability, a cash flow-specific tracking tool such as Float or a simple Spreadsheet, accurately measuring the cash flow on a regular basis is crucial to keeping business prepared for any financial eventuality. Cash flow analysis helps cash balancing by using past patterns in data to forecast financial future.

Inventory Management: Efficiently track inventory all the way from purchase of resale items to a customer’s order fulfillment with cloud-based solutions like SOS Inventory or Scout’s top Shelf. In addition to tracking goods, these tools can generate sales reports, set up automatic low inventory alerts, and manage order packing and shipping.

Expense Tracking: Little business expenses such as gas, meals, and cabs add up quickly and are hard to track. With an expense report tool such as Expensify or Xpenditure, employees can scan receipts or add cash expenses from their mobile devices and upload them; then one can easily import the information for approval, rebilling, expense accounting, and reimbursement.

Business Credit Card: Opening a business Credit card in order to improve business credit history, gain access to higher credit limits for business borrowing, and receive business-specific rewards and discounts, will save more time and take away all worries about business finance and debt accumulation.

An effective financial management tool improves short- and long-term business performance by streamlining invoicing and bill collection, eliminating accounting errors, minimizing record-keeping redundancy, ensuring compliance with tax and accounting regulations, helping personnel to quantify budget planning, and offering flexibility and expandability to accommodate change and growth. As a business owner, one is responsible for the financial health of the organization. It’s crucial to plan, organize, control, and monitor all the money that’s coming in and going out. There is need to maximize profits and cut down on costs while maintaining a steady cash-flow. There are purchase orders that need to be sent, invoices that need to be followed up, budgets that need to be approved, and reports that need to be run. (Elly R. 2015)

Question5: Financial accounting is the area of accounting that focuses on providing external users with useful information. In other words, financial accounting is a way of reporting business activity and financial information to investors, creditors, and other people outside the business organization. Investors and creditors are often called external users because they are people outside of the organization who use the company financial information to make decisions. The most common form of financial information issued to external users by companies is a general purpose set of financial statements.

All external users have different needs when it comes to financial information. For instance, a lender is primarily concerned with a company’s cash flow and ability to repay loans with interest. An investor, on the other hand, is more concerned with company profit performance and longevity.

The overall purpose of financial accounting is to create information or financial statements that can be used by all external users to base their financial decisions on whether or not these decisions involve lending money or investing money.

Management accounting is a process of providing financial information and resources to the managers in decision making. Management accounting is only used by the internal team of the organization, and this is the only thing which makes it different from financial accounting. There are many objectives but the prime objective is to assist the management team of an organization in improving the quality of their decisions. Purpose of management accounting is to help the managerial team with financial information so that they can execute business operations and activities more efficiently. The following are some benefits of management accounting,

Decision Making: This is the most important benefit of the process of management accounting. In fact, it is the main purpose of it. In this form of accounting, we use techniques from all fields like costing, economics, statistics, etc.

Planning: Managerial accounting does not have any strict timelines like financial accounting. It is, in fact, a continuous and ongoing process. So financial and other information is presented to the management at regular intervals like weekly, monthly or sometimes even daily.

Identifying Business Problem Areas: If some product is not performing well, or some department is running into unexpected losses, etc. managerial accounting can help us identify the underlying cause.

Strategic Management: Concept of management accounting is not mandatory by any law. So it can have its own structure according to the company’s requirements. So if the company feels certain areas need more in-depth analysis or investigation it can do so freely.

Question6: Financial policies refers to rules related to the regulation, supervision, and oversight of the financial and payment systems, including markets and institutions, with the view to promoting financial stability, market efficiency, and client-asset and consumer protection.

Financial policies are central to a strategic, long-term approach to financial management. Some of the most powerful arguments in favor of adopting formal, written financial policies include their ability to help governments:

Institutionalizing practices: A good financial policies usually outlive their creators, and, thus, promote stability and continuity. They also prevent the need to re-invent responses to recurring issues.

Clarify and crystallize strategic intent for financial management. Financial policies define a shared understanding of how the organization will develop its financial practices and manage its resources to provide the best value to the community.

Define boundaries.  Financial policies define limits on the actions staff may take. The policy framework provides the boundaries within which staff can innovate in order to realize the organization's strategic intent.

Promote long-term and strategic thinking: A good financial policy should promote strategic thinking and calculation for a long-term perspective of the organization.

Manage risks to financial condition: A key component of governance accountability is not to incur excessive risk in the pursuit of public goals.  Financial policies identify important risks to financial condition.

Comply with established public management best practices: The Government Finance Officers Association, through its officially adopted Best Practices endorsement of National Advisory Council on State and Local Budgeting and budget practices distinguished budget presentation Award Program, has recognized financial policies as an essential part of public financial management.

Establishing effective policies and procedures helps organizations providing adequate internal controls. It also help assure that staff members understand their roles in compliance and that the management controls in the organization are being followed.

Question7: Financial Planning is the process of determining ways to earn, save and spend money and the amount one need to earn, invest and spend. By planning finances, one manage money in such a way that life goals are reach. Financial planning helps one determine short and long-term financial goals and create a balanced plan to meet those goals. Here are some powerful reasons why financial planning is important:

Income: With a financial plan, one manages income better. One is aware of how much salary to earn, interest earned, dividends and many more. This will help to understand how much one is earning and if it is enough to earn to achieve the objectives.

Expenses: We spend money on basic needs, wants and splurge on luxuries. If we plan our finances, we will keep an eye on our expenses. Even if we go overboard in one month, we will know how much to cut back in the following months to stay within budget. Spending changes with changes in lifestyle and stage of life. This will help businessmen determine income requirements and can make changes in earning capability accordingly.

Savings: Recording income and expenses in the financial plan gives an idea of how much money is needed to achieve the business objectives. One can make a budget and can assess whether is within budget or overspending. This will help one understand the savings rate and how much is need to save to reach the goals.

Investment: A financial plan will help to choose the right investments as per income capacity, risk profile and goals. The financial plan will have the investment portfolio and asset allocation details. This can help to have a balanced portfolio at all times.

Taxation: Thinking about taxes without planning for it is not a prudent idea. With a financial plan, one can assess tax outgo at the beginning of the financial year. One can plan finances such that taxes are paid in a legal manner.

Retirement: We all want a carefree, relaxed retirement. It is possible only with planning finances such that one’s lifestyle is taken care of. One should have cash reserves to take care of medical expenses and other emergencies. A proper financial plan will have the retirement goals listed and the income, expenses and investment details. This will help determine steps to achieve goals.

Estate Planning: Estate planning refers to the provisions made regarding wealth and its distribution smoothly after one’s death. The amount of wealth is not important here but the details regarding how assets and liabilities are to be taken care of is important. The financial plan will have a broad outline of what is to be done so that those taking care of finances know what steps are required to be taken to manage estate.

Ups and downs of Financial Status: There are many changes in our life. You get married, you can lose your job, you win a lottery or a loved one becomes critically ill. You make some money decisions which affect your standard of living. Such changes can lead to positive or negative changes in your financial status.

It provides direction to your goals or dreams: Financial planning helps you understand your goals better in terms of why you need to achieve these goals and how they impact other aspects of your life and finances.

Financial planning encourages helps in managing inflation. If one is aware of the price of various things and activities. It is easy to budget in a better manner.

Financial planning makes people disciplined towards money. It helps people not to spend unnecessarily. One can keep a check on savings and spending.

By planning finances, one plan for the future. One can gain visibility into finances in the future. One have a fair idea of how much money would one have, say ten years down the line. One would be aware of the returns on investments should earn to achieve goals.

Cash Flow: Increase cash flows by carefully monitoring spending patterns and expenses. Tax planning, prudent spending and careful budgeting will help one in keeping more of his or her hard earned cash.

Capital: An increase in cash flow, can lead to an increase in capital. Allowing one to consider investments to improve overall financial well-being.

Family Security: Providing family financial security is an important part of the financial planning process. Having the proper insurance coverage and policies in place can provide peace of mind for one’s family.

Standard of Living: The savings created from good planning can prove beneficial in difficult times. For example, you can make sure there is enough insurance coverage to replace any lost income should a family bread winner become unable to work.

Financial Understanding: Better financial understanding can be achieved when measurable financial goals are set, the effects of decisions understood, and results reviewed. Giving you a whole new approach to your budget and improving control over your financial lifestyle.

Assets: A nice 'cushion' in the form of assets is desirable. But many assets come with liabilities attached. So, it becomes important to determine the real value of an asset. The knowledge of settling or canceling the liabilities, comes with the understanding of your finances. The overall process helps build assets that don't become a burden in the future.

Financial planning anticipates financial requirements in different conditions and ensures smooth financial flow at all times. Of course, it is not possible to predict the future. But a sound financial plan will help you and your loved ones to tide over the good and bad. If you have any question regarding your financial plan feel free to ask. (Jan Williams 2010)

Question8: A Cash Flow Forecast is an estimation of the money expected from a business to bring in and pay out over a period of time. It should reflect all of the likely revenue sources like sales or other payments from customers and compare these against likely business expenses like supplier payments, premises rental and tax payments. Building a business requires cash, and having a reliable forecast allows one to make better decisions on how to maximize the return on invested capital. Follow these tips, will better prediction on cash needs on business and better position of the company for future growth.

Establish Lines of Communication: The consequences of an inaccurate forecast can be severe. A company might borrow more than it needs to meet conditions that don't materialize. On the other hand, it could leave funds unnecessarily idle. The best way to avoid any type of liquidity crisis within an organization is to train top management on the importance of forecasting, as well as the mechanics of the process.

Don’t Confuse Cash Flow with Revenue: Both revenue and cash flow are used as indicators to help investors and analysts evaluate the financial health of a company, but revenue provides a measure of effectiveness in sales and marketing, whereas cash flow is more of a liquidity or money management indicator.

Identify Inflows and Outflows: For any business, much of this is elementary, but the cash flow forecast should be a detailed look at the company's cash position relative to its inflows and outflows. To start, how much money will be bringing in over the period in question and from what sources? This isn't a measure of company's capacity to produce products or services, but rather what will be collected in payment for goods and services.

Create Several Scenarios: When producing a cash flow forecast, it may be helpful to create several different scenarios. Let's assume that one work in an industry where a potential tariff could undermine one’s future business. It hasn't happened yet, but it would be helpful to know how the cash situation is going to be should this occur. Two examples: When one create multiple scenarios with his company's future cash flows, he will be able to visualize the impact of certain future conditions, as well as quickly adapt his company's processes when necessary. Provided one have automated his forecasting process, these scenarios should be simple enough to produce so that one won't have to scramble in a reactionary mode at a later date.

Publish, Monitor, and Adjust Results: No cash flow forecast should be set in stone, since there may be customers who fail to pay, sales that don't materialize, or unexpected expenses that show up on your doorstep. Once you publish a forecast, continue to monitor results in real time as much as possible. Doing this will allow you to identify opportunities to improve your process and may permit you to take advantage of a better cash position on occasion.

Understand all of the variables: A successful cash flow forecast relies on you inputting all the necessary information which means it is essential you understand all of the fixed and variable income and outgoings that affect your cash flow. There are numerous variables that affect cash flow and each of these need to be included in your cash flow forecast to give you an accurate forecast that you can rely on.

Use error-free technology: So, you have all of the information you need to hand and are ready to start your cash flow forecast…but how? There are resources on the internet which will show you how to create a cash flow forecast using a spreadsheet but what they don’t tell you is how susceptible spreadsheets can be to human error.

Update forecast regularly: For a cash flow forecast to be successful and useful, it needs to be updated on a regular basis. All forecasts are only as reliable as the information put into them. We recommend updating your cash flow forecast figures on a quarterly basis, or more frequently if your business is changing and growing quickly. For example, if you have recently expanded and taken on more staff, this will be having a direct impact on your cash flow so it is important to update your cash flow forecast figures to accurately represent this change.

Set targets: Once you have created your cash flow forecast and are in a routine of checking it and updating it on a regular basis, it is important to set your cash flow certain parameters within which to work to. A good example is to set yourself a minimum cash flow threshold. This will ensure you are always in a positive cash flow situation and will have a buffer of cash from which to deal with any problems which may occur.

Don’t forget seasonality: Chances are your business experiences some seasonality. There are bound to be months when clients are more active in purchasing your company’s products or services. Seasonality can have a material effect on the cash flow of your business. A good cash flow forecast will anticipate when cash outlays and cash receipts are higher or lower so you can better manage the working capital needs of the company.

Build monthly, quarterly and annual forecasts: Stay one step ahead of the game and build cash flow forecasts for the short (weekly or monthly), medium (quarterly) and long (yearly) term. The needs of the business will dictate which time frame is the most valuable. Monthly or quarterly forecasts generally are more useful for stable, established businesses. Weekly projections will be essential for companies scaling up or going through significant changes, such as a restructuring or merger/acquisition.

Review. Adjust. Repeat: Once you build a forecast, review it often, and revise as needed. I’ve worked with a lot of business leaders who haven’t looked at their cash flow forecast in months. The needs of clients are always shifting, and the economy is ever-changing. Revisiting the forecast will help one respond and adapt faster than the competition.

Monthly Start up Loan repayments: If one’s application is successful, you will be required to start making first monthly payment soon after you draw down your Start up Loan and it’s important that, this cost is reflected in forecast.

Running out of cash is not only a sign of poor planning, but it's also one of the biggest reasons that businesses fail. Forecasting your company's cash flow can be tricky because of the many variables that determine how much cash you will need for operations versus the amount available. (Robert N.2009)

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