

CASH-FLOW FORECASTING HELPS BUSINESSES AVOID FLYING BLIND

Are you experiencing any of the following symptoms?

- **Cash Flow Challenges** - covenant breaches, maxed out overdraft facility limits, outstanding IRD debt
- **Growing Pains** - not enough cash available
- **Ability to service debt is eroding**
- **No business plan or cash flow forecast**
- **Lack of up to date financial and non-financial** information to manage your business

For businesses to survive what are still challenging times for many, or to capitalise on the opportunities others are experiencing in the growing economy, information is essential to avoid flying blind.

Having a clear idea of cash flow requirements using cash-flow forecasting is an invaluable tool for business planning.

Cash-flow modelling provides businesses with the information you need to formulate cash-flow forecasts and to tune business plans that anticipate future profits, borrowing requirements, capital expenditure and staffing needs. It also helps bankers and other lenders determine your creditworthiness and your relative value in the marketplace.

A cash-flow forecast also acts as a reality check on how well your business is performing.

The most important outcome of cash flow forecasting and analysis for business owners is that it points to opportunities for change. **It is a management tool as well as a financial tool.**

Cashflow problems are just the symptom of underlying challenges in the business: lack of direction, not understanding customer segments and communication, low sales activity, wrong people on the bus, lack of information and systems to manage the business and not being held to account to do what you said you would do.

This resource has been kindly provided by



If you have any questions, please call 0800 CHAMBER (0800 242 623).

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