

# The Write Plan, LLC Newsletter

- A Technical Writing Solutions Company

## "Financial Projections"

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It is a New Year and decade - looking forward to the new fun and exciting things in the months to follow! ☺

Also, in the New Year I want to get to know each and everyone I met last year (nearly 1,200 people) in more detail. The reasons for this are many in nature. In particular, I want 2010 to be a more successful year business-wise for all of us so the economy can prosper again and too many of my colleagues have lost jobs as well and will take all of us working together for a positive change.

This month's issue of my newsletter is on the topic "**Financial Projections**". Your reader wants to know if and when you will make money and become profitable. All the ideas, concepts and strategies discussed throughout your entire business plan form the basis for the financial statements and projections in some manner.

Happy Networking!

*Chad*

"The NetworkING of Pittsburgh"

### About Us

To encourage and promote the growth and success of other business owners. We offer the benefits of years of experience creating the solutions to the problems that are often roadblocks on the path to success.

Instead of enjoying their professions, many business owners are feeling overworked and understaffed. **The Write Plan, LLC** can help you reclaim your original vision by offering friendly, collaborative assistance on large and small projects.



#### NEED HELP PROMOTING A NETWORKING EVENT?

If your event would be of interest to entrepreneurs and small business owners please submit your event information for inclusion on the monthly networking events calendar by [clicking here](#).

#### HAVING TROUBLE TELLING OTHERS YOUR BUSINESS EXISTS?

If you would like **over 1,000 monthly** other businesses to find your business why not [advertise](#) within this newsletter.

#### HOW DO I SIGN-UP TO RECEIVE MY OWN COPY OF THE NEWSLETTER?

If you are looking to receive your very own copy of this newsletter each and every month please submit the form on our webpage [http://www.thewriteplanllc.com/Monthly\\_Newsletter.html](http://www.thewriteplanllc.com/Monthly_Newsletter.html)

#### FEEDBACK, QUESTIONS, OR COMMENTS?

Please submit feedback, questions, or comments on the Request Form webpage [http://www.thewriteplanllc.com/Request\\_Form.html](http://www.thewriteplanllc.com/Request_Form.html)

#### GUESTBOOK

Looking for a way to help others while at the same view our webpage? Why not submit information the information by [clicking here](#).

## Financial Projections

Financial statements and projections should follow Generally Accepted Accounting Standards and include properly prepared balance sheets, income statements and cash flow statements. Bankers and investors are familiar with the correct content, organization and presentation of financial statements, and expect to see them in your business plan.

**Don't cut corners or attempt to devise your own method of financial statement presentation!!!**

In most cases, capital sources expect financial projections for a three to five year period, and historical statements for the past three years (or since inception if operating period is less than three years).

Consider organizing your financial statements as follows:

### Income Statements

- Year 1 - Monthly Projections
- Years 2 thru 5 - Quarterly or Yearly Projections
- Existing businesses should provide income statements for the last 3 years if available.

### Balance Sheets

- Year 1 - Quarterly Projections
- Years 2 thru 5 - Yearly Projections
- Existing businesses should provide current balance sheet and balance sheets from the prior 2 years if available.

### Cash Flows

- Year 1 - Monthly Projections
- Years 2 thru 5 - Quarterly or Yearly Projections

### Financial Assumptions

These are critical to properly convey the "reasons behind the numbers" for outsiders reviewing your financial projections - explain how you calculated the numbers you used in your financial statements.

### Break-Even Analysis

These figures demonstrate the volume of sales, in units and dollars that must be generated to cover fixed and variable expenses.

### Investment Structure and Objectives

This section outlines the amount of capital needed, various investment structures, and the estimated return to your investor.

### Financial Ratios

Providing standard financial ratios helps your business plan reader to analyze how well your company will perform compared to other companies within your industry.



# Advertise here



### Cash Flow Matters

A business cannot survive just because it has a better product, an exclusive market or the best method of distribution.

The catalyst required for progress is cash. Liquidity is always the issue in high growth or distressed situations, yet interest costs are virtually never mentioned as a reason for failure, whereas lack of working capital is!

Financing, when appropriate or necessary, can help maintain adequate and consistent cash flow to stay competitive and profitable to keep your company growing.

For example, Leasing is one way to preserve cash to acquire or upgrade cutting edge technology equipment with no money down, flexible payments and possible tax benefits for qualified lessees.

We've helped companies of every size capitalize on how the "right" financing can make a difference.

Call to see how we can help you.



**Equipment, Real Estate & Working Capital**

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