**Financial Plan**

1. The purpose of the financial section of a business plan is two-fold. You're going to need it if you are seeking investment from venture capitalists, investors, or even smart family members. They are going to want to see numbers that say your business will grow--and quickly--and that there is an exit strategy for them on the horizon, during which they can make a profit. Any bank or lender will also ask to see these numbers as well to make sure you can repay your loan.
2. Most of the time, creditors will want to see what you expect your company to be able to do within the next five years. Each year's documents should include forecasted income statements, balance sheets, cash flow statements, and capital expenditure budgets. For the first year, you should supply monthly or quarterly projections. After that, you can stretch yearly projections for years two through five.
3. Finally, include a short analysis of your financial information. Since pictures speak louder than words, you may want to add graphs of your trend analysis (especially if they are positive).

**What you should have………**

1. **Sales and Projected Sales**
2. **Total Expenses**
3. **Capital Budget**
4. **Breakeven Analysis**
5. **First year= monthly projections (be creative use a graph or chart)**
6. **Years 2-5= yearly projections (use graph)**
7. **Create small paragraphs for each graph or projection….**

**\*\*\*\* Remember everything you write down or talk about make sure you can explain why you came to that conclusion…..\*\*\*\***

**Example….**