

Business Budgets

Know where your business is heading.

Every business needs a budget if it is to maximise its chances to survive and grow. A budget sets revenue targets, monitors costs and aims to achieve a certain level of profitability and is the key to reaching your financial goals.

All too often businesses operate without clear plans to help them get to where they want to be. A budget helps create a financial plan that lets you control your business's cash flow instead of it controlling you. A budget is really a simple tool that allows you to put your money where it can best be used.

The budget will tell you how much money you need to make every month just to keep things afloat – helps you ensure that your expenses do not exceed your income so that you stay in business.

With budgets you will be more likely to achieve your business objectives, you will make more reasoned decisions and you will have better control of your cash flow.

Budgets are frequently prepared to cover a 12 month period and can be prepared for sales, inventory and materials, purchases and expenses – together these form a profit budget. The profit budget is used to predict how viable the business will be at the end of the period.