



# **Financial forecasting 101:** The most valuable advisory service to provide clients

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“ ”  
...

— Enae Jackson-Atkins, Esquire Accounting & Consulting

# Meet your hosts



**Enae Jackson-Atkins**

Esquire Accounting  
Founder



**Kathy Gregory**

LivePlan  
Director



**Ian Vacin**

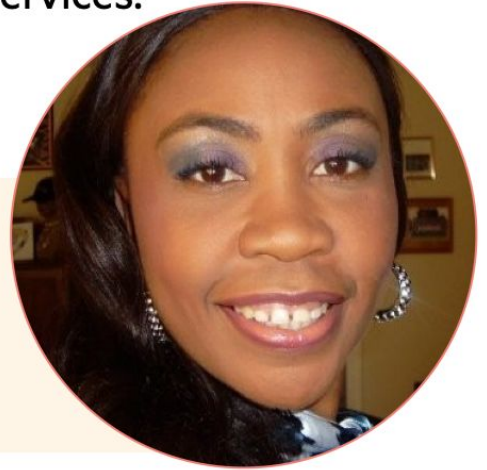
Karbon  
Chief Customer Officer

# Enae Jackson-Atkins

- 20+ years experience as an advisory consultant & accounting professional.
- Specializing in small businesses and entrepreneurial attorney firms.
- Focused on strategic advisory & outsourced virtual CFO services.

## **Esquire Accounting & Consulting, Founder**

- Learn more: [esquireaccounting.com](https://esquireaccounting.com)



# Learning objectives

- ✓ The difference between financial budgeting and financial forecasting.
- ✓ Why forecasting makes such a valuable advisory service for your clients and your firm.
- ✓ How to communicate the benefits of financial forecasting to your clients.
- ✓ How to provide up-to-date information and projections to evaluate a client's position, assess risk, identify opportunities and threats and make adjustments.

- 1. Close down any open apps**
- 2. Ask and we'll answer**

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# We Turn Accountants Into Confident Business Advisors

Get the software and training you need  
to build a profitable advisory practice.

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Everything you need to launch & grow

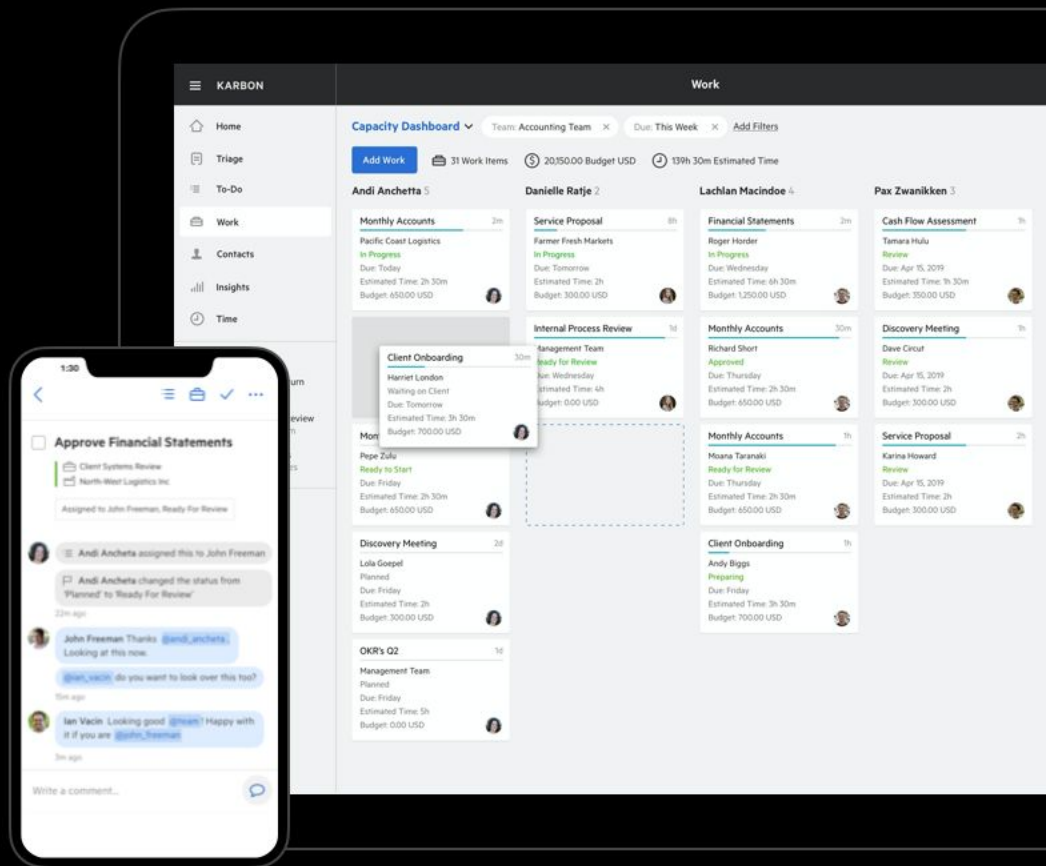
Whether you're new to strategic advising or already have experience,  
you'll get the right training and software to help you succeed.



# Work Management Software for Accounting Firms

karbonhq.com

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## Accounting Templates

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### LivePlan Method Advisory Pack

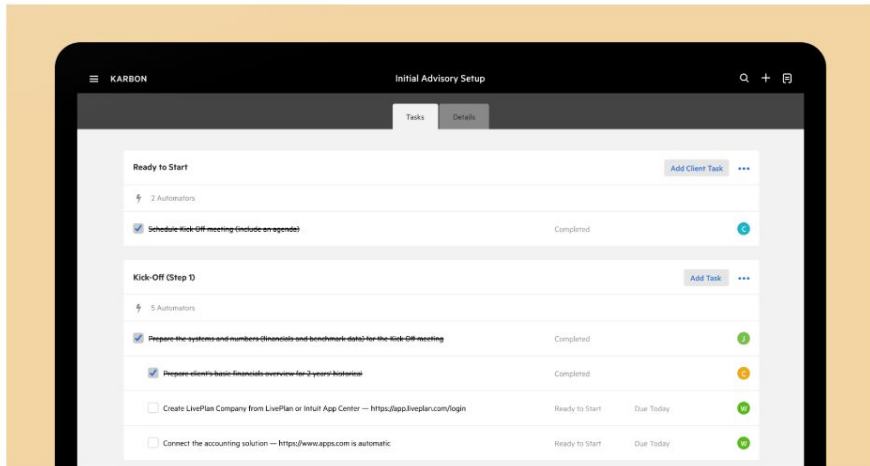
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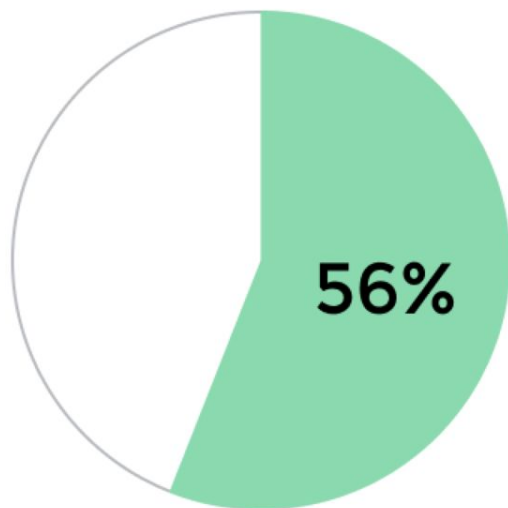


This LivePlan Method Advisory Pack is designed to guide you towards setting up your advisory services, and then providing ongoing advisory support to your clients. This pack includes eight workflows:

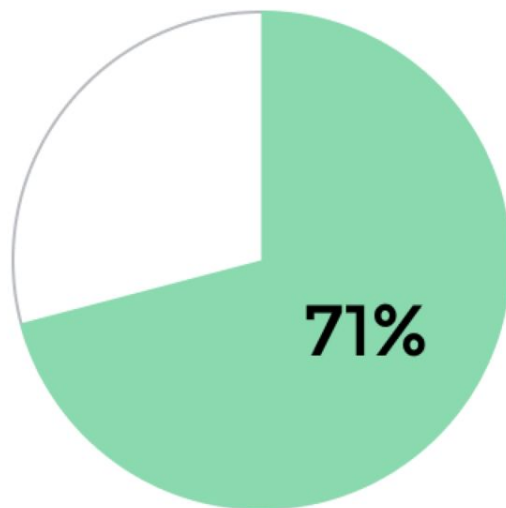
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- 1. Budgeting vs. forecasting**
- 2. Communicating value**
- 3. Leverage what you already do**
- 4. Lessons learned**
- 5. How to create a profitable offering**

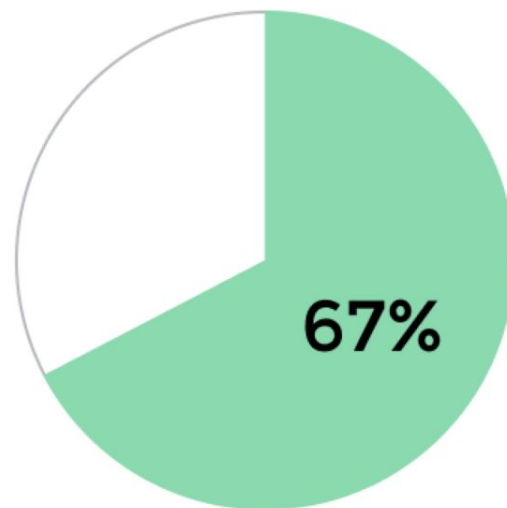
## Confidence remains high even in uncertain times



are confident in the health  
of their business

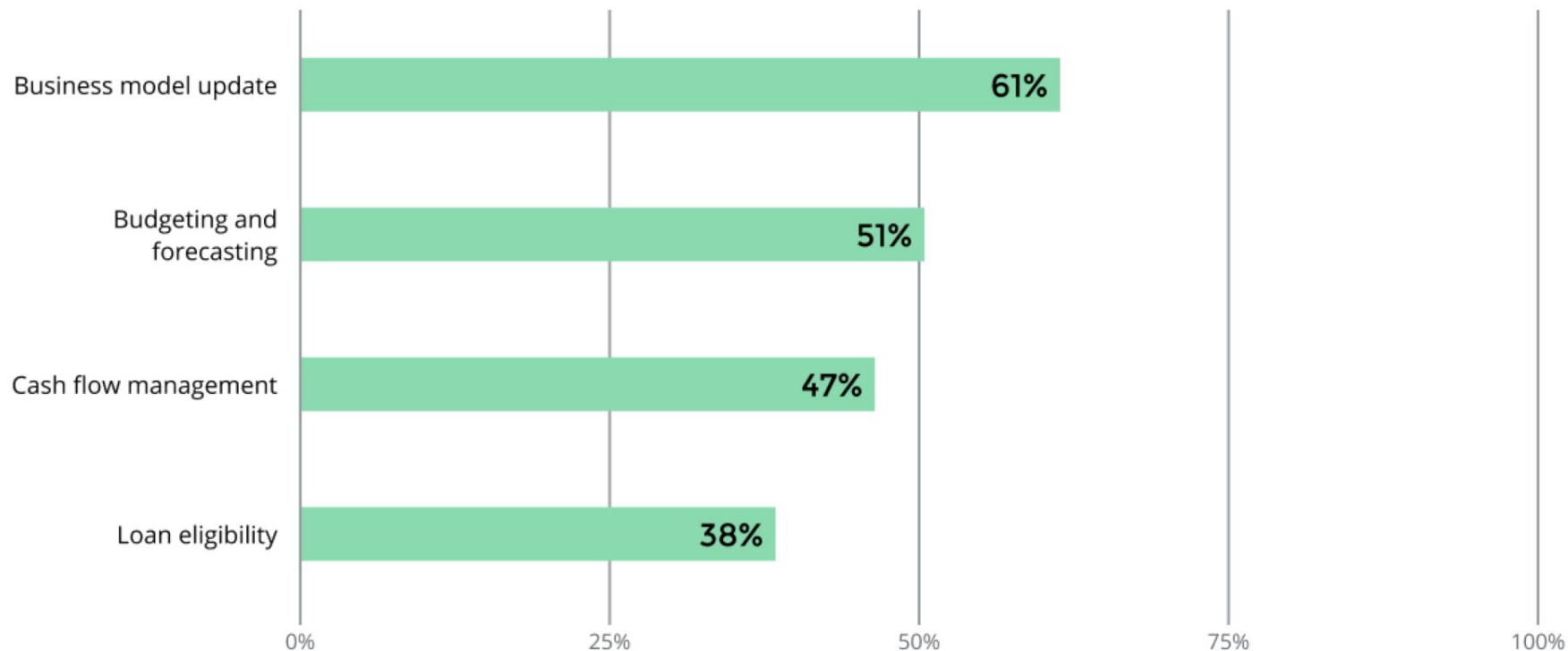


are confident in the  
stability of their industry



are confident that they'll  
see growth in 2021

## The services business want from advisors



# Budgeting vs. Forecasting

# WHAT'S THE DIFFERENCE?

## FINANCIAL BUDGETING

VS

## FINANCIAL FORECASTING

Budgeting involves allocating expenditures for a set period of time from detailed chart of account line items. Budgets help companies manage their **month to month expenditures**.



Budgets are detail-oriented. They produce spending limits that should be followed



Businesses normally have an annual budgeting process that starts 1 -2 months before the end of the fiscal year



**BUDGETS ARE TACTICAL**  
They manage month to month operations and set expenditure limits

Forecasting is the process of making educated guesses, and using financial modeling to create projections. Forecasts help companies manage long-term goals and **growth**.



Forecasts are guides. They focus on high-level goals and help businesses develop a strategy



Forecasts look at the big picture. They help businesses plan out growth goals in advance



**FORECASTS ARE STRATEGIC**  
They help a company make long term decisions for the growth of a business

You need both!

With both a forecast AND budget, you have an iterative process in place for setting targets and holding yourself (or your client) accountable. The forecast provides the **roadmap** and **plan**, and the budget **sets limits** to match, keeping the business in line with its forecast.

## Key differences:

- 1) Tactical vs Strategic.
- 2) Short Term vs Long Term.
- 3) Static vs Dynamic.

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# Options to Track:



## Spreadsheets

build a model by hand - cash flow and balance sheet can be very tricky



## Naive forecasts

using prior payments and receipts to make projections - does not provide useful results long term



## Modeling using apps

balance options and features with ability to scale



## Iterative forecasting

LivePlan's LiveForecast™

**How do you communicate  
the value to clients?**



# How to Communicate Benefits to Clients

1. Evaluating past results not helpful for making decisions
2. Ability to see into the future about profit and cash
3. Have someone in your corner to collaborate with
4. Make more confident decisions



**What do you do each month  
with your clients?**

# Our New Client



# MEET OUR NEW CLIENT, SHAUNA



## **Shauna Brooks: Sweat Equity Owner**

- ✓ Former Track & Field college athlete
- ✓ Graduated Cum Laude in 1995, Communications (Economics minor)
- ✓ Communications Director for SF Giants for 15 years before returning to college town for family (2 kids, 8 and 10)
- ✓ Opened Sweat Equity in 2014 with goal of being the premier gym in town

# THE LIVEPLAN METHOD

## A LIVING PLAN



**What lessons did you learn as you developed your offering?**

# Make it a system

The screenshot displays the KarbonHQ website's template marketplace. On the left, a sidebar titled 'KARBON Templates' includes a search bar and a list of categories: Discover, All Templates, Accounting, Administration, Advisory (highlighted), Audit & Review, Bookkeeping, Consulting, Client Management, Leadership, Legal, Operations, Payroll, Sales & Marketing, and Secretarial. The main content area is titled 'Accounting Templates' and features the 'LivePlan Method Advisory Pack'. This pack has a 4.5-star rating from 62 reviews and 1023 downloads. It offers options to 'Download', 'Add to Karbon', or 'Share Template'. Below this, a description states: 'Download your free LivePlan Method Advisory Template Pack to personalize and use in your bookkeeping or accounting firm.' A preview image shows the 'Initial Advisory Setup' interface within the Karbon app, which includes sections for 'Ready to Start' (with 2 automations) and 'Kick-Off (Step 1)' (with 5 automations). On the right side of the page, there are links for 'Discover Karbon' and 'Login', followed by 'Created By LivePlan', 'Categories' (Advisory, LivePlan), 'Related Resource' (How to define your accounting advisory services), 'Support' (How to customize & use a template in Karbon), and a 'Share' section with social media icons for GitHub, LinkedIn, Twitter, and Facebook.

karbonhq.com/templates

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Initial Advisory Setup

Tasks Details

Ready to Start

2 Automations

Schedule kick-off meeting (includes an agenda) Completed

Kick-Off (Step 1)

5 Automations

Prepare the systems and numbers (clients to do and benchmark data) for the kick-off meeting Completed

# THE LIVEPLAN METHOD

## A LIVING PLAN





# Package and Price!



**Does forecasting make a  
profitable service for your firm?**

# WHY FORECASTING MAKES THE BEST ADVISORY SERVICES



The best advisory service is **one that repeats**, so you can **optimize** it and **scale**. Forecasting **MUST** be done monthly to be done well.



Each month in forecasting there is **new value** because there's always something new to address – a new problem or opportunity. These new items create updates to the forecast, making it **more accurate**.



As the forecast model gets more accurate, the metrics become more useful, and your prep work is **LESS**, therefore, on a subscription fee your **margin per client will grow** with each passing month.



Each month you help your small business owner client uncover opportunities and limitations, and solve problems. You will help them stay nimble, and be proactive versus reactive. Quite literally **transform their business**.



Your industry has the **power to change the economy!**

**Wrap Up**

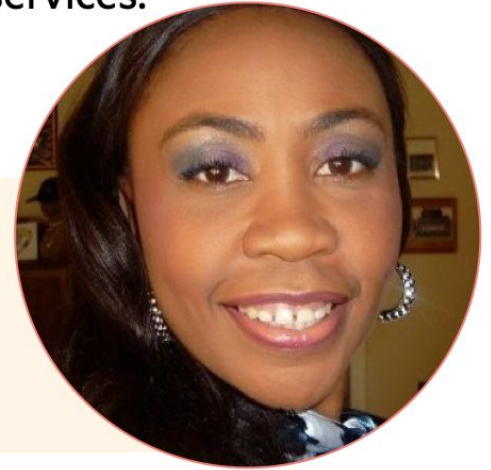
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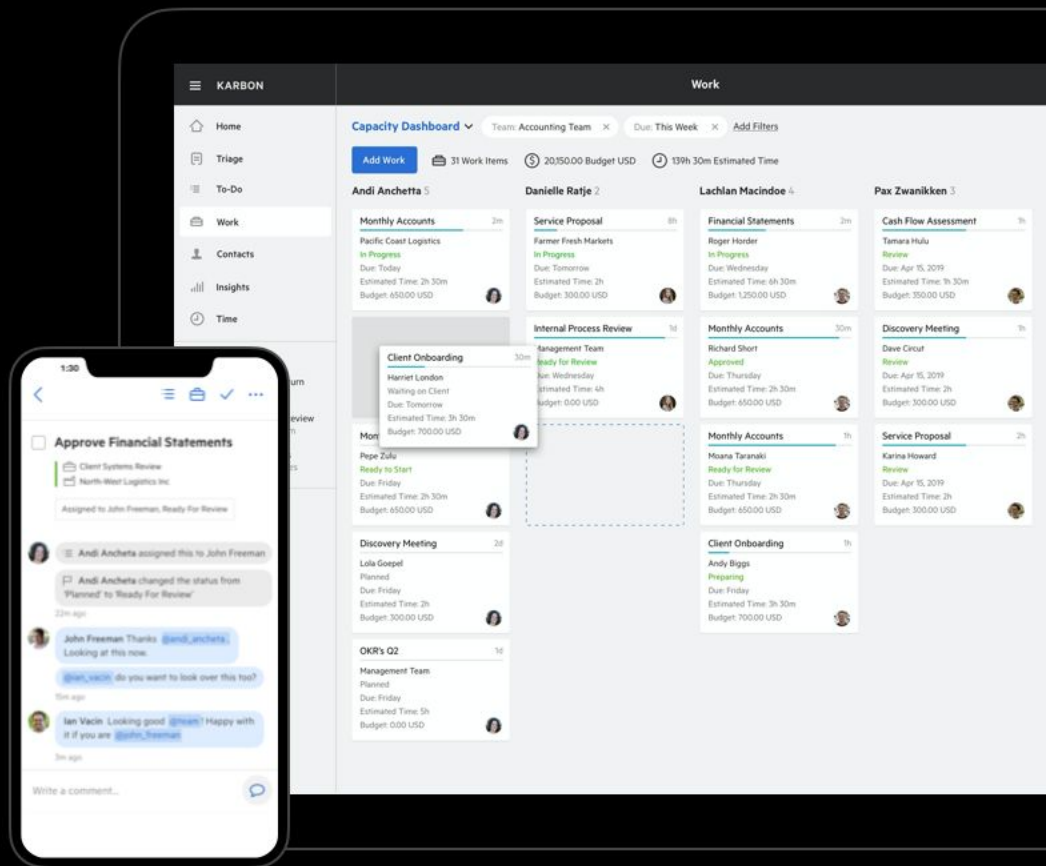
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A 3-day virtual event that includes:

Deep learning | 18 CPE | Client-ready resources



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## **Strategic Advisory Fall Bootcamp**

**November 8-10, 2021**

**[liveplan.com/bootcamp2021](https://liveplan.com/bootcamp2021)**

**Thank you!**



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