

# Planning & Record Keeping

In the BEST Training we learnt how to use a number of tools to assist us to plan well & keep good records.

If you don't keep records it's like driving a car with a blind fold on. Your business will **CRASH!!** Records enable you to see where your business is going so that you can understand and take action if needed.

- Are you still using these?
- Let's recall the tools that you learnt and recap how they should be used:

	<u>TOOL</u>	<u>What the tool is</u>		<u>PURPOSE</u>
1.	<b>B – E – S Wallet</b>	<b>B</b>	<b>Business expenses:</b> <ul style="list-style-type: none"> <li>• e.g. raw materials, manufacturing costs, transport to buy &amp; sell, cell phone, business rent, loan repayments, marketing costs</li> </ul>	<ul style="list-style-type: none"> <li>➤ It is <b>very important</b> to keep the money you will use for your business <b>separate</b> from the money you need for your household. Always re-invest your profits so that your business will grow and be sustainable</li> <li>➤ Taking money from <b>B</b> for <b>E</b> can cause your business to fail</li> <li>➤ If there is no money in <b>S</b> when you have a “life card” you will need to take it from <b>B</b> or <b>E</b> which may cause your business to fail</li> </ul>
		<b>E</b>	<b>Home Expenses</b> (and all “non-business” expenses): <ul style="list-style-type: none"> <li>• e.g. food, home rent, clothes, school fees, insurance, transport, presents, holidays</li> </ul>	
		<b>S</b>	<b>Savings:</b> <ul style="list-style-type: none"> <li>• Money set aside to pay for “unplanned events”</li> <li>• e.g. loss or theft of products, medical costs, funeral, repair of broken equipment</li> </ul>	
2	Business Plan	<ul style="list-style-type: none"> <li>• A process designed to help you think through all the aspects of your business idea in order to give your business the best chance to succeed</li> </ul>		<ul style="list-style-type: none"> <li>➤ Understand your market</li> <li>➤ Forecast your sales &amp; earnings</li> <li>➤ Manage your risks</li> </ul>
3	Daily / Monthly Record Sheet	<ul style="list-style-type: none"> <li>• System to track all income and expenses</li> <li>• Recorded &amp; Calculated <b>daily</b></li> </ul>		<ul style="list-style-type: none"> <li>➤ Know <b>where</b> and <b>when</b> money comes in and goes out</li> <li>➤ Know <b>what</b> you spend money on</li> </ul>
4	Analysis of My Business	<ul style="list-style-type: none"> <li>• Process and method of calculating Key Indicators</li> <li>• Recorded &amp; Calculated monthly</li> </ul>		<ul style="list-style-type: none"> <li>➤ Know your Gross &amp; Net Profit</li> <li>➤ Know <b>which product</b> gives the best profit</li> </ul>