**Play #11 Exercise: Doing Your First Financial Forecast and Executive Summary**

Before you start this exercise, create a file titled Financial Forecasts on your desktop. This will be used to store the four financial forecasts that you will be doing.

Next, create a file on your desktop titled Executive Summary. This will be used to store the four Executive Summaries you will be doing.

**Forecast # 1**

1. Go to the Exercise Library at <https://egg-coach.com/library> and open the Net Income Forecasting Tool (NIFT) saved as Forecast #1. Once you have it open, edit it to fit your company.
2. Use the information gathered to this point to update Forecast # 1 and then save the entire Excel file as Forecast # 1.

**Executive Summary**

In Word, create a document named Executive Summary #1. Copy all the questions listed below and then answer them. Once you have answered all the questions, save the document as Executive Summary #1 and place it into your Executive Summary file.

**Funding Questions**

1. How many months will it take to launch the business?
2. How much funding will I need until launch?
3. How will I finance that funding?
4. What will my total monthly operating expenses be for month one?
5. How will I fund those expenses?
6. How many months will it take to achieve breakeven?
7. How much funding will be required to reach breakeven?
8. How will I finance the funding needed to reach breakeven?

**Sales Questions**

1. How many units of product or service must I sell to equal the monthly operating expenses?
2. How many customers do I need to create those sales?
3. What percent of my Target Market would those sales and customers represent?
4. Is that share of my Target Market realistically obtainable?
5. How much gross revenue will the average customer contribute each month or year?
6. What is the close ratio for sales that I am assuming? Is it realistic?

**Operational Expenses Questions**

1. Do I need to hire a leader or outside expertise?
2. If so, when and what are the financial implications?
3. How many people will I need to hire at the start of the business?