# Financial Analytics for Planning

This playbook guides the reader through the use of financial analytics techniques to assess a company's financial health and incorporate this information into strategic business planning.

### Step 1: Data Collection

Gather all relevant financial data like balance sheets, income statements, cash flow statements, and past financial reports.

### Step 2: Data Cleaning

Ensure the collected financial data is accurate and free from errors. Correct any discrepancies and remove duplicates.

### Step 3: Performance Analysis

Analyze historical performance using financial ratios and metrics such as ROI, profit margins, and liquidity ratios.

### Step 4: Trend Assessment

Identify financial trends over time to understand revenue growth, expenditure increases, or changes in asset and liability levels.

### Step 5: Forecasting

Use statistical models and techniques to forecast future financial performance and potential risks.

### Step 6: Scenario Analysis

Run different financial scenarios to evaluate the effects of various strategic decisions under consideration.

### Step 7: Decision Making

Utilize insights from the analysis and forecasting to inform strategic business planning and make informed decisions.

### Step 8: Reporting

Prepare and present detailed reports summarizing financial health assessments and recommendations for stakeholders.

## General Notes

### Software Tools

Consider using financial analysis software to automate data collection, analysis, and reporting processes.

### Regulatory Compliance

Ensure all financial analytics practices adhere to relevant financial regulations and reporting standards.