

# Annual Financial Planning Template

Free download from [Holdings](#) — AI-native business banking

Use this template to build your annual financial plan, review it quarterly, and track your goals. Fill in the numbers for your business and update monthly.

## Part 1: 12-Month Revenue & Expense Projections

Fill in your projected and actual numbers each month. The "Var" column is the difference (Actual minus Projected).

### Revenue Forecast

Month	Revenue Stream 1	Revenue Stream 2	Revenue Stream 3	Other	Total Revenue
Jan Proj	\$	\$	\$	\$	\$
Jan Actual	\$	\$	\$	\$	\$
Jan Var	\$	\$	\$	\$	\$
Feb Proj	\$	\$	\$	\$	\$
Feb Actual	\$	\$	\$	\$	\$
Feb Var	\$	\$	\$	\$	\$
Mar Proj	\$	\$	\$	\$	\$
Mar Actual	\$	\$	\$	\$	\$
Mar Var	\$	\$	\$	\$	\$
Apr Proj	\$	\$	\$	\$	\$
Apr Actual	\$	\$	\$	\$	\$
Apr Var	\$	\$	\$	\$	\$

<b>May Proj</b>	\$	\$	\$	\$	\$
<b>May Actual</b>	\$	\$	\$	\$	\$
<b>May Var</b>	\$	\$	\$	\$	\$
<b>Jun Proj</b>	\$	\$	\$	\$	\$
<b>Jun Actual</b>	\$	\$	\$	\$	\$
<b>Jun Var</b>	\$	\$	\$	\$	\$
<b>Jul Proj</b>	\$	\$	\$	\$	\$
<b>Jul Actual</b>	\$	\$	\$	\$	\$
<b>Jul Var</b>	\$	\$	\$	\$	\$
<b>Aug Proj</b>	\$	\$	\$	\$	\$
<b>Aug Actual</b>	\$	\$	\$	\$	\$
<b>Aug Var</b>	\$	\$	\$	\$	\$
<b>Sep Proj</b>	\$	\$	\$	\$	\$
<b>Sep Actual</b>	\$	\$	\$	\$	\$
<b>Sep Var</b>	\$	\$	\$	\$	\$
<b>Oct Proj</b>	\$	\$	\$	\$	\$
<b>Oct Actual</b>	\$	\$	\$	\$	\$
<b>Oct Var</b>	\$	\$	\$	\$	\$
<b>Nov Proj</b>	\$	\$	\$	\$	\$
<b>Nov Actual</b>	\$	\$	\$	\$	\$
<b>Nov Var</b>	\$	\$	\$	\$	\$
<b>Dec Proj</b>	\$	\$	\$	\$	\$
<b>Dec Actual</b>	\$	\$	\$	\$	\$
<b>Dec Var</b>	\$	\$	\$	\$	\$
<b>ANNUAL Proj</b>	\$	\$	\$	\$	\$

<b>ANNUAL Actual</b>	\$	\$	\$	\$	\$
<b>ANNUAL Var</b>	\$	\$	\$	\$	\$

### Monthly Expense Projections

Category	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
COGS	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Payroll	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Rent	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Marketing	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Software/Tech	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Insurance	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Professional Svcs	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Travel	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Office/Supplies	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Utilities	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Other	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Total Expenses</b>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Net Income</b>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

## Part 2: Quarterly Review Framework

Complete at the start of each quarter. Print this page 4 times per year.

Quarter: Q\_\_ (\_\_\_\_ - \_\_\_\_)

### Performance Review

Metric	Target	Actual	Variance	Notes
Revenue	\$	\$	\$	
Gross Profit	\$	\$	\$	

Gross Margin %	%	%	%	
Net Income	\$	\$	\$	
Net Margin %	%	%	%	
Cash on Hand	\$	\$	\$	
AR Outstanding	\$	\$	\$	
New Customers	#	#	#	

### Quarterly Questions

- What went right this quarter?

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- What missed expectations and why?

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- Are our revenue assumptions still valid for the rest of the year?

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- What's the #1 financial risk for next quarter?

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- Do we need to adjust the annual plan? What specifically?

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- Are we on track for our annual goals? If not, what changes now?

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### Decisions Made

- No changes to annual plan
- Adjusted revenue forecast: \_\_\_\_\_
- Adjusted expense budget: \_\_\_\_\_
- Pausing/starting investment: \_\_\_\_\_
- Other: \_\_\_\_\_

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## Part 3: Goal-Setting Worksheet

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## Annual Financial Goals

### Goal 1: Revenue

- Target: \$ \_\_\_\_\_
- Monthly average needed: \$ \_\_\_\_\_
- Growth rate vs. last year: \_\_\_\_\_ %
- Key driver: \_\_\_\_\_
- Constraint (what you won't sacrifice): \_\_\_\_\_

### Goal 2: Profitability

- Net income target: \$ \_\_\_\_\_
- Net margin target: \_\_\_\_\_ %
- Gross margin target: \_\_\_\_\_ %
- Key lever: \_\_\_\_\_

### Goal 3: Cash Reserves

- Target cash on hand: \$ \_\_\_\_\_
- Months of expenses that covers: \_\_\_\_\_
- Current cash position: \$ \_\_\_\_\_
- Monthly savings needed: \$ \_\_\_\_\_

### Goal 4: Debt

- Current business debt: \$ \_\_\_\_\_
- Target by year-end: \$ \_\_\_\_\_
- Monthly payment plan: \$ \_\_\_\_\_

### Goal 5: Owner Compensation

- Annual target (salary + distributions): \$ \_\_\_\_\_
- Monthly target: \$ \_\_\_\_\_
- Retirement contribution target: \$ \_\_\_\_\_
- Account type (SEP IRA / Solo 401k / SIMPLE): \_\_\_\_\_

### Goal 6: Growth Investment

- Total planned investment: \$ \_\_\_\_\_
- Breakdown:
  - New hires: \$ \_\_\_\_\_ (positions: \_\_\_\_\_)
  - Marketing: \$ \_\_\_\_\_
  - Equipment/tech: \$ \_\_\_\_\_
  - Other: \$ \_\_\_\_\_

## Key Metrics to Track (Circle Your Business Type)

### Service Business

- Utilization rate — target: \_\_\_\_%
- Revenue per employee — target: \$\_\_\_\_\_
- Average effective hourly rate — target: \$\_\_\_\_\_
- Client concentration — max: \_\_\_\_%
- AR days — target: \_\_\_\_ days

### Product / E-Commerce

- Gross margin — target: \_\_\_\_%
- Inventory turnover — target: \_\_\_\_ x/year
- Customer acquisition cost — target: \$\_\_\_\_\_
- Average order value — target: \$\_\_\_\_\_
- Return rate — target: \_\_\_\_%

### SaaS / Subscription

- MRR — target: \$\_\_\_\_\_
- Monthly churn — target: \_\_\_\_%
- LTV:CAC ratio — target: \_\_\_\_:1
- Net revenue retention — target: \_\_\_\_%

### Nonprofit / Church

- Program expense ratio — target: \_\_\_\_%
- Months of cash on hand — target: \_\_\_\_
- Donor retention — target: \_\_\_\_%
- Revenue diversification — max single source: \_\_\_\_%

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## Part 4: Scenario Planner

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### Base Case (Likely)

Your operating plan. Conservative revenue assumptions, planned expenses.

- Annual revenue: \$ \_\_\_\_\_
- Annual expenses: \$ \_\_\_\_\_
- Net income: \$ \_\_\_\_\_
- Year-end cash: \$ \_\_\_\_\_

**Key assumptions:**

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

**Best Case (+25% Revenue)**

What happens when things go right. Plan the upside.

- Annual revenue: \$ \_\_\_\_\_
- Annual expenses: \$ \_\_\_\_\_ (note: some expenses increase with volume)
- Net income: \$ \_\_\_\_\_
- Year-end cash: \$ \_\_\_\_\_

**If best case materializes, I will:**

- Accelerate hiring: \_\_\_\_\_
- Increase marketing spend: \_\_\_\_\_
- Build cash reserves to \$ \_\_\_\_\_
- Increase owner compensation by \$ \_\_\_\_\_
- Invest in: \_\_\_\_\_
- Other: \_\_\_\_\_

**Worst Case (-35% Revenue)**

Your survival plan. Know the triggers.

- Annual revenue: \$ \_\_\_\_\_
- Annual expenses (after cuts): \$ \_\_\_\_\_
- Net income: \$ \_\_\_\_\_
- Year-end cash: \$ \_\_\_\_\_

**Trigger 1: Revenue below \$ \_\_\_\_\_ for 1 month**

- Action: \_\_\_\_\_

**Trigger 2: Revenue below \$ \_\_\_\_\_ for 2 consecutive months**

- Action: \_\_\_\_\_

**Trigger 3: Cash reserves below \$\_\_\_\_\_**

- Action: \_\_\_\_\_

**Expense cuts (in order of priority):**

- \_\_\_\_\_ Saves: \$ \_\_\_\_\_ /month
- \_\_\_\_\_ Saves: \$ \_\_\_\_\_ /month
- \_\_\_\_\_ Saves: \$ \_\_\_\_\_ /month
- \_\_\_\_\_ Saves: \$ \_\_\_\_\_ /month
- \_\_\_\_\_ Saves: \$ \_\_\_\_\_ /month

**Emergency levers:**

- Draw on line of credit (available: \$\_\_\_\_\_)
- Renegotiate vendor terms
- Reduce owner compensation to \$\_\_\_\_\_ /month
- Invoice factoring for immediate cash
- Pause planned investments

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**How to Use This Template**

- **Block a Saturday.** Pour coffee. No email. Fill in Parts 1, 3, and 4.
- **Review monthly.** Update Part 1 with actual numbers. Takes 30 minutes.
- **Review quarterly.** Complete Part 2. Takes 90 minutes. Make decisions.
- **Update scenarios annually.** Or whenever major assumptions change.
- **Share with your CPA.** They can validate your assumptions and spot things you miss.

The plan is only useful if you look at it regularly. Pin it. Bookmark it. Make it part of your first-Monday-of-the-month ritual.

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*This template is for planning purposes and does not constitute financial advice. Work with a CPA or financial advisor for decisions specific to your business.*

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