

Guidelines for completing the Cash Flow Actual and Forecast sheets

Note: You may want to print this guideline for ease of reference when working on the sheets.

This Cash Flow template enables you to record forecast and actual cash coming in and going out on a monthly basis over a twelve month period (ideally from the month of application to TCTT)

Begin with the amount of cash you expect to come in to the business. Project all the cash coming in (and expected) and cash going out (or due to) for the year.

For each line, ask yourself when you should expect cash to come and go. From the sales projected, you must predict when you will actually collect from customers.

In the 'cash going' section, predict when you will actually have to physically pay each type of bill. Some like rent and utilities will be paid monthly and others quarterly even though you recognize them as monthly expenses. To the best of your ability, try to make the Cash Flow reflect your habits, as realistically as you can line by line.

The listed cash coming in and going out labels in the left column are a guide only. Feel free to change, as needed to suit your type of business.

For a Start Up, complete the 'Forecast' sheet only unless you have already commenced trading in which case the 'Actual' sheet should also be complete to the extent of business months completed.

For an existing business, complete the 'Actual sheet' for the last twelve months of business.

The "Pre-Startup" column is for cash outlays prior to the time covered by the Cash Flow. It is intended mainly for new business startups or major expansion projects where a great deal of cash must go out before operations commence.

The Cash Flow Projection gives a good indication of your cash needs. If your 'Net Cashflow' or balance gets dangerously low or negative, it signals the need to inject more cash into the business. Many profitable businesses have gone under because they could not pay the bills while waiting for money to flow in.

