

Five Year Monthly Cash Flow Forecast

Introduction & Contents

Introduction:

This monthly cash flow forecast is designed to provide a forecasted Income Statement, Balance Sheet and Cash Flow Statement. This spreadsheet is set up to work as follows:

1 - Inputs & Assumptions - The first feature on this sheet is to input the dates for which you have actual information. This will update each Financial Statement to indicate whether the information in each month is Actual or Forecast. Use this tab as the first building block of your Balance Sheet. It has been pre-populated with assumptions for basic company needs (ie working capital, capital expenditures, long term debt & equity). These inputs are linked directly to the Forecast Balance Sheet, so ensure that any changes that are made will have an effect on the Balance Sheet.

2 - Forecast Income Statement - This is an input tab for both Forecast and Actual numbers. Since these numbers are not derived from Balance Sheet or Cash Flow numbers, this has been set up for input. The income statement is linked to the Balance sheet for items such as Accounts Receivable and Accounts Payable and the Cash Flow Statement for add backs and relevant movement. Therefore, when making changes, be mindful of the links to ensure that the spreadsheet does not fall apart in other places.

3 - Forecast Balance Sheet - The majority of the numbers on the Balance Sheet are linked to the the Inputs & Assumptions tab, unless they are updated for actuals which can be done on tab 6 - Actual Balance Sheet. Therefore any changes that need to be made to the Forecast Balance Sheet tab should be done through either the Inputs & Assumptions or The Actual Balance Sheet input tab. The Balance Sheet has been set up in this manner as it is largely dependent on the movement of the income statement and collection and payment parameters detailed in the assumptions.

4 - Forecast Cash Flow - This is a combination of formulas and links built off of the Balance Sheet and Income Statement. Therefore, once you have updated your Inputs & Assumptions, Balance Sheet and Income Statement, your Cash should be populated. When the Balance Sheet and Income Statement are updated for Actuals, this will also be reflected in the Cash Flow Statement.

5 - Actual Balance Sheet - Update this worksheet for actuals that have been recorded. It will help to update the Forecast Balance Sheet as well as the Forecast Cash Flow Statement. When the Actual Balance Sheet is updated for Actuals, the forecast Income Statement will also have to be updated for the same periods.

Monthly Cash Flow Forecast

[Company]
 [Date]
 2 Inputs & Assumptions

Legend

Input
Link
Formula

The assumptions below link to the Forecast Balance Sheet and the Forecast Income Statement. Additional categories can be added to customize to your company. The numbers below have been included for information purposes only.

General metrics and assumptions

Current month actuals as of

2015-01-01

Opening Balance

2014-12-31	31-Jan-15	28-Feb-15	31-Mar-15	30-Apr-15	31-May-15	30-Jun-15	31-Jul-15	31-Aug-15	30-Sep-15	31-Oct-15	30-Nov-15	31-Dec-15
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Days in month

31	28	31	30	31	30	31	31	30	31	30	31
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Monthly assumptions

Working capital metrics

Accounts receivable rate	0.05	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Days sales of inventory - days	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Accounts payable rate	0.60	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75

Capital Expenditures

Computer equipment	50,000	-	-	-	-	-	-	-	15,000	-	-	-
Furniture and fixtures	20,000	-	-	-	-	-	-	-	10,000	-	-	-
Vehicles	30,000	-	-	-	-	-	-	-	5,000	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
<i>[Enter other types of capital expenditures]</i>	-	-	-	-	-	-	-	-	-	-	-	-
	100,000	-	-	-	-	-	-	-	30,000	-	-	-

Long term debt interest

10%

Opening	11,189,508	12,189,508	12,189,508	12,189,508	11,189,508	11,189,508	11,189,508	11,189,508	11,189,508	11,189,508	11,189,508	11,189,508
Proceeds	1,000,000	-	-	-	-	-	-	-	-	-	-	-
Repayment	-	-	-	(1,000,000)	-	-	-	-	-	-	-	-
Long term debt outstanding	11,189,508	12,189,508	12,189,508	11,189,508	11,189,508	11,189,508	11,189,508	11,189,508	11,189,508	11,189,508	11,189,508	11,189,508
Interest	103,527	93,509	103,527	91,969	95,034	91,969	95,034	95,034	91,969	95,034	91,969	95,034

Equity

Issuance (return) of share capital	1,000,000	-	-	-	-	-	(1,000,000)	-	-	-	-	-
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Monthly Cash Flow Forecast
[Company]
[Date]
3 Forecast Income Statement

Legend	
Input	
Link	
Formula	

	Forecast 31-Jan-15	Forecast 28-Feb-15	Forecast 31-Mar-15	Forecast 30-Apr-15	Forecast 31-May-15	Forecast 30-Jun-15	Forecast 31-Jul-15	Forecast 31-Aug-15	Forecast 30-Sep-15	Forecast 31-Oct-15	Forecast 30-Nov-15	Forecast 31-Dec-15
Revenue												
Source 1	\$ 480,314	\$ 528,345	\$ 581,180	\$ 639,298	\$ 703,228	\$ 773,551	\$ 850,906	\$ 935,997	\$ 1,029,597	\$ 1,132,557	\$ 1,245,813	\$ 1,370,394
Source 2	80,000	88,000	96,800	106,480	117,128	128,841	141,725	155,898	171,488	188,637	207,501	228,251
Source 3	100,000	110,000	121,000	133,100	146,410	161,051	177,156	194,872	214,359	235,795	259,375	285,313
Source 4	-	-	-	-	-	-	-	-	-	-	-	-
	660,314	726,345	798,980	878,878	966,766	1,063,443	1,169,787	1,286,767	1,415,444	1,556,989	1,712,689	1,883,958
Cost of revenue												
Direct labour	199,997	219,997	241,997	266,197	292,817	322,099	354,309	389,740	428,714	471,585	518,744	570,618
Direct materials	33,143	36,457	40,103	44,113	48,524	53,376	58,714	64,585	71,044	78,148	85,963	94,559
Other	1,063	1,169	1,286	1,415	1,557	1,713	1,884	2,072	2,279	2,507	2,758	3,034
	234,203	257,623	283,386	311,725	342,898	377,188	414,907	456,397	502,037	552,240	607,465	668,211
Contribution margin	426,111	468,722	515,594	567,153	623,868	686,255	754,880	830,370	913,407	1,004,749	1,105,224	1,215,747
Selling, general and administration expenses												
Payroll	63,650	70,015	77,017	84,719	93,191	102,510	112,761	124,037	136,441	150,085	165,094	181,603
Professional fees	5,025	5,528	6,081	6,689	7,358	8,094	8,903	9,793	10,772	11,849	13,034	14,337
Rent	9,380	10,318	11,350	12,485	13,734	15,107	16,618	18,280	20,108	22,119	24,331	26,764
Advertising and promotion	-	-	-	-	-	-	-	-	-	-	-	-
Travel and entertainment	3,350	3,685	4,054	4,459	4,905	5,396	5,936	6,530	7,183	7,901	8,691	9,560
Other	42,545	46,800	51,480	56,628	62,291	68,520	75,372	82,909	91,200	100,320	110,352	121,387
	123,950	136,346	149,982	164,980	181,479	199,627	219,590	241,549	265,704	292,274	321,502	353,651
EBITDA	302,161	332,376	365,612	402,173	442,389	486,628	535,290	588,821	647,703	712,475	783,722	862,096
Interest expense (income)	103,527	93,509	103,527	91,969	95,034	91,969	95,034	95,034	91,969	95,034	91,969	95,034
Income before taxes and depreciation	198,634	238,867	262,085	310,204	347,355	394,659	440,256	493,787	555,734	617,441	691,753	767,062
Income taxes - current expense	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Income taxes - deferred expense	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation expense	224,450	335,000	335,000	335,000	335,000	335,000	335,000	335,000	335,000	335,000	335,000	335,000
Intangible amortization expense	-	-	-	-	-	-	-	-	-	-	-	-
Net income	\$ (35,816)	\$ (106,133)	\$ (82,915)	\$ (34,796)	\$ 2,355	\$ 49,659	\$ 95,256	\$ 148,787	\$ 210,734	\$ 272,441	\$ 346,753	\$ 422,062
Total operating and S,G&A	\$ 358,153	\$ 393,969	\$ 433,368	\$ 476,705	\$ 524,377	\$ 576,815	\$ 634,497	\$ 697,946	\$ 767,741	\$ 844,514	\$ 928,967	\$ 1,021,862
Total 3rd party expenses	\$ 358,153	\$ 393,969	\$ 433,368	\$ 476,705	\$ 524,377	\$ 576,815	\$ 634,497	\$ 697,946	\$ 767,741	\$ 844,514	\$ 928,967	\$ 1,021,862

