12-MONTH SALES & CASHFLOW FORECAST

T E M P L A T E   I N S T R U C T I O N S

Community Futures Nadina

1. **OPEN THE 'Cash Flow Financial Worksheets' DOCUMENT.**

   ✓ Once opened, save & rename the document on your personal device.

   ▪ File > Save As *"Sales Forecast, Cash Flow, Owners Draw – As of X Month, Year"*

   > **Important: Only input information in the green cells.**

2. **NEXT, GO TO THE PRODUCTS & SERVICES TAB LOCATED AT THE BOTTOM OF THE SPREADSHEET.**

Products & Services	Sales Forecast	Cashflow Projection	Owner's Drawings
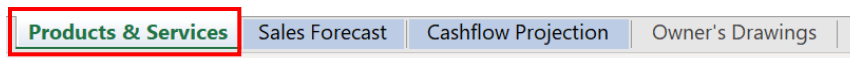
   ✓ This tab lays out the revenue streams for your business.

   ✓ **Column 1:** list every source of revenue the business has.

   ✓ **Column 2:** enter what price you sell your product or service at.

   ✓ **Column 3:** enter what % of that price is the Cost of Goods Sold (COGS)

   ▪ **Note** the COGS only refers to any direct costs of materials that go into the product, do not account for large overhead costs here. If you offer a service and have no COGS, leave the amount as 0%.

   ✓ If you are unsure of the 'Average %' (ie % of COGS), but know the dollar amount, use the table on the right labelled **'If Average % in Unknown'** to generate the percentage.

   ▪ In our example below, we have assumed Allan Blocks as our revenue source. The selling price is $16 per block and the COGS per block is $7.00. Inputting $7.00 in the first row of the **'If Average % in Unknown'** table, we obtain a COGS % of 43.75%. From there, enter that figure under the **'Average %'** column.
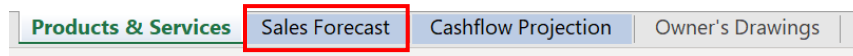
1. What will you sell?		2. Your Prices	3. Costs of Goods/Services Sold			If Avergae % is Unknown	
Categorize Products & Services	**1**	**2**	(Purchases, Materials)				
		Average Price $	Automatic Calculation	Enter Percentage		Enter COGS $ Amount	Average %
		or Billing Rate $	Fixed or Average $	Average %			
1 Allan Blocks		$16.00	$7.00	**3** 43.8%	←	$7.00 →	43.75%
2 Enter Product or Service			$0.00	0.0%			#DIV/0!
3 Enter Product or Service			$0.00	0.0%			#DIV/0!
4 Enter Product or Service			$0.00	0.0%			#DIV/0!
5 Enter Product or Service			$0.00	0.0%			#DIV/0!
6 Enter Product or Service			$0.00	0.0%			#DIV/0!
7 Enter Product or Service			$0.00	0.0%			#DIV/0!
8 Enter Product or Service			$0.00	0.0%			#DIV/0!
9 Enter Product or Service			$0.00	0.0%			#DIV/0!
10 Enter Product or Service			$0.00	0.0%			#DIV/0!

3. **ONCE COMPLETE, GO TO THE SALES FORECAST TAB.**

Products & Services | **Sales Forecast** | **Cashflow Projection** | Owner's Drawings

✓ First, enter the starting month you wish the forecast to begin from. This can be done in cell G2.

	C	D	E	F	G	H	I	J	K	L
1										
2	**MONTH SALES FORECAST**			Beginning	**Mar-21**	Apr-21	May-21	Jun-21	Jul-21	Aug-21

✓ Next, you will enter the number of units you plan on selling each month for every product or service you listed.

- If you are a subscription service, you will need to make sure each new month is accounting for the previous subscription services you have in place because this is recurring revenue.

- Make sure to consider any seasonality performance.

- In our example, we assumed 100 units sold every month of the year.

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12 MONTH SALES FORECAST	Beginning	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Year 1
1 Allan Blocks														
Sale Price/Unit or Average or Billed Rate	$16.00	16	16	16	16	16	16	16	16	16	16	16	16	
Number of Units Sold or Units Billed	#	100	100	100	100	100	100	100	100	100	100	100	100	1200
Monthly Sales Forecast	$	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	19,200
COGS: purchases, materials 44% Or	$7.00	700	700	700	700	700	700	700	700	700	700	700	700	8,400

✓ If you scroll down to row 65, you can see the total revenues and expenses.

- In our example, we assume 1,200 units sold resulting in revenue of $19,200, COGS of $8,400, and a Gross Profit of $10,800.

12 MONTH SALES FORECAST	Beginning	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Year 1
TOTAL MONTHLY SALES FORECAST:		1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	19,200
- Cost of Sales; Purchases, materials	44%	700	700	700	700	700	700	700	700	700	700	700	700	8,400
= Gross Profit	56%	900	900	900	900	900	900	900	900	900	900	900	900	**10,800**

4. NEXT, REFER TO THE CASHFLOW PROJECTION TAB

Products & Services	Sales Forecast	Cashflow Projection	Owner's Drawings
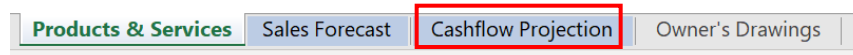
✓ This tab is broken down into three sections: Cash In, Cash Out, & Cashflow Summary

✓ The **Cash In** section will show all the sources of money coming in. The forecasted revenues will automatically be filled in, so you only need to enter any owner's contributions, loan proceeds, or asset sales.

- In this example, we have assumed a $10,000 loan giving a total cash in of **$29,200**.

Year 1 Cash Flow Projection		Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	1 Year
MONTHLY SALES FORECAST		1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	19,200
CASH IN														
Cash Sales	100%	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	19,200
Accounts Receivable	0%	0	0	0	0	0	0	0	0	0	0	0	0	0
Loan Proceeds		10,000												10,000
Owners Cash Contribution														0
Assets Sold														0
TOTAL CASH IN		11,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	29,200

✓ The **Cash Out** section allows you to input all your monthly costs associated with the business.

- All COGS will automatically be transferred over to this tab, make sure not to input that in twice.

- For our example, we have assumed a business registration cost of $150, monthly advertising cost of $20, and a monthly loan payment of $190.78. These costs plus the COGS gives us a total Cash Out of **$11,079** for the year.

| Year 1 Cash Flow Projection		Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	1 Year
CASH OUT														
Cost of Sales / Inventory Expense		700	700	700	700	700	700	700	700	700	700	700	700	8,400
Business Registration, Licences and Permits		150												150
Lease Payment														0
Utilities														0
Insurance (Liability, E & O etc)														0
Security Monitoring														0
Phone and Internet														0
Advertising (TV, Radio, Paper, Social Media, etc)		20	20	20	20	20	20	20	20	20	20	20	20	240
Promotional Materials (Flyers, Business Cards, etc)														0
Signage (Car Decal, Sandwich Board,etc)														0
Website Hosting and Design														0
Vehicles (includes R & M, Insurance)														0
Bank Charges														0
Merchant Services (Credit, Debit Card Processing)														0
Professional (Accounting, Bookkeeping, Legal)														0
Office Supplies & Expenses (Including Printer Ink)														0
Repairs and Maintenance (Premises and Equipment)														0
Travel and Promotion (Include Meals, Accommodation, kms)														0
Equipment Purchases														0
Supplies and Small Tools (Includnig Packaging Supplies)														0
Loan Payments-Principal and Interest		191	191	191	191	191	191	191	191	191	191	191	191	2,289
Subcontractor Fees														0
Wages														0
Employer Wage Burden 15%	15%	0	0	0	0	0	0	0	0	0	0	0	0	0
Worker's Compensation 2%	2%	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax Savings														0
Owner's Drawing														0
Business Purchase and Closing Costs														0
TOTAL CASH OUT		1,061	911	911	911	911	911	911	911	911	911	911	911	11,079

✓ Finally, refer to the **Cashflow Summary** section at the bottom of the sheet. This will show you the net loss/gain of the business after the first year of operating based on the projections.

▪ We can see in our example that the business has an overall net profit of $**18,121**.

CASH FLOW SUMMARY		Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	1 Year
Opening Balance:		0	10,539	11,228	11,918	12,607	13,296	13,985	14,675	15,364	16,053	16,742	17,431	18,121
Add: Cash In		11,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	29,200
Substract: Cash Out		1,061	911	911	911	911	911	911	911	911	911	911	911	11,079
CLOSING CASH BALANCE		10,539	11,228	11,918	12,607	13,296	13,985	14,675	15,364	16,053	16,742	17,431	18,121	

✓ The goal of the exercise is to make sure this number is positive. If the number results in a loss, you will need to lower your expenses or obtain more capital to invest in the business.

5. **LASTLY, REFER TO THE OWNER'S DRAWING TAB.**

| Products & Services | Sales Forecast | Cashflow Projection | Owner's Drawings |
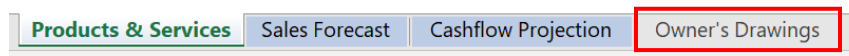
✓ **Note:** you are only required to do this section if you plan on drawing income from the business.

✓ This section helps you determine the minimum amount you will need to draw from the business to cover your personal monthly expenses.

✓ Enter your personal expenditures in the table. Once complete, refer to cell **L29** to obtain your monthly owner's drawing requirements.

27	Yearly / Periodic Expenditures (below)	$ -
28	Less: other sources of Income	$ -
29	Monthly Owner's Drawing Requirements ⟶	$ -

✓ Next, go back to the 'Cashflow Projection' tab and enter the monthly amount in the Owner's Drawing row under the Cash Out section.

	Year 1 Cash Flow Projection		Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	1 Year
34	Loan Payments-Principal and Interest		191	191	191	191	191	191	191	191	191	191	191	191	2,289
35	Subcontractor Fees														0
36	Wages														0
37	Employer Wage Burden 15%	15%	0	0	0	0	0	0	0	0	0	0	0	0	0
38	Worker's Compensation 2%	2%	0	0	0	0	0	0	0	0	0	0	0	0	0
39	Tax Savings														0
40	Owner's Drawing														0

✓ After you do this be sure to refer to the Cashflow Summary to ensure the business is still in a profitable position!

Your 12-month sales & cashflow forecast is now complete!