

Start-up Summary

Describe in two good paragraphs where you are getting your start-up funds (Investors, Loans, Savings, Grants) and how much you will need. Then, what are you going to spend this money on? What do you need to get your business up and running (Supplies, materials, equipment, staff, advertising, permits, furniture, etc). Include some type of list in chart in this section.

Break-Even Analysis

This should be in a chart with an explanation of what your product/service is going to cost per unit and how many units you need to sell to break-even. See examples on bplans.com

Cash Flow Projection Statement

There are three parts to the Cash Flow Projection. The first part details your Cash Revenues. Enter your estimated sales figures for each month. Remember that these are Cash Revenues; you will only enter the sales that are collectible in cash during the specific month you are dealing with.

The second part is your Cash Disbursements. Take the various expense categories from your ledger and list the cash expenditures you actually expect to pay that month for each month.

The third part of the Cash Flow Projection is the Reconciliation of Cash Revenues to Cash Disbursements. As the word "reconciliation" suggests, this section starts with an opening balance which is the carryover from the previous month's operations. The current month's Revenues are added to this balance; the current month's Disbursements are subtracted, and the adjusted cash flow balance is carried over to the next month.

Here is a template for a Cash Flow Projection that you can use for your business plan (or later on when your business is up and running):

CASH FLOW PROJECTIONS

(Add a row of monthly headings to cover one-year period)

CASH REVENUES

Revenue from Product Sales

Revenue from Service Sales

TOTAL CASH REVENUES

CASH DISBURSEMENTS

Cash Payments to Suppliers

Management Draws

Salaries and Wages

Promotion Expense Paid

Professional Fees Paid

Rent/Mortgage Payments

Insurance Paid

Telecommunications Payments

Utilities Payments

TOTAL CASH DISBURSEMENTS

RECONCILIATION OF CASH FLOW

OPENING CASH BALANCE

ADD: TOTAL CASH REVENUES

DEDUCT: TOTAL CASH DISBURSEMENTS

CLOSING CASH BALANCE

••Remember, the Closing Cash Balance is carried over to the next month. Once again, to use this template for your own business, you will need to delete and add the appropriate Revenue and Disbursement categories that apply to your own business.