

Universal Funding Proposal & Business Planning / Forecasting Model Profit and Loss History

Version 1.0 - 0 of 11 (B)



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Playbook

Table of Contents

Table of Contents.....	2
The Universal Forecast and Funding Proposal Model - Purpose.....	3
1. Enter and Set Up your Historic Profit and Loss Data - (Step) 4.....	5
1.1. Chart of Accounts Category – Description and Tool Tip	5
1.2. P&L Structure – Description and Tool Tip.....	6
1.3. Select ‘Sales’ for Each Customer or Sales Channel (Sales Nominal)	7
1.4. Select ‘Cost of Sales’ for Each Cost of Sales Entry (Cost of Sales Nominal).....	8
1.5. Select ‘Overheads’ for Each Overheads Entry (Overheads Nominal)	8
1.6. Don’t Categorise any Headings, Sub-Headings or Totals on the Monthly P&L.....	9
1.7. Select the Month of the Most Recent Date your Accounts are Complete to.....	10
1.8. Select the Year.....	10
1.9. Enter your Company Name	11
2. List of Figures.....	12

The Universal Forecast and Funding Proposal Model - Purpose

Use the Universal Forecast and Funding Proposal Model to support your business planning and create the following:

- **Your 5-year Business Plan and Forecast**
 - ✓ Years 1 and 2 detailed by month
 - ✓ Years 3 to 5 detailed per year
- **Understand and Plan for Your Future**
- **Model the Impact of Funding on Your Business**
- **Apply for Loan or Equity Funding**

You can use the Universal Forecasting and Funding Proposal Model regardless of the accounting system you use, to build a 5-year Business Plan / Forecast for your business.

Use your plan to understand, plan and budget for the future to help you and your team maintain a clear picture of exactly where you are on your journey.

If your business needs to raise finance, your Business Plan can quickly and easily be used to generate a robust Funding Proposal that provides everything lenders or investors need to approve funding.

*“By failing to prepare,
you are preparing to fail”*

Benjamin Franklin

Playbook

1. Enter and Set Up your Historic Profit and Loss Data - (Step) 4

Company Name		Demo Company Ltd					
		Latest Month	Month -1	Month -2	Month -3	Month -4	Month -5
Year >>>		2020	2020	2020	2019	2019	2019
Month >>>		Mar	Feb	Jan	Dec	Nov	Oct
Chart of Accounts Category	P&L Structure	Most Recent Month First, from Right to Left					
Select Category	Sales						
Sales	Sales Nominal 1	£13,464.16	£11,512.06	£9,130.28	£27,376.24	£17,394.50	£11,512.06
Sales	Sales Nominal 2	£10,771.33	£9,209.65	£7,304.22	£21,900.99	£13,915.60	£14,512.06
Sales	Sales Nominal 3	£8,617.06	£7,367.72	£5,843.38	£17,520.79	£11,132.48	£11,512.06
Sales	Sales Nominal 4	£6,893.65	£5,894.17	£4,674.70	£14,016.63	£8,905.99	£9,130.28
Sales	Sales Nominal 5	£5,514.92	£4,715.34	£3,739.76	£11,213.31	£7,124.79	£7,367.72
Sales	Sales Nominal 6	£4,411.94	£3,772.27	£2,991.81	£8,970.65	£5,699.83	£6,170.65
Sales	Sales Nominal 7	£3,529.55	£3,017.82	£2,393.45	£7,176.52	£4,559.86	£4,715.34
Sales	Sales Nominal 8	£2,823.64	£2,414.25	£1,914.76	£5,741.21	£3,647.89	£3,739.76
Sales	Sales Nominal 9	£2,258.91	£1,931.40	£1,531.81	£4,592.97	£2,918.31	£2,918.31
Select Category							
Select Category							
Select Category	Total Sales	£58,285.17	£49,834.69	£39,524.15	£118,509.31	£75,299.26	£75,299.26
Select Category							
Select Category							
Select Category							
Select Category							
Select Category	Cost of Sales						
Cost of Sales	Cost of Sales Nominal 1	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00
Cost of Sales	Cost of Sales Nominal 2	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00
Cost of Sales	Cost of Sales Nominal 3	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00
Cost of Sales	Cost of Sales Nominal 4	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00
Cost of Sales	Cost of Sales Nominal 5	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00
Cost of Sales	Cost of Sales Nominal 6	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00

Figure 1 - Step 4: Enter and Setup the Historic Profit and Loss Data

When your historic Profit and Loss data is ready, simply copy and paste taking care to ensure the first column of figures is the most recent month as per the illustration above.

Depending on your Accounting system there is a 50/50 chance that the default order will be laid out in the correct manner. If this is not the case, you will need to manipulate your figures in a spreadsheet to put it into the correct layout before copying and pasting into the Universal Forecasting and Funding Proposal Model.

Do include sub totals and totals as these are used to check the validity of the data entry later, as explained below, the sub totals and totals (and Headings), are not directly used in the Universal Forecasting and Funding Proposal Model.

Having copied your historic Profit and Loss data, the Universal Forecasting and Funding Proposal Model needs to be configured to categorise your data as Sales, Cost of Sales or Overheads as follows.

1.1. Chart of Accounts Category – Description and Tool Tip

Playbook

Company Name		Demo Company Ltd					
		Latest Month	Month -1	Month -2	Month -3	Month -4	Month -5
		2020	2020	2020	2019	2019	2019
		Mar	Feb	Jan	Dec	Nov	Oct
Chart of Accounts Category	P&L Structure	P&L Structure:					
Select Category	Sales	This column should contain the P&L nominal descriptions, each month should then be listed from the next column onwards, starting with the most recent month					
Sales	Sales Nominal 1			£9,130.28	£27,376.24	£17,394.50	£18,393.7
Sales	Sales Nominal 2			£7,304.22	£21,900.99	£13,915.60	£14,714.4
Sales	Sales Nominal 3			£5,843.38	£17,520.79	£11,132.48	£11,771.1
Sales	Sales Nominal 4			£4,674.70	£14,016.63	£8,905.99	£9,411.1
Sales	Sales Nominal 5			£3,739.76	£11,213.31	£7,124.79	£7,534.1
Sales	Sales Nominal 6	£4,411.94	£3,772.27	£2,991.81	£8,970.65	£5,699.83	£6,021.1
Sales	Sales Nominal 7	£3,529.55	£3,017.82	£2,393.45	£7,176.52	£4,559.86	£4,821.7
Sales	Sales Nominal 8	£2,823.64	£2,414.25	£1,914.76	£5,741.21	£3,647.89	£3,857.4
Sales	Sales Nominal 9	£2,258.91	£1,931.40	£1,531.81	£4,592.97	£2,918.31	£3,001.1
Select Category							
Select Category							
Select Category	Total Sales	£58,285.17	£49,834.69	£39,524.15	£118,509.31	£75,299.26	£79,621.1

Figure 3 - Step 4: P&L Structure Tool Tip

1.3. Select 'Sales' for Each Customer or Sales Channel (Sales Nominal)

Each customer or sales channel should be categorised as 'Sales' so the Universal Forecasting and Funding Proposal Model can correctly identify each, use the data in the correct manner to generate an accurate output.

Company Name		Latest Month
Year >>>		2020
Month >>>		Mar
Chart of Accounts Category	P&L Structure	
Select Category	Sales	
Sales	Sales Nominal 1	16
Sales	Sales Nominal 2	33
Select Category	Sales Nominal 3	06
Sales	Sales Nominal 4	65
Cost of Sales	Sales Nominal 5	92
Overheads	Sales Nominal 6	94
Sales	Sales Nominal 7	£3,529.55
Sales	Sales Nominal 8	£2,823.64
Sales	Sales Nominal 9	£2,258.91

Figure 4 - Step 4: Setup Chart of Accounts for Each Sales Nominal

Playbook

1.4. Select 'Cost of Sales' for Each Cost of Sales Entry (Cost of Sales Nominal)

Each Cost of Sales entry should be categorised as 'Cost of Sales' so the Universal Forecasting and Funding Proposal Model can correctly identify each, use the data in the correct manner to generate an accurate output.

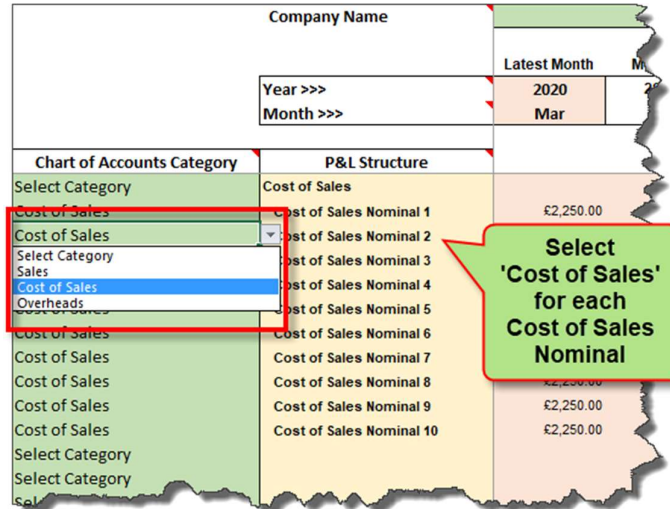


Figure 5 - Step 4: Setup Chart of Accounts for Each Cost of Sales Nominal

1.5. Select 'Overheads' for Each Overheads Entry (Overheads Nominal)

Each Overheads entry should be categorised as 'Overheads' so the Universal Forecasting and Funding Proposal Model can correctly identify each, use the data in the correct manner to generate an accurate output.

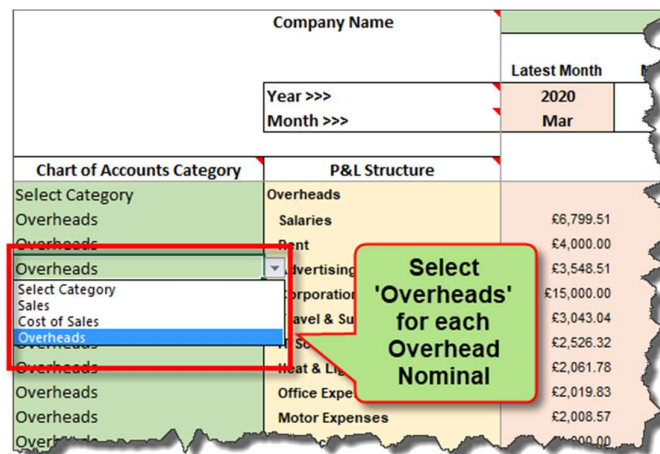


Figure 6 - Tab 4: Setup Chart of Accounts for Each Overheads Nominal

Note: Cost of Sales lines, (Cost of Sales Nominals, or Variable Costs), are sometimes incorrectly recorded in the Accounts of businesses as Overheads, (Overheads Nominals or Fixed Costs). If this is the case this can

Playbook

be corrected here by simply categorising any overheads that vary as a direct function of sales volume as 'Cost of Sales'.

Example: In a contracting business, labour is sold by the hour, however, staff costs are frequently entered into the accounts as Overheads or Fixed Costs. If the number of hours sold is forecast to increase by 200% over a 5-year term, in order to deliver those hours, the total labour available must also increase by 200%.

To overcome this, any incorrectly posted overhead items can simply be categorised as 'Cost of Sales'.

1.6. Don't Categorise any Headings, Sub-Headings or Totals on the Monthly P&L

Only the individual line items should be categorised.

If for example each line item in sales were to be correctly categorised as 'Sales' (set Sales to be the Chart of Accounts Category), and the 'Total Sales' line, also (incorrectly) categorised as 'Sales', this would cause a problem. The Universal Forecasting and Funding Proposal Model would count each separate entry PLUS the total as sales, as a consequence the total sales reported in the model would be two times higher than reality.

Company Name		Demo Company Ltd					
		Latest Month	Month -1	Month -2	Month -3	Month -4	
Year >>>		2020	2020	2020	2019	2019	
Month >>>		Mar	Feb	Jan	Dec	Nov	
Chart of Accounts Category	D&I Structure						
Select Category	Sales						
Select Category	Sales Nominal 1	£13,464.16	£11,512.06	£9,130.28	£27,376.24	£17,394.56	
Sales	Sales Nominal 2	£10,771.33	£9,209.65	£7,304.22	£21,900.99	£13,915.6	
Sales	Sales Nominal 3	£8,617.06	£7,367.72	£5,843.38	£17,520.79	£11,132.48	
Sales	Sales Nominal 4	£6,893.65	£5,894.17	£4,674.70	£14,016.63	£8,905.99	
Sales	Sales Nominal 5	£5,514.92	£4,715.34	£3,739.76	£11,213.31	£7,124.79	
Sales	Sales Nominal 6	£4,411.94	£3,772.27	£2,991.81	£8,970.65	£5,699.83	
Sales	Sales Nominal 7	£3,529.55	£3,017.82	£2,393.45	£7,176.52	£4,559.86	
Sales	Sales Nominal 8	£2,823.64	£2,414.25	£1,914.76	£5,741.21	£3,647.89	
Sales	Sales Nominal 9	£2,258.91	£1,931.40	£1,531.81	£4,592.97	£2,918.31	
Select Category							
Select Category							
Select Category	Total Sales	£58,285.17	£49,834.69	£39,524.15	£118,509.31	£75,299.26	
Select Category							
Select Category							
Select Category							
Select Category	Cost of Sales						
Cost of Sales	Cost of Sales Nominal 1				£2,250.00	£2,250.00	£2,250.00
Cost of Sales	Cost of Sales Nominal 2				£2,250.00	£2,250.00	£2,250.00
Cost of Sales	Cost of Sales Nominal 3				£2,250.00	£2,250.00	£2,250.00
Cost of Sales	Cost of Sales Nominal 4				£2,250.00	£2,250.00	£2,250.00

Don't Categorise Headings, Sub Headings or

Figure 7 - Tab 4: Do Not Categorise Headings, Sub-Headings or Sub Totals

Playbook

1.7. Select the Month of the Most Recent Date your Accounts are Complete to

The most recent month is entered using the drop down and the other months automatically populate:

Company Name		Demo Company Ltd				
	Latest Month	Month -1	Month -2	Month -3	Month -4	
Year >>>	2020	2020	2020	2019	2019	
Month >>>	Mar	Feb	Jan	Dec	Nov	
Chart of Accounts Category	P&L Str					
Select Category	Sales					
Sales	Sales Nominal 1	£11,213.31		£27,376.24	£17,394.50	
Sales	Sales Nominal 2	£9,200.99		£21,900.99	£13,915.60	
Sales	Sales Nominal 3	£8,617.06	£7,367.72	£5,843.38	£17,520.79	
Sales	Sales Nominal 4	£6,893.65	£5,894.17	£4,674.70	£14,016.63	
Sales	Sales Nominal 5	£5,514.92	£4,715.34	£3,739.76	£11,213.31	
Sales	Sales Nominal 6	£4,411.94	£3,772.27	£2,991.81	£8,970.65	
Sales	Sales Nominal 7	£3,529.55	£3,017.82	£2,393.45	£7,476.52	

Figure 8 - Step 4: Select the Month the Accounts are Made Up to.

1.8. Select the Year

Select the year.

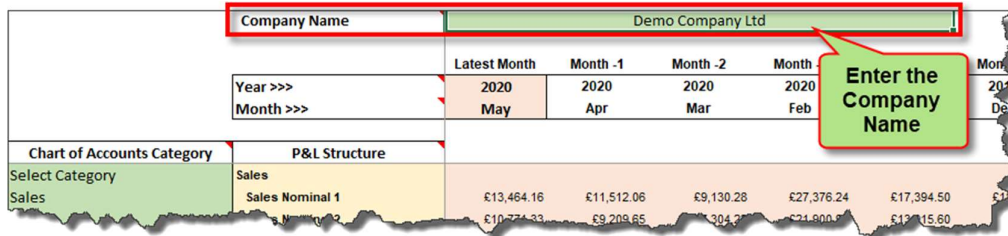
Company Name		Demo Company Ltd				
	Latest month	Month -1	Month -2	Month -3	Month -4	
Year >>>	2020	2020	2020	2020	2020	
Month >>>	Apr	Mar	Feb	Jan		
Chart of Accounts Category	P&L Structure					
Select Category	Sales					
Sales	Sales Nominal 1	£11,213.31		£27,376.24	£17,394.50	
Sales	Sales Nominal 2	£10,771.33		£21,900.99	£13,915.60	
Sales	Sales Nominal 3	£8,617.06	£7,367.72	£5,843.38	£17,520.79	
Sales	Sales Nominal 4	£6,893.65	£5,894.17	£4,674.70	£14,016.63	
Sales	Sales Nominal 5	£5,514.92	£4,715.34	£3,739.76	£11,213.31	
Sales	Sales Nominal 6	£4,411.94	£3,772.27	£2,991.81	£8,970.65	
Sales	Sales Nominal 7	£3,529.55	£3,017.82	£2,393.45	£7,476.52	

Figure 9 - Step 4: Select the Year the Accounts are Made Up to.

Playbook

1.9. Enter your Company Name

Enter your company name as you want it presented on the final report (and for all other references to your company name) in the area highlighted at the top of the Monthly P&L, Step 4.



The screenshot shows a software interface for a Monthly P&L report. At the top, there is a 'Company Name' field containing 'Demo Company Ltd', which is highlighted with a red box. Below this are fields for 'Year >>>' (2020) and 'Month >>>' (May). The main table displays financial data for the latest month and the previous two months. A green callout box with the text 'Enter the Company Name' points to the 'Company Name' field.

Company Name		Demo Company Ltd				
	Latest Month	Month -1	Month -2	Month	Month	
Year >>>	2020	2020	2020	2020	2020	
Month >>>	May	Apr	Mar	Feb	De	
Chart of Accounts Category	P&L Structure					
Select Category	Sales					
Sales	Sales Nominal 1	£13,464.16	£11,512.06	£9,130.28	£27,376.24	£17,394.50
		£10,771.33	£9,209.65	£304.27	£14,900.57	£12,015.60

Figure 10 - Tab 4: Enter the Company Name

2. List of Figures

Figure 31 - Step 4: Enter and Setup the Historic Profit and Loss Data.....	5
Figure 32 - Step 4: Chart of Accounts Category Tool Tip.....	6
Figure 33 - Step 4: P&L Structure Tool Tip.....	7
Figure 34 - Step 4: Setup Chart of Accounts for Each Sales Nominal.....	7
Figure 35 - Step 4: Setup Chart of Accounts for Each Cost of Sales Nominal	8
Figure 36 - Tab 4: Setup Chart of Accounts for Each Overheads Nominal.....	8
Figure 37 - Tab 4: Do Not Categorise Headings, Sub-Headings or Sub Totals.....	9
Figure 38 - Step 4: Select the Month the Accounts are Made Up to.....	10
Figure 39 - Step 4: Select the Year the Accounts are Made Up to.....	10
Figure 40 - Tab 4: Enter the Company Name.....	11