

## Universal Funding Proposal & Business Planning / Forecasting Model With Funding Forecast

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# Playbook

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## 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.

*“Tomorrow belongs to the people who prepare  
for it today”*

## **African Proverb**

## 1. 'With Funding' Profit and Loss Forecast Assumptions – (Step 9)

The 'With Funding' Forecast Tab is only used if your business is using the model to apply for funding. If you are not applying for funding you don't need to use Tab 9 or Tab 10 (Funding 3 Way Forecast), simply move to the Forecast Report, Tab 11.

The Funding Forecast Tab is used to enter the expected impact of funding on your business' Profit and Loss forecast.

Example Scenarios and impact on the Funding Forecast:

**1. Applying for a loan to increase your working capital during a temporary downturn in trading.**

In this example there would be no impact on your Funding Forecast P&L or your Funding Balance Sheet, you would simply complete step 10 of your Funding 3 Way Forecast to enter your assumptions relative to your new loan capital, interest and repayments.

**2. Applying for a loan to invest in a Website and Online Marketing to increase your online sales.**

In this instance the loan will have an impact on your projected Revenue, i.e. an increase in online sales/ There may also be other changes that need to be reflected in your Profit and Loss account for the capital cost of your new website, provision for website upgrades, maintenance and hosting costs.

**3. Applying for a loan to purchase plant or machinery to increase capacity and reduce variable costs.**

Investing to increase your capacity will logically lead to increases sales volumes and presumably lower fixed or variable cost ratios. Your 'With Funding' assumptions will need to be added to your Funding Forecast P&L.

The assumptions made in your Baseline Forecast pre-populate the Funding Forecast Tab. You simply adjust your forecast: Sales, Cost of Sales / Gross Margin and Overheads to show the impact funding will have on your business, (if any).

The instructions for completion of the Funding Forecast are as detailed above for the Baseline Forecast detailed in section **Error! Reference source not found. - Error! Reference source not found..**

## 2. List of Figures