Universal Funding Proposal

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Business Planning / Forecasting Model 'With Funding' 3 Way Forecast

Version 1.0 - 9 of 11 (B)



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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.

"Plan for what is difficult whilst it is easy, do what is great while it is small"

Sun Tzu

1. 'With Funding' 3 Way Forecast Assumptions - (Step 10)

The Funding 3 Way forecast detailed on Step 10 pulls through all the assumptions entered in the Baseline 3 Way Forecast Step 8.

Your Funding 3 Way Forecast is used to enter assumptions relating to the treatment of any loans, in particular the timing of any new loans, interest rates and repayment of any new or existing loans.

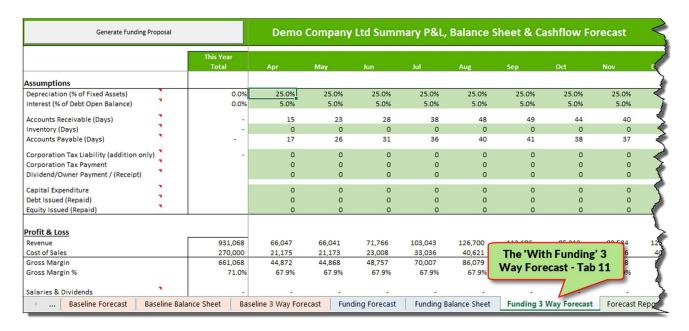


Figure 1 - Step: With Funding 3 Way Forecast

1.1. Baseline 3 Way Forecast - Interest Assumptions (% of Debt Open Balance)

Introduction and Tool Tip

• Enter the interest % to be applied to your debt balance.

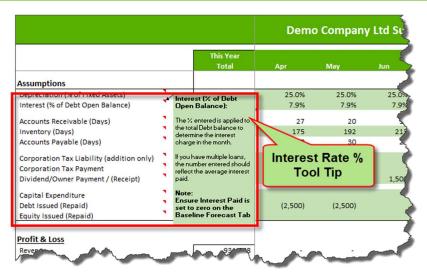


Figure 2

Interest (% of Debt Open Balance): Explanation and Entry of Assumptions

- The % entered is applied to your opening Debt balance to determine the interest charge in the month.
- The model will automatically calculate a recommended interest charge based on the transactions over the past 12 months, which can be amended.
- The figure generated will impact the following elements of your 3 Way Forecast:
 - Your Profit & Loss Interest charge will reduce profit.
 - Your Operating Cashflow Interest charge is included within Net Earnings in the Cash from Operations calculation.

Additional Information

- Ensure any assumption for Interest Paid in your Baseline Forecast is set to zero, this will ensure the correct treatment (as described above) will be applied.
- If you have multiple loans, the number entered should reflect the average interest paid.

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