# Universal Funding Proposal Model

Balance Sheet (Opening Balances)

(B)



@VFD Pro Ltd. 202

"All you need is the plan, the road map, and the courage to press on to your destination"

## **Earl Nightingale**



## What The Model Provides?

- A detailed 5-year forecast model
  - √ Years 1 and 2 detailed by month
  - √ Years 3 to 5 detailed per year
- Understand and Plan for the Future
- Model the Impact of Funding
- Support Funding Applications

The 'Universal' Model can be used with any Accounting system



## 11 Modules

- 1 of 11: Instructions
- 2 of 11: Data Input Templates for P&L and Balance Sheet
- 3 of 11: Entering Historic P&L Data
- 4 of 11: Enter Historic Balance Sheet Data
- 5 of 11: Establish your 'Baseline' Forecast (P&L)
- 6 of 11: Establish Treatment for Base Line Balance Sheet Data
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## Module 4 of 11

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# **Objective of this Module**

- With historic Profit and Loss data entered, chart of accounts and other setting configured correctly
- The process can move to the next stage:
   Enter Opening Balance Sheet data into the model



Closing Balance Sheet				
Closing Balance Sheet Tab  7 Prepare a spreadsheet with the Balance sheet for the period up to the most recent date the accounts are complete to (this should be the same month as the most recent month in your P&L history)  8 The first column should contain the Balance Sheet nominal descriptions and the second should contain the closing balances  9 Copy the Balance Sheet you have prepared and paste it into the section provided (yellow calls for nominal descriptions and orange cells for values)  10 Select the Chart of Accounts category next to each Balance Sheet nominal being sure to exclude any Headings, Sub-headings and totals				
<ol> <li>Prepare Balance Sheet up to most recent date</li> <li>Balance Sheet Descriptions and closing balance for each</li> <li>Copy and paste into Closing Balance Sheet</li> <li>Setup the Chart of Accounts category for each BS nominal</li> </ol>				
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#### The Closing Balance Sheet – Step 5

#### 7 Prepare Your Balance Sheet up to the most recent date

Prepare a spreadsheet with your Balance Sheet information for the period up to the most recent date your accounts are complete to, ensure that this month is the same as the most recent month in your P&L history.

#### 8 Your Balance Sheet Descriptions and closing balance for each

The first column needs to contain your Balance Sheet Nominal Descriptions, you need to 'tell' the Universal Forecasting and Funding Proposal Model which lines to treat as fixed assets, current assets, current liabilities, long term liabilities and shareholders' funds. The second column should contain the closing balances for each item.

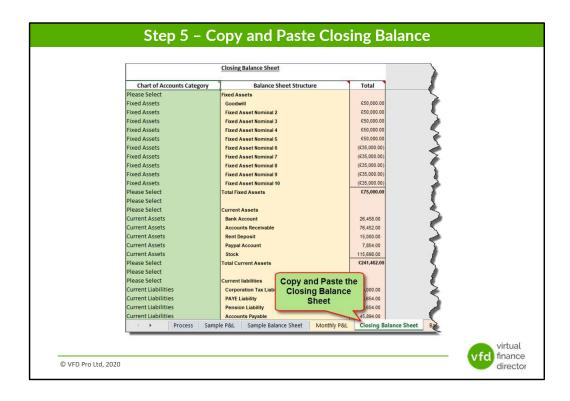
#### 9 Copy and paste into Closing Balance Sheet

Copy your Balance Sheet and paste it into the section provided, note that the yellow cells are for current assets, current liabilities, long term liabilities and Shareholder's funds, (the 'Nominal Descriptions'), and the orange cells are for the

values to be entered.

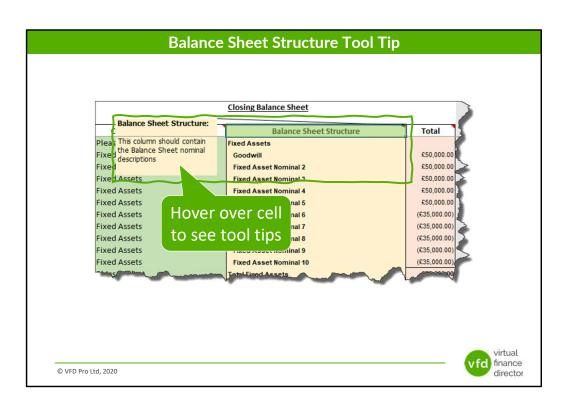
#### 10 Setup your Chart of Accounts category for each BS nominal

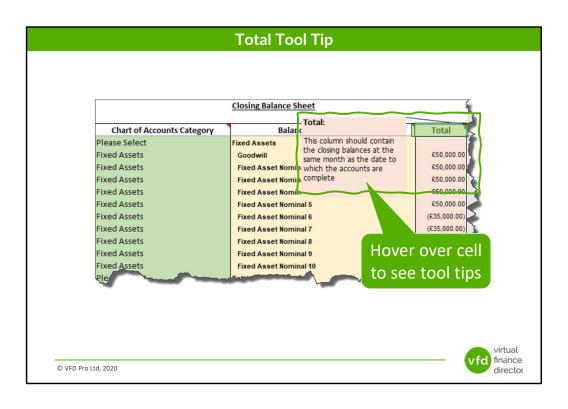
Having entered your Balance Sheet information, the 'Chart of Accounts Category' must be configured, in other words, tell the Universal Forecasting and Funding Proposal Model which lines to treat as fixed assets, current assets, current liabilities, long term liabilities and shareholders' funds.

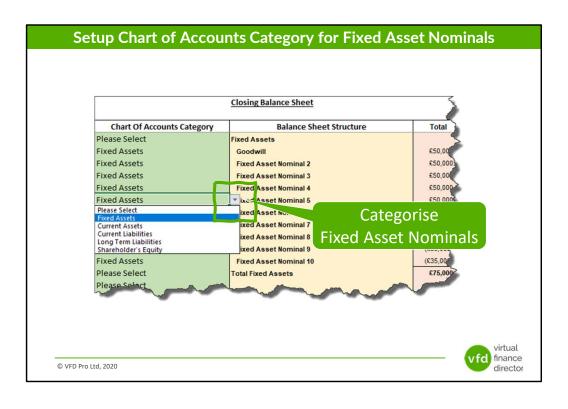


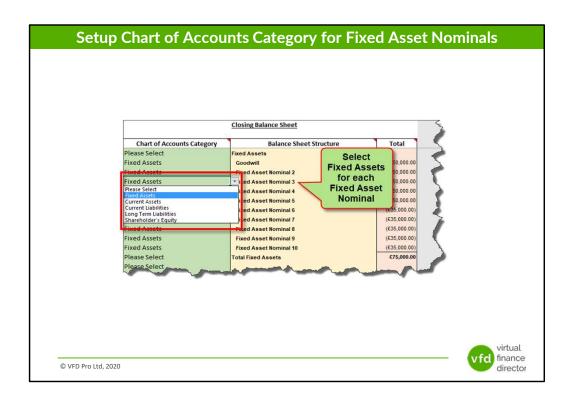
When your Closing Balance Sheet data is ready, simply copy and paste into the model as per the illustration above.

Having copied your Closing Balance Sheet data, the Universal Forecasting and Funding Proposal Model needs to be configured to categorise each Balance Sheet item as either fixed assets, current assets, current liabilities, long term liabilities or shareholders' funds. As with the Profit and Loss data entry, do not categorise any headings, sub-headings, or totals.



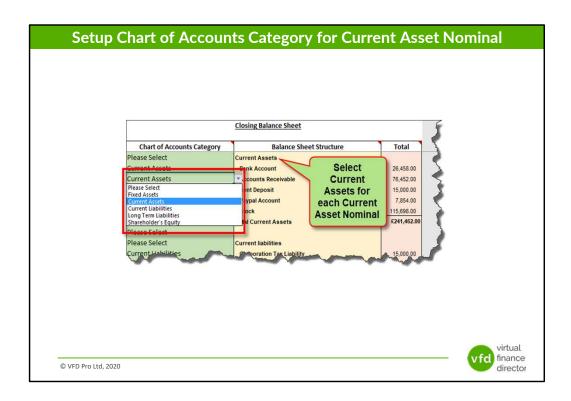






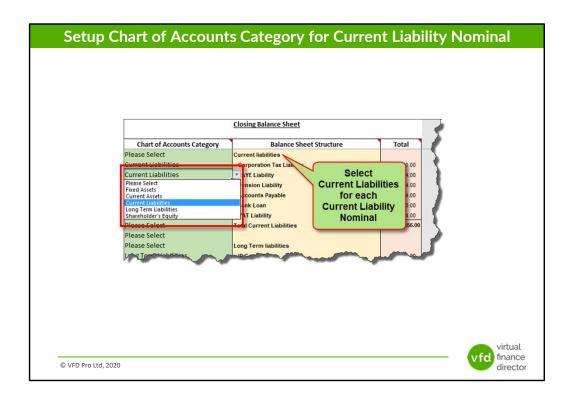
#### Select 'Fixed Assets' for Each Fixed Asset Entry in the Balance Sheet

Each Fixed Asset entry should be categorised as 'Fixed Assets' so the Universal Forecasting and Funding Proposal Model can correctly identify each, (Fixed Asset Nominal), and use the data in the correct manner and generate an accurate output.



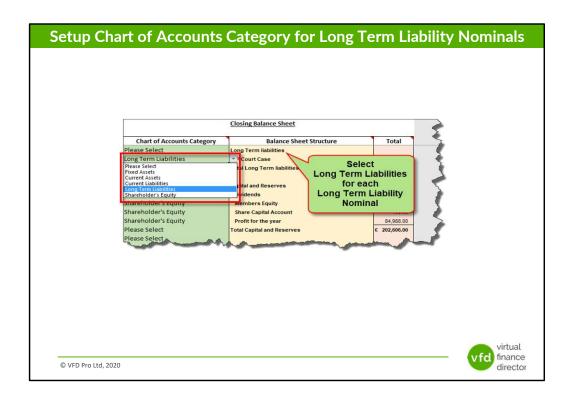
Select 'Current Assets' for Each Current Asset Entry in the Balance Sheet

Each Current Asset entry should be categorised as 'Current Assets' so the Universal Forecasting and Funding Proposal Model can correctly identify each, (Current Asset Nominal), and use the data in the correct manner and generate an accurate output.



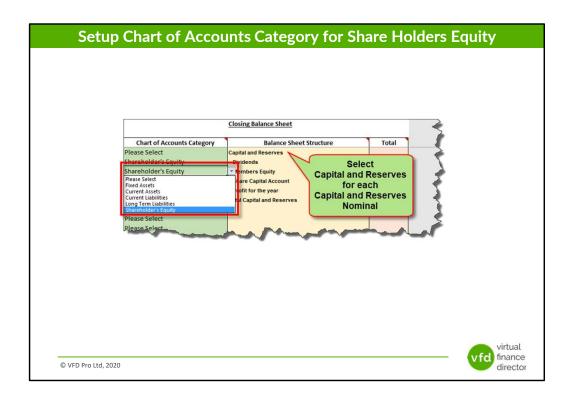
#### Select 'Current Liabilities' for Each Current Liability Entry in the Balance Sheet

Each Current Liability entry should be categorised as 'Current Liabilities' so the Universal Forecasting and Funding Proposal Model can correctly identify each, (Current Liability Nominal), and use the data in the correct manner and generate an accurate output.



#### Select 'Long Term Liabilities' for Long-Term Liabilities in the Balance Sheet

Each Long-Term Liability entry should be categorised as 'Long Term Liabilities' so the Universal Forecasting and Funding Proposal Model can correctly identify each, (Long Term Liability Nominal), and use the data in the correct manner and generate an accurate output.



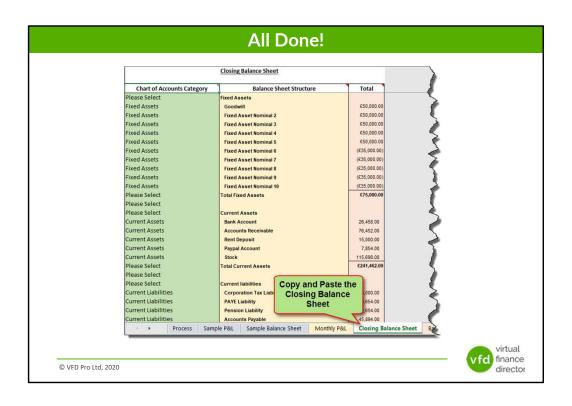
#### Select 'Shareholder's Equity' for Each Corresponding Entry in the Balance Sheet

Each Shareholder's Equity entry should be categorised as 'Shareholder's Equity' so the Universal Forecasting and Funding Proposal Model can correctly identify each, (Long Term Liability Nominal), and use the data in the correct manner and generate an accurate output.

Closing Balance Sheet			
Chart of Accounts Category	Balance Sheet Structure	Total	
Please Select	Fixed Assets		
Fixed Assets	Goodwill	£50,000.00	- €
Fixed Assets	Fixed Asset Nominal 2	£50,000.00	2
Fixed Assets	Fixed Asset Nominal 3	£50,000.00	I
Fixed Assets	Fixed Asset Nominal 4	o not categorise	1
Fixed Assets	Fixed Asset Nominal 5	Headings,	1
Fixed Assets	Fixed Asset Nominal 6	ib-Totals or Totals	1 8
Fixed Assets	Fixed Asset Nominal 7		
Fixed Assets	Fixed Asset Nominal 8	(£35,000.00)	
Fixed Assets	Fixed Asset Nominal 9	(£35,000.00)	3
Fixed Assets	Fixed Asset Nominal 10	(£35,000.00)	
Please Select	Total Fixed Assets	£75,000.00	3
Please Select			3
Please Select	Current Assets		5
Current Assets	Bank Account	26,458.00	5
Current Assets	Accounts Receivable	76,452.00	5
Current Assets	Rent Deposit	15,000.00	
Current Assets	Paypal Account	7,854.00	<b>*</b>
Current Assets	Stock	115,698.00	7
Please Select	Total Current Assets	£241,462.00	
	ple P&L Sample Balance Sheet N	Monthly P&L Closing Balan	nce Sheet Bas

Don't Categorise any Headings, Sub-Headings or Totals on the Balance Sheet

Only the individual line items should be categorised.



## **Status and Next Step**

- With historic Balance Sheet data entered, chart of accounts and other setting configured correctly
- The process can move to the next stage: Setting up the Baseline Forecast



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