

### Projected Cash Budget (\$000s)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>PROJECTED MONTHLY SALES</b>												
<b>Cost of Goods Sold</b>												

	<b>CASH BUDGET</b>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	<b>Beginning Cash Balance</b>												
2	Cash Sales												
3	Accounts Receivable Collection												
4	<b>Total Cash Available</b>												
5	Cost of Goods Expense (A/P)												
6	Cash General & Admin. Expense												
7	Equipment												
8	Taxes												
9	Interest												
10	Overdue Accounts Payable												
11	Prepaid Expenses												
12	Other Cash Expenses												
13	Bank Loan Repaid L/Term												
14	<b>Total Disbursements</b>												
15	<b>Cash Surplus (Deficit) [4 minus 14]</b>												
16	Minimum Cash Required												
17	Bank Loan Required L/Term												
18	Bank Loan Required S/Term												
19	Bank Loan Repaid S/Term												
20	<b>Ending Cash Balance</b>												
21	Cumulative Bank Loan S/Term												
22	Cumulative Bank Loan L/Term												

## Projected Cash Budget (\$000s)

In most precious asset of any business is its CASH. Establishing a cash budget enables you to track and plan for available cash and helps you establish any line of credit requirements.

### HOW TO USE WORKSHEET:

1. Start by recording projected monthly sales and cost of goods sold for the next 12 consecutive months.
2. Next record ordinary cash inflows when you expect to receive the cash. Record cash sales in monthly and sales on account when you expect to receive the cash (typically your A/R collection period). Now record any extraordinary cash inflows when you expect to receive the cash.
3. Record monthly cash outflows when you plan to spend the cash. Record only the general and administrative expenses you write checks for, i.e. don't include depreciation and other non-cash expenses. Use lines 5-3 to record cash outflows
4. Total lines 5-13 and record on line 14 for all 12 months. Then start in Jan. and subtract line 14 from line 4 (total of 1 thru 3) and record the balance on line 15. This represents your cash surplus or deficit for the month. If you have minimum required cash balance requirements record it on line 16. If line 15 exceeds line 16 then record balance on line 20. This represents your ending cash balance for the month and it becomes the beginning cash balance for the next month. Repeat this process for 12 consecutive months. If line 15 is negative or does not meet your minimum cash balance requirement, borrow money from the bank S/T and record it on line 18. Repeat process for 12 months. Keep track of cumulative borrowings on line 21. If you have excess cash and an outstanding S/T balance to the bank, make payments on line 19. Line 21 should be a rolling balance of your outstanding S/T bank debt.
5. This process needs to be completed month by month for 12 consecutive months. The largest balance of line 21 is your line of credit requirement for the year. You should also keep track of your cumulative L/T debt balance on line 22. These year end balances should reconcile with your balance sheet balances at the end of the year.

### Questions:

If you have questions on how to implement your Cash Budget Worksheet, contact a Hipereon professional. You may also consider attending one of our financial management programs that demonstrates how to use this tool and much more:

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