BudgetSmart — User Guide

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The tool is built as a wizard. You fill it in step by step, and each screen feeds the next.

All amounts are exclusive of VAT or sales tax. The file runs locally on your computer — there is no server and no data is uploaded to the internet.

Choosing a track

On the opening screen you choose one of two tracks. You can switch between them at any stage — your data is kept.

Track	When to use it
Budgeting & Forecasting	An existing business planning the year ahead: revenue, expenses, cash flow and break-even
Feasibility, Acquisition & Valuation	Assessing the purchase of a business, a new venture, or valuing an existing business

The steps

The step bar differs between the tracks. The table shows both, as they appear on screen.

Step	Budgeting & Forecasting	Feasibility & Valuation
1	Revenue	Forecast revenue
2	Base Expenses	Forecast expenses
3	Growth Drivers	Investment & Financing
4	Additional Inputs	Depreciation & Tax
5	KPIs	Feasibility & KPIs
6	Reports	Reports
7	Actual performance	Actual vs. Forecast

Step 1 — Revenue

- Last year’s revenue and this year’s revenue. The growth rate for next year is derived from them.
- Gross margin as a percentage. You may enter 1 to 100.
- You can spread revenue using a seasonality profile, or switch to entering an amount for each month.

Step 2 — Base Expenses

- Marketing, payroll and SG&A expenses. Enter either a fixed monthly amount or a percentage of revenue.

These are the base expenses — the current level, before any planned growth. Growth is entered in the next step.

Step 3 — Growth Drivers

This is where you enter what will grow, and by how much. Two drivers:

- An increase in the marketing budget, and the coefficient describing how revenue responds to it.
- Additional revenue-generating hires — an employee or role, with a start month, fully loaded cost and expected contribution to sales.

> A new hire’s contribution ramps up: 40% in the first month, 80% in the second, and 100% from the third onward. The cost counts in full from the start month. The model shows this gap explicitly so you can plan the cash requirement.

Important: enter here only revenue and costs that are not already included in the Step 1 revenue forecast and the Step 2 base payroll, otherwise they will be counted twice.

Step 4 — Additional Inputs

In the budgeting track this step is called "Additional Inputs"; in the feasibility track it is called "Depreciation & Tax", and the investment and financing screen comes before it.

- Depreciation and amortization — a direct annual amount, or the cost of the assets and a depreciation rate.
- Finance costs and principal repayments. In the feasibility track these are calculated automatically from the loan terms entered on the previous screen.
- The income-tax rate. The 23% default is illustrative and may not apply to your entity type or jurisdiction.
- Opening cash balance — cash only, not including trade receivables.

> The amount entered in the asset-cost field is used only to calculate depreciation and is not added to the initial investment.

Step 5 — KPIs and results

This screen shows the monthly profit and loss statement, the cash-flow table, break-even and the charts. In the feasibility track it also shows the verdict, the valuation and the return metrics.

Customer and supplier payment terms sit above the cash-flow table, not in step 4. They determine when money actually comes in and goes out — not when the invoice was issued.

> Payment terms are the difference between profit and cash. A profitable business collecting on Net 90 while paying suppliers on Net 15 can run into a cash hole in the first quarter. The tool shows both separately so you see it in advance.

Net 30 means 30 days. End-of-month terms add the days remaining in the month, so EOM+60 is roughly 75 days.

Step 6 — Reports

- Sensitivity sliders: sales, margin and payroll.
- Saving scenarios and comparing them.
- Export to PDF and Excel, and a printable executive summary.

Step 7 — Actual vs. Forecast

Here you enter what actually happened and compare it with the plan. The page offers two measurement bases, with a toggle between them.

Basis	What you enter	The question it answers
Actual vs. Budget (accrual)	Revenue as recognized in your books, and the COGS matched to it	Are we meeting the plan?
Actual vs. Cash Forecast	Actual receipts and payments, net of VAT or sales tax	Will I run out of money?

Your revenue-recognition policy determines what you type — delivery, invoice or receipt, according to your business practice. Use the same policy for all twelve months, otherwise month-to-month comparison loses meaning.

> On the cash basis, enter amounts net of VAT or sales tax. This is the common trap: a bank statement shows gross cash movements including indirect tax, while an invoice report is usually already net of it.

A month left blank stays empty and is excluded from the comparison. The tool does not fill missing data with estimates.

The profit-to-cash bridge

Below the comparison, a table reconciles profit to cash and shows where the gap comes from: depreciation, the difference between recognized revenue and collections, the difference between COGS and supplier payments, and tax timing.

The table separates two different causes of a cash hole. Profitability — fixed through price, margin or costs. Timing — fixed through payment terms, deposits or a credit line. Two problems, two entirely different solutions.

The bridge requires both bases and is shown only for the months measured in both.

How to read the verdict

The verdict rests on three independent axes. The most severe colour among them decides.

Title	Meaning
GO	No flag was raised on any of the three axes
CONDITIONAL GO	The business is sound, but the price is above the valuation range or the financing structure needs adjustment
FURTHER REVIEW REQUIRED	A yellow flag was raised that calls for examining the assumptions
NO-GO	An operating loss, a return that does not recover the investment, or a financing structure that cannot be serviced
MISSING DATA	The loan terms were not entered in full and no verdict can be reached

> GO is not an approval. It says that no flag was raised in the checks the tool performs — not that the transaction was examined in depth. Due diligence, contracts and liabilities are not part of the tool.

- The hurdle you set does not disqualify. A return below the rate you asked for is flagged and mentioned in the conclusion, but does not turn a sound transaction into a rejected one.
- "N/A" is not zero. When a metric cannot be calculated, the tool says so explicitly instead of showing zero.

Saving and exporting

- Your work is saved automatically in this browser only. Clearing browser history will delete it — exporting a work file is the only backup.
- Saving and loading a work file, and PDF and Excel export, are available in the Pro edition.
- If a calculation fails, a red alert appears, the results are dimmed and export is blocked — so that no report leaves the tool that does not match the screen.

The difference between the editions

Feature	Free	Pro
Budget, forecast, cash flow and break-even	✓	✓
Feasibility analysis and valuation	✓	✓
Actual vs. Budget (step 7)	✓	✓
Actual vs. Cash Forecast and the profit-to-cash bridge	—	✓
Saving and loading a work file	—	✓
PDF and Excel export	—	✓
Balance-sheet adjustments, sensitivity and scenarios	—	✓
The three valuation methods and the DCF cross-check	—	✓
Seasonality based on historical data	—	✓