

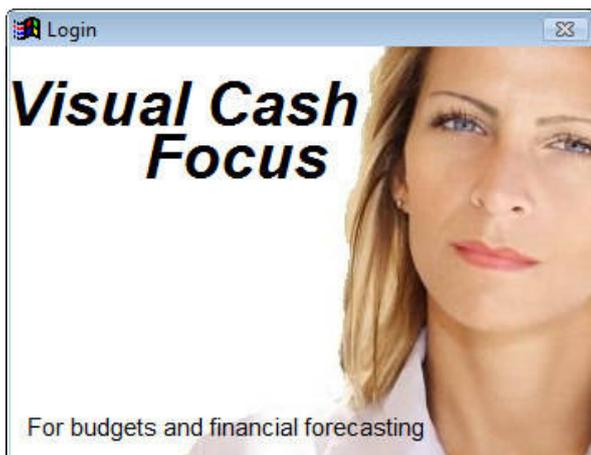
www.cashfocus.com

Use for financial forecasting of cash flow statements and balanced balance sheets.

VISUAL CASH FOCUS

Version 8

Quick start – review the sample model



Budget management software

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Quick start: Review the sample model

Visual Cash Focus is a product unique in its class for functionality, price and ease-of-use. Use Visual Cash Focus to:-

- Prepare budgets.
- Produce forecasts of cash flows, balance sheets, income and other financial statements.
- Monitor performance ("actuals versus budget").
- Calculate cash flows from actual financial performance.

We recommend that you use the sample model described below as a guide through the key features of the software.

Install the software:

The installation of "Visual Cash Focus" is straightforward. If the software was downloaded, run the setup program supplied. (If a CD-ROM was supplied, insert it into your CD drive). After a short while the installation program will run automatically.



Run the software: To start "Visual Cash Focus" double-click on the *Visual Cash Focus* icon on the desktop, or select *Start, Programs, Financial planning, "Visual Cash Focus"*.

The first time the software is run, you may see a welcome screen for registration. Follow the instructions on the screen: choose the *Click here for information* button for instructions. Either call the appropriate telephone number (see covering letter) for the registration code or email the required information to info@cashfocus.com. Your registration code will be sent to you within one business day (often sooner). Enter the registration code when you receive it.

The user name is: **a** and the password is: **a** (case sensitive). Click *OK*.

Welcome form

On the Welcome form read the notes in yellow. If you are a registered user check "*Show additional help tips*" until you are familiar with the software. (If you are not yet registered you will automatically get the help tips). Click *Continue*.

Sample model

You should see a form similar to the picture below (but with blanks in the fields):

- Note: If you do not have a Proceed button as shown in the picture below, but instead have an Open button (followed by New, Find, Delete and Cancel buttons), then a model has already been created. Click the *New* button - you should then see the form below (which has the Proceed button).

The screenshot shows a window titled "Models" with a sub-header "Visual Cash Focus models". It has two tabs: "Model selector" and "Details". The "Details" tab is active, showing "Model details". The form contains the following fields and controls:

- Model:** Text box containing "SAMPLE". A yellow callout box above it says "Type a Model name and then click 'Proceed'".
- Description:** Text box containing "Sample".
- Directory:** Text box containing "c:\vcf8\models\sample\". Below it are two buttons: "Fill in the suggested directory" and "Locate another directory...".
- Buttons:** "Proceed" and "Cancel". A red arrow points to the "Proceed" button. Below them is the text: "Click on proceed to make the files for this new model".
- Checkbox:** "Insert sample data" is checked. A yellow callout box above it says "To load a sample model: Insert sample data should be checked." and a red arrow points to the checkbox.
- Other fields:** "Business name", "Notes" (text area), "Started on", "Last used", and "Owner" (with "a" entered).

You are asked for the model details. For *model code* type in SAMPLE and press Tab (or Enter). The other fields will be filled in automatically. If this is the first time that you have used the program, the *Insert sample data* checkbox should be

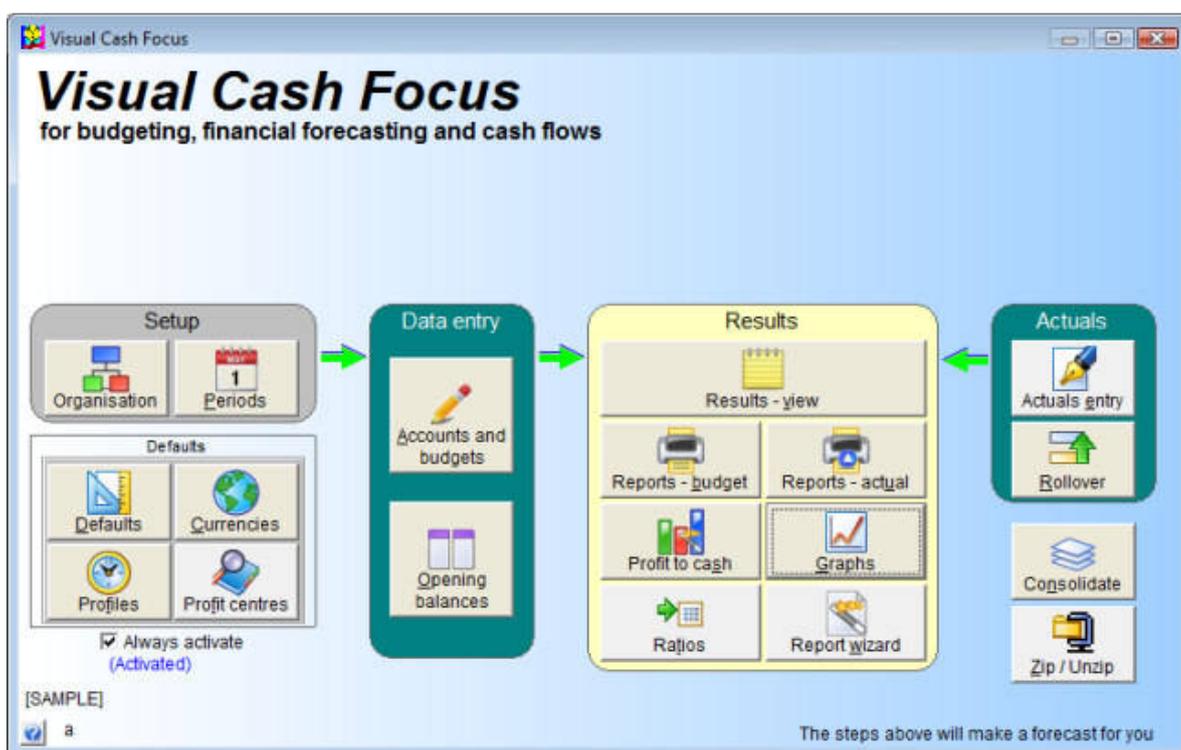
checked (see diagram above). If it is checked, leave all the other fields at their defaults and click on *Proceed*.

- If someone else has already used the software: the *Insert sample data* checkbox will be unchecked. For *code* type in any name e.g. your first name. Then click on the *Insert sample data* checkbox to check it. Leave all the other fields at their defaults and click on *Proceed*.

(Tip: If it tells you that SAMPLE already exists, then another user has already created it. Use another name and fill it into the first three lines).

After a short wait this takes you to the map.

The "map"



Use the map as a guide through the software: The map shows the steps needed to prepare or review a forecast. There are four main steps in preparing a forecast. Starting from the left of the map, these are:

- 1: Setup
- 2: Data entry
- 3: Results
- 4: Actuals

On the left there is also a Defaults section. The Default options are used less often than the main options. There are buttons on the right to Consolidate and Zip / unzip files.

Note: You may not have all the options shown here (depends upon the version purchased).

Use the notes that follow to work through the map options. They will take you through the Visual Cash Focus sample model.

Step 1 - Setup

Organisation details:

Click on the *Organisation* button (top right on the map).

Note: In the program the spelling will be appropriate to your country (e.g. "organisation" for Australia, New Zealand, UK, RSA, etc. And "organization" for USA).

- Your form will be similar to the one below but will probably have different fields to those shown here. For example instead of GST it may show VAT or SALES TAX depending upon your country. The terminology should already be preset appropriately - If the terminology is not appropriate for your country let us know via email to info@cashfocus.com and we will tell you how to change it.

Type in an organisation name next to *Name* overwriting the name already there (if any). Leave the rest of the fields at their defaults or change them if you wish.

Note: The date format shown will probably be correct for your country.

- However if it is not correct, it can be changed as follows. After closing the organisation form, click on the *Utilities* menu at the very top of the screen. Choose *Currency and date format*. Change to suit your preferred format.

Tip: If you want extra assistance on any field, right-click in the field and choose Help.

For users in countries that have a GST or VAT or SALES TAX system, the appropriate fields are shown:

- GST: Applies in Australia, New Zealand, Canada, Europe, etc.
- VAT: Applies in UK, Europe, RSA, etc.
- USA: Sales tax system applies if there is a state tax. If your state has no sales tax, close this organisation form. On the left of the map click on Defaults. Towards the bottom left of the form there is a checkbox for "Calculate with sales tax". Uncheck the checkbox.

Click on  to close the Organisation details form.

Tip: To close any form, use the "X" on the top-right of any window. Be sure to click on the "X" that is on the right of the Organisation details title. (To close the entire application, you would click on the "X" at the very top right - do not do that now). You should be back at the map.

Periods:

The next step is to specify the forecast length. Click on the *Periods* button on the map. The periods in the sample model are shown. You see a form similar to the following (your dates may be different).

Normally you would click OK to return to the map. However, to see the flexibility built into periods, click on the Start again button.

Review or change dates in blue column (click OK when done)

#	End-date	Length
1	31/07/2015	MONTHLY
2	31/08/2015	MONTHLY
3	30/09/2015	MONTHLY
4	31/10/2015	MONTHLY
5	30/11/2015	MONTHLY
6	31/12/2015	MONTHLY
7	31/01/2016	MONTHLY
8	29/02/2016	MONTHLY
9	31/03/2016	MONTHLY
10	30/04/2016	MONTHLY
11	31/05/2016	MONTHLY
12	30/06/2016	MONTHLY
13	31/07/2016	MONTHLY
14	31/08/2016	MONTHLY
15	30/09/2016	MONTHLY

OK

Extend forecast

Shorten forecast

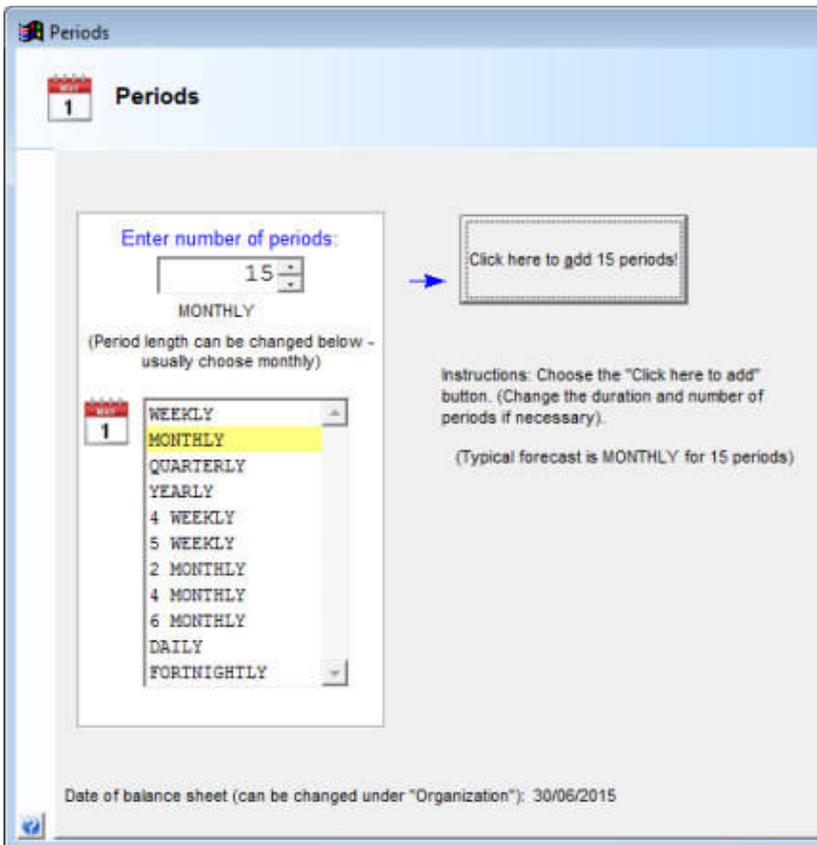
Start again

Show calendar

(change this column or click OK)

You see the message: Existing periods will be removed so that new ones can be entered. OK to continue? Click Yes.

On the screen, notice that in addition to monthly periods, Visual Cash Focus also caters for forecasts that are weekly, quarterly, etc. The number of periods is not limited to one year. For example you can do a monthly forecast for three or more years if you wish.



The sample data is based on a 15 month forecast, so enter 15 for number of periods. MONTHLY should be highlighted (see diagram above). Now click on the button: Click here to add 15 periods. The table of period dates is shown. You could change the dates, but we will not do so now. Click OK to close the form. After a short wait you are returned to the map. All the setup steps are now complete. As you have seen, it only takes a few minutes to set up the organisation and period details.

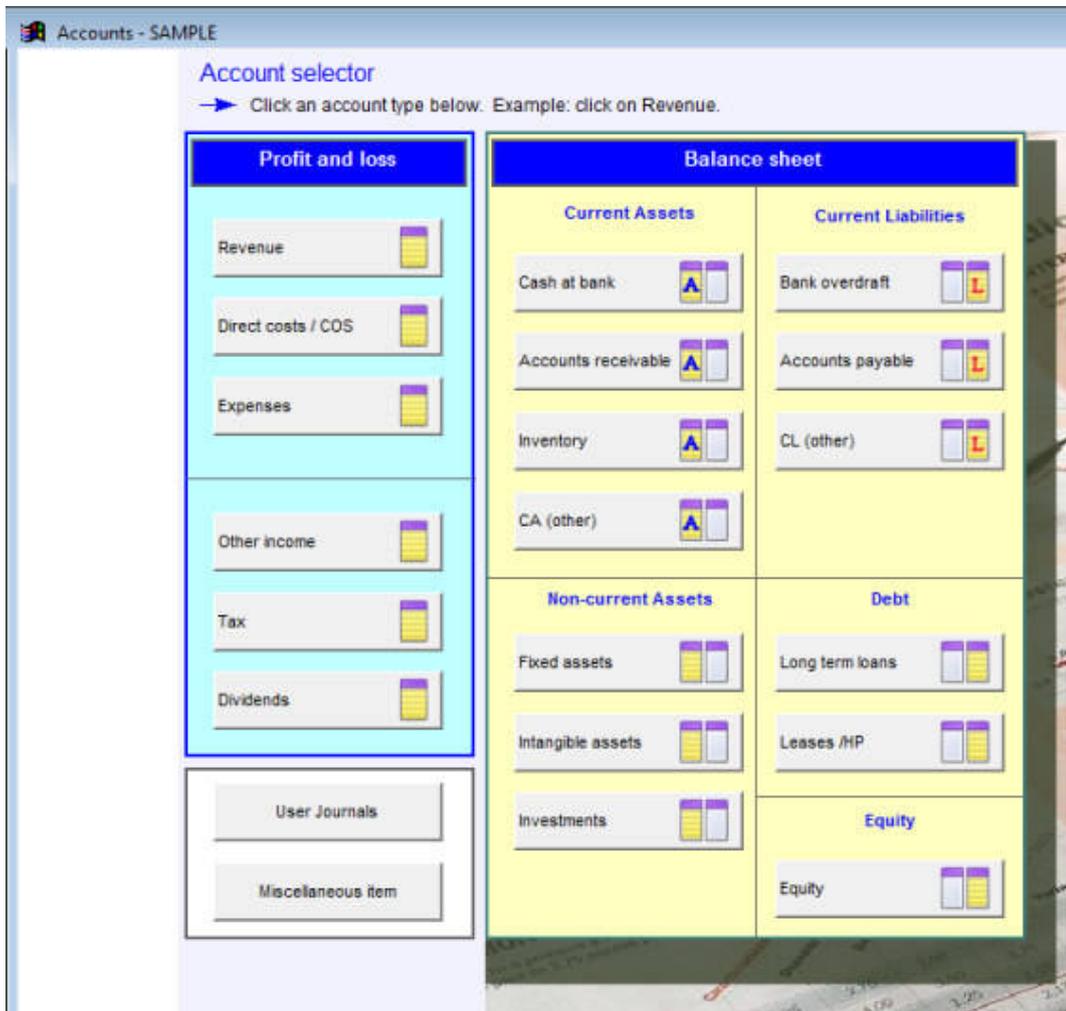
Step 2 -Data entry

Accounts

The software is now ready for data entry. Click on the Accounts and budget button on the map.

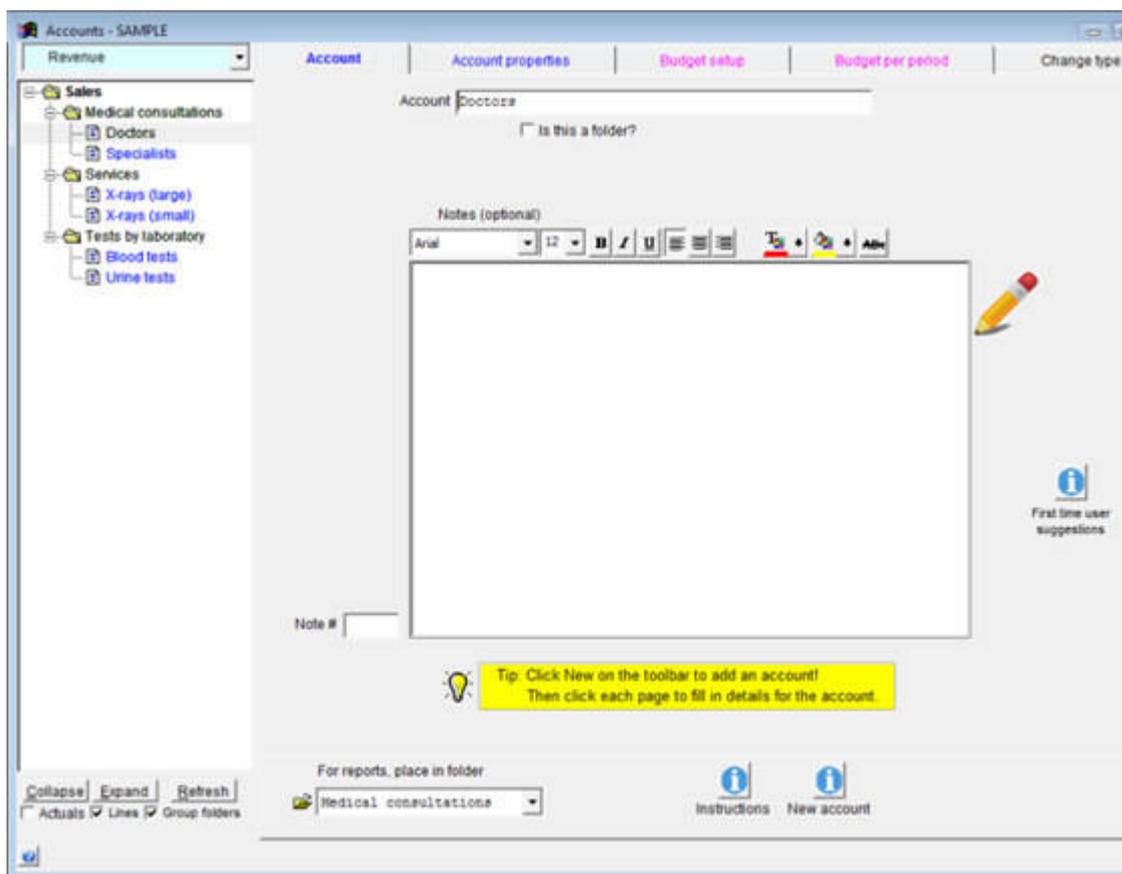


After a short wait you see the account type selector.



Revenue and expenses are in the blue section on the left. The balance sheet is on the right.

Start with revenue, so click on the Revenue button.



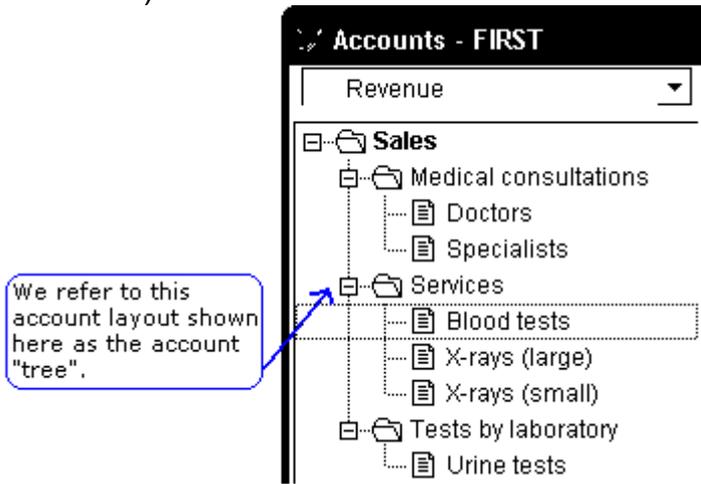
The sample data is for a medical centre. We have chosen this as most people will easily relate to the kind of accounts that a medical centre is likely to have. All the revenue (sales) accounts are listed on the left. In this case the medical centre gets its revenue from three departments: medical consultations, services and laboratory tests.

Notice how a folder has been created for each department. The revenue accounts are placed under the appropriate department. Tip: Use folders whenever you want a sub-total on a report.

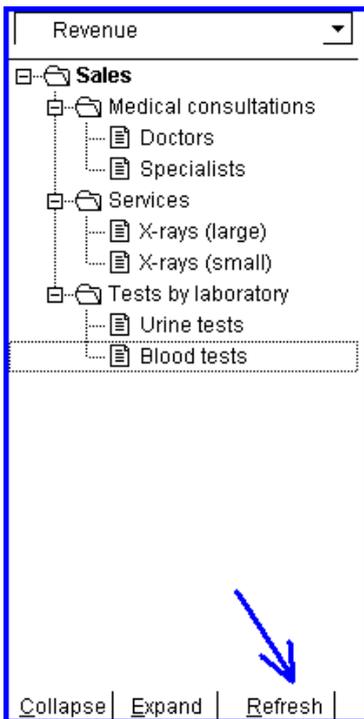
Drag and drop is enabled

The accounts have been set up as above, but now you decide to change Blood tests and put it under Services. It is easy to do: click on Blood tests and, holding the mouse down, drag it until Services is highlighted and then release the mouse. The account automatically moves into Services (and will be included in the sub-total for

Services).



Now move it back to the original folder as follows: click on Blood tests and, holding the mouse down, drag it until Tests by laboratory is highlighted and then release the mouse. The account automatically moves into Tests by laboratory.

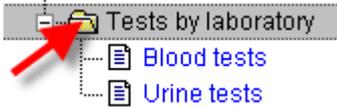


The accounts will automatically be re-ordered next time you select revenue, but you can re-order by clicking on the *Refresh* button. Do so now. If *Blood tests* is not highlighted, click on it.

New sales account

It has been decided that a new sales account for Kidney tests is required. It will be entered into the folder: Tests by laboratory.

Click on the folder: Tests by laboratory



Enter a new account using the notes that follow.

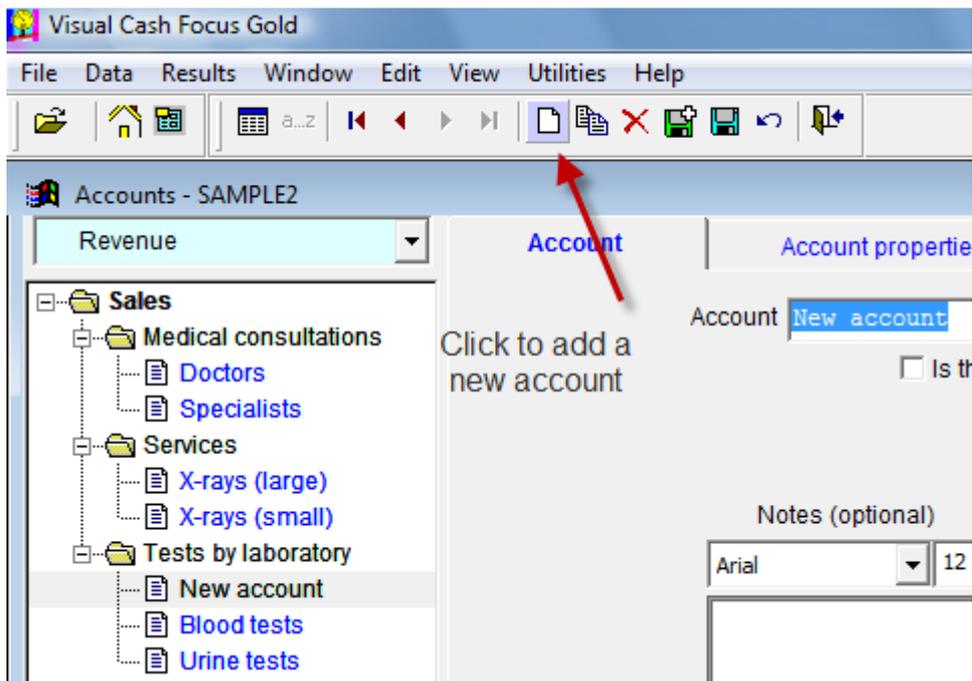
Toolbar

The software uses a toolbar. It is at the very top of the form, just below the menu. Hover your mouse over each button to see what it does. You should now position the mouse on the *New* icon in the toolbar (seventh from right). Use this button to enter a New account.

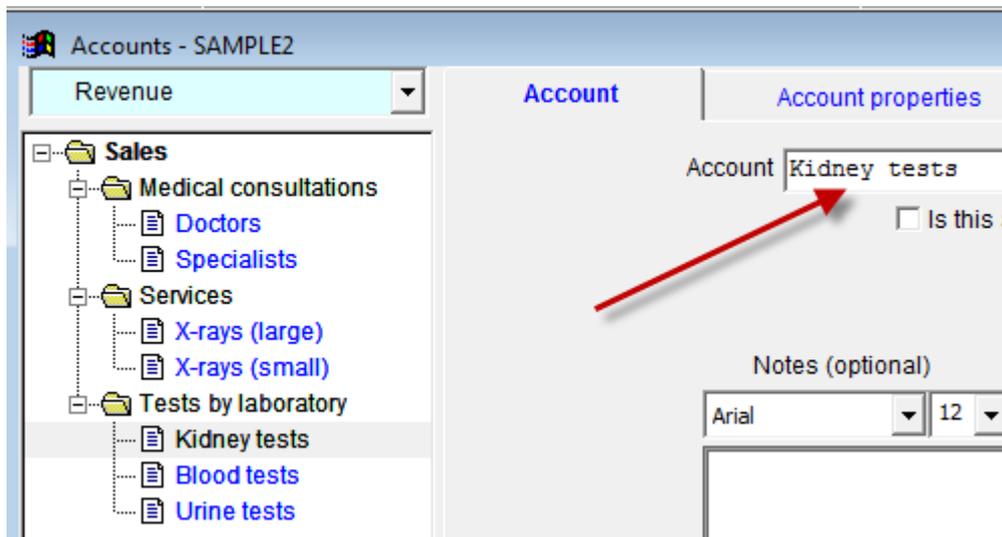


Enter a new sales account called *Kidney tests*, as follows:

- Click New on the toolbar (top of page). The Accounts page displays New account.



- Overwrite this with Kidney tests. Notice that Kidney tests is added to the tree.

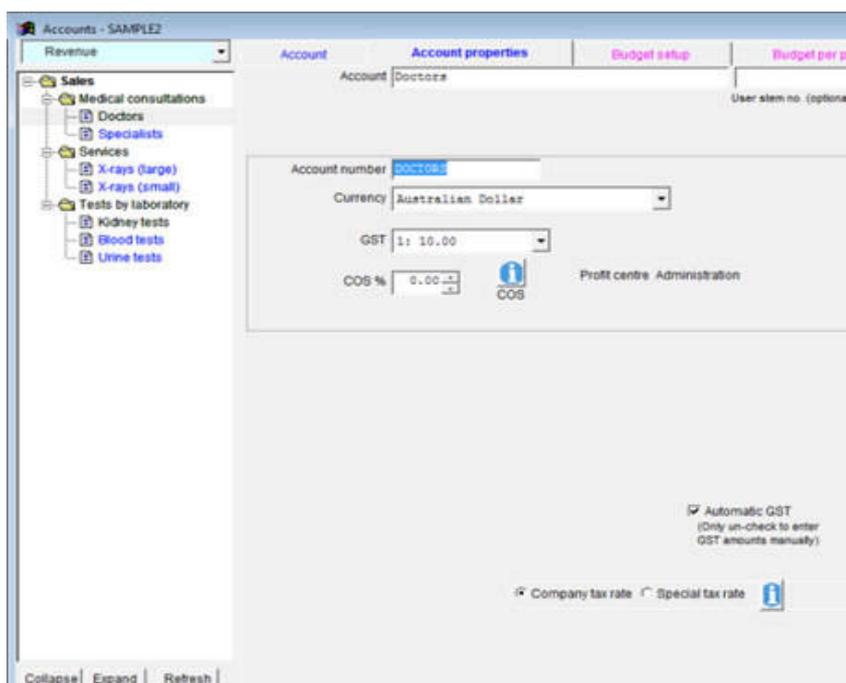


It is easy to add new accounts. You can add as many new accounts as you wish as there is no limit.

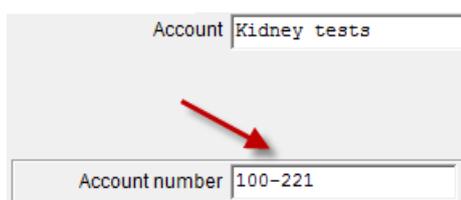
Account properties

Click on *Doctors*, and then click on the *Account properties* page.

Notice that the account number is DOCTORS. Any format for the account number can be used e.g. 301, AAA-5694-01, DOCTORS, etc. The currency and GST / VAT / SALES TAX fields may also be shown.



Click on the *Specialists* account (under *Doctors* in the tree on the left). The page remains on *Account properties* and you see the information for this account.

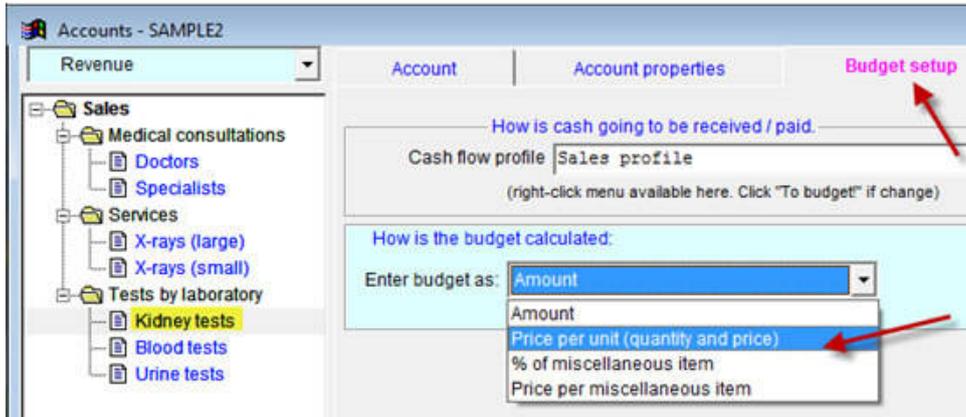


Now click on the *Kidney tests* account. This is the new account you entered earlier. The system automatically assigned a unique number beginning with #. You can use the system number or enter your own number. Change it to 100-221 (see picture).

All the fields are filled with default values. Most of the time these will be acceptable, but it is a good idea to review in case you want to change something (like the account number).

Budget setup

Click on the Budget setup page. There are two items on this page, the Cash flow profile and Enter budget as. These have been filled in with defaults. Change the method for how the budget is calculated, as follows:



If Kidney tests is not highlighted in the tree on the left, click on it. Click on the down arrow next to Amount in the middle of the budget setup page. Notice that the budget can be entered in a number of ways. For example, Amount is the budget amount per month, whereas Price per unit is the quantity of the item sold per month, and its price. Select Price per unit (quantity and price).

A very useful feature of the software is that information for any account is available just by clicking on the account. Click on Doctors and notice that Enter budget is also Price per unit (quantity and price). So the budget for Doctors will be entered as price per consultation and number of consultations per month. Click on X-rays (large) and notice the budget is based on Amount, i.e. the budget will be entered as total budgeted amount per month.

Click on Doctors in the tree and continue below.

Budget per period

Click on the Budget per period page.

#	End date	Price	Units (qty)	Price * units	Cash flow profile
1	2015/07/31	27.50	2,500.00	68,750.00	Sales profile
2	2015/08/31	27.50	2,600.00	71,500.00	Sales profile
3	2015/09/30	27.50	2,700.00	74,250.00	Sales profile
4	2015/10/31	27.50	2,800.00	77,000.00	Sales profile
5	2015/11/30	27.50	2,900.00	79,750.00	Sales profile
6	2015/12/31	27.50	3,000.00	82,500.00	Sales profile
7	2016/01/31	27.50	3,000.00	82,500.00	Sales profile
8	2016/02/29	27.50	3,000.00	82,500.00	Sales profile
9	2016/03/31	27.50	3,000.00	82,500.00	Sales profile
10	2016/04/30	27.50	3,000.00	82,500.00	Sales profile
11	2016/05/31	27.50	3,000.00	82,500.00	Sales profile
12	2016/06/30	27.50	3,060.00	84,150.00	Sales profile
13	2016/07/31	27.50	3,060.00	84,150.00	Sales profile
14	2016/08/31	27.50	3,060.00	84,150.00	Sales profile
15	2016/09/30	27.50	3,060.00	84,150.00	Sales profile

You see the 15 months going down the page. (The forecast is not limited to 15 months it could be several years long if necessary). Under Budget (blue columns on this page) there are three columns. The first two are filled in by the user and the third is calculated. Notice that the price for Doctor Consultations has been set at 27.50 for each month. The number of consultations is budgeted between 2,500 and 3,060 per month. The next column is the extended amount (price per consultations times the number of consultations performed per month).

Click on X rays (large). This time under Budget there is one column. It is filled by the user with the total budgeted revenue per month. Review the budget for the other accounts. Then click on Kidney tests. This is the new account you entered so there is no budget. The price is zero for each month. Say the medical centre charges 30.00 for each kidney test. Type 30.00 and then press the down-arrow. Type 30.00 and again press the down-arrow.

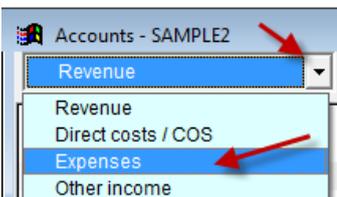
You could enter the price for each period, but instead use a shortcut: Right-click on the 30.00 in the first month.

Period		Budget		
#	End date	Price	Units (qty)	Price * t
1	2015/07/31	30.00	1000	
2	2015/08/31	0		
3	2015/09/30	0		
4	2015/10/31	0		
5	2015/11/30	0		
6	2015/12/31	0		
7	2016/01/31	0		
8	2016/02/29	0		

Choose with left-click the first option: *Copy to all periods* (see diagram above). 30.00 is filled into the budget for all periods.

Now fill in the Units (quantity) field for one period: type 1000.00. Right-click on the 1000.00 and choose *Copy to all periods*. 1000.00 is filled into the Units (qty) for all periods and the extended price is calculated. Now change the Price and Units (quantity) for some periods to any numbers of your choice, so that they are not the same for all months.

F11 Tip: Function key F11 will copy an item down one row. For example, type 40.00 for the price in period 5. Then press F11 on the keyboard. 40.00 will appear in period 6.



The budget for the new sales account is done. Of course you could have an unlimited number of sales accounts in your own budget.

Expenses

Here is how to go to expenses. Notice the box above the tree has Revenue displayed. Click on the down arrow of this box. Select *Expenses* from the list.

Several accounts are already in the model, for example Accounting fees. Click on the *Budget per period* page and then click on some of the accounts to see their monthly budget.

Period	Budget	Cash flow		
#	End date	Budget amount	Cash flow profile	To
1	2015/07/31	1,000.00	Expense (operatin	-
2	2015/08/31	1,000.00	Expense (operatin	-
3	2015/09/30	1,000.00	Expense (operatin	-
4	2015/10/31	1,000.00	Expense (operatin	-
5	2015/11/30	1,000.00	Expense (operatin	-
6	2015/12/31	1,000.00	Expense (operatin	-
7	2016/01/31	1,000.00	Expense (operatin	-
8	2016/02/29	1,000.00	Expense (operatin	-
9	2016/03/31	1,000.00	Expense (operatin	-
10	2016/04/30	1,000.00	Expense (operatin	-
11	2016/05/31	1,000.00	Expense (operatin	-
12	2016/06/30	1,000.00	Expense (operatin	-
13	2016/07/31	1,000.00	Expense (operatin	-
14	2016/08/31	1,000.00	Expense (operatin	-
15	2016/09/30	1,000.00	Expense (operatin	-

Now click on Accounting fees and then the Account properties page.

Account: Accounting fees

Kind of account: Expense account (usually choose this) User stem no. (optional) ↑

Account number: ACCOUNTING FEES

Currency: Australian Dollar

GST: 3: 10.00

Profit centre: Administration

Automatic GST
(Only un-check to enter GST amounts manually)

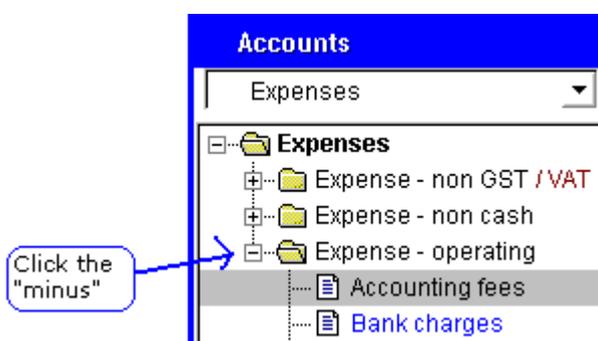
Company tax rate Special tax rate

Notice that there is a field for Kind of account. Click on the down-arrow next to this field to see the options available:

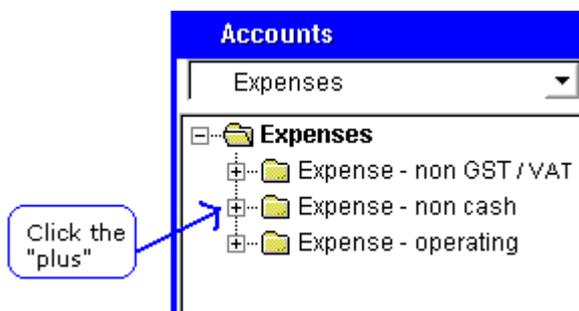
```
* Normal account (usually choose this)
Bad debt
Depreciation
Interest expense
Write-off intangibles
```

Normal account is used for Accounting fees. In fact, all the accounts under Expense - operating are designated Normal expenses.

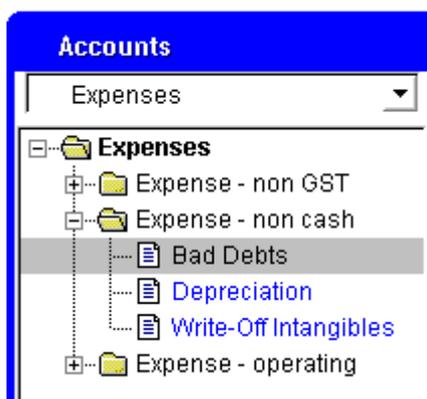
Now close the Expense - operating folder as follows: Click on the minus sign to the left of the folder.



The expenses are presented with all folders closed.



Click on the + to the left of the folder Expense - non Cash to open it.



The three non-cash accounts already in the system use the *Kind of account* field to designate what they are, namely Bad debts, Depreciation and Write-off intangibles.

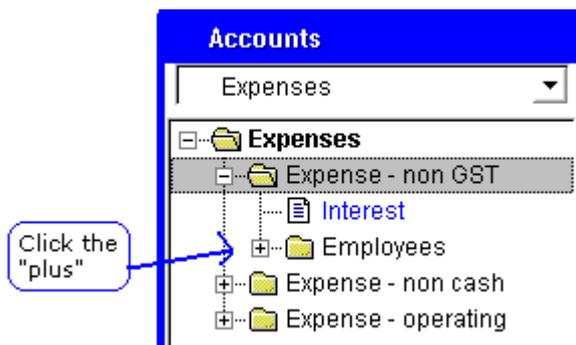
Tip: We chose to group all the non-cash expenses under the folder *Expense - non cash* for display purposes. The system does not require this, and you could drag the accounts into the *Expense - operating* folder if you prefer. The *Kind of account* (Normal or Depreciation, etc) determines how the account is treated, not the folder it is under. Note: When Fixed assets are depreciated, expenses that have been designated Depreciation are useful.

Close the folder *Expense - non cash*.

Users in the USA, etc will have a folder called Expense - interest / other. Users in GST or VAT countries will have a folder Expense - non GST / VAT.

- If you have a GST or VAT system: Open the folder *Expense - non GST* (or *Expense - non VAT* if applicable).
- USA users (or users with no GST or VAT): Open the folder *Expense - interest / other*.

Notice there is an interest account under this folder as well as another folder for Employees. Open the *Employees* folder.



Then click on the Budget per period page. Click on some of the employees to see their budget.

Tip: It was decided to create a separate folder for employees to be able to get a sub-total for all employees. When you set up your own company data, create as many or as few folders as you wish. There is no limit.

Collapse and expand folders



Click Collapse at the bottom of the tree to close all folders. Only the top level folder Expenses shows. Click the plus sign to its left to see the three folders under it. Most expenses you add will be operating expenses. Click the plus sign to the left of Expenses - operating to reveal its contents.

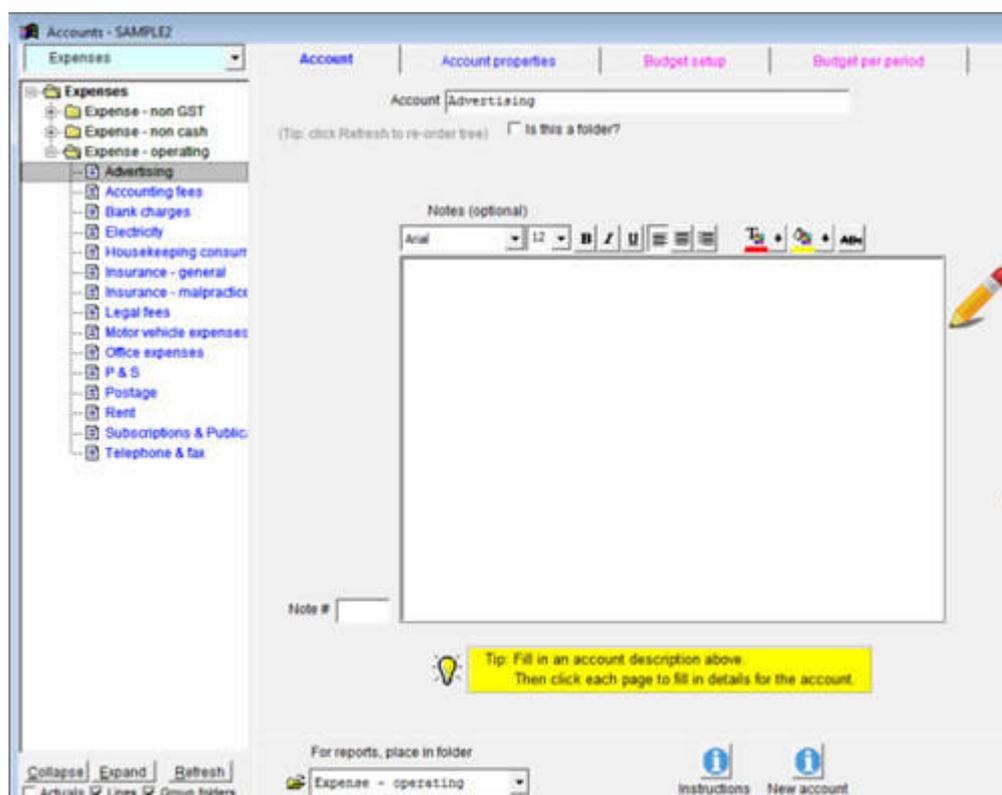
Add a new expense account for Advertising

Add a new expense account for Advertising, as follows:

Tip: You can add a new expense account and then drag it into any folder.

Alternatively, highlight any account in a folder before creating a new account. The new account will then be placed automatically into the same folder.

- Click on *Accounting fees*.
- Click *New* on the toolbar (the toolbar is at the top of page, as mentioned above).
- The Accounts page will be displayed with 'New account' in the Account field. Overwrite this with **Advertising**. Tip: You do not have to capitalize the A. The software will do that automatically.

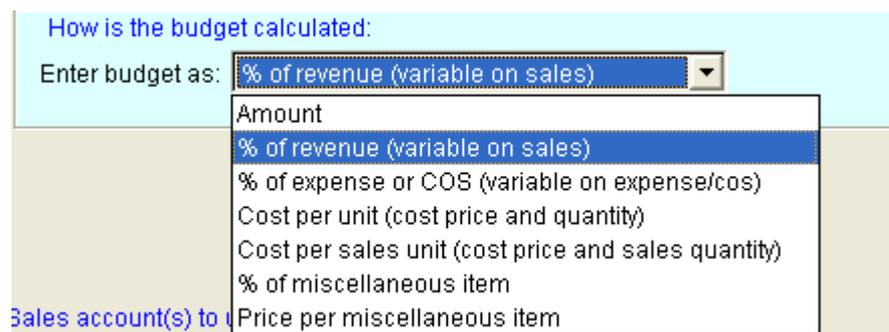


Click on the *Account properties* page. If you have GST or VAT, notice the GST or

VAT rate is set automatically, but can be changed if required. There is no need to change any of the account properties for Advertising.

Click on the *Budget setup* page. Advertising can be budgeted as an amount, but instead choose another option:

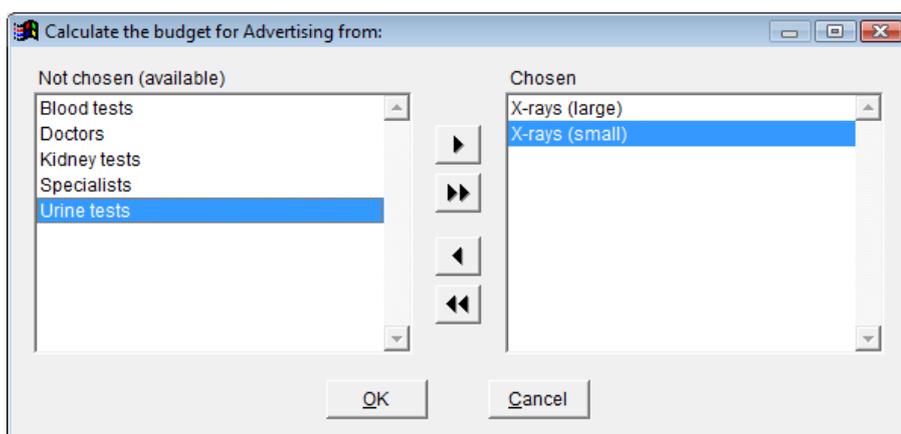
Click on the down arrow of *Enter budget* and set to *% of revenue (variable on sales)* as shown below.



At this stage the program does not know what you intend here. Is this advertising account to be a percentage of one of the sales accounts, or all of them? A grid opens up at the bottom of the form for you to specify.

Tip: If you change the Enter budget as to Amount, the grid closes as it's not needed. Try it. Then change it again to % of revenue (variable on sales).

To change the list of sales accounts, click on *Change!* to open this form:

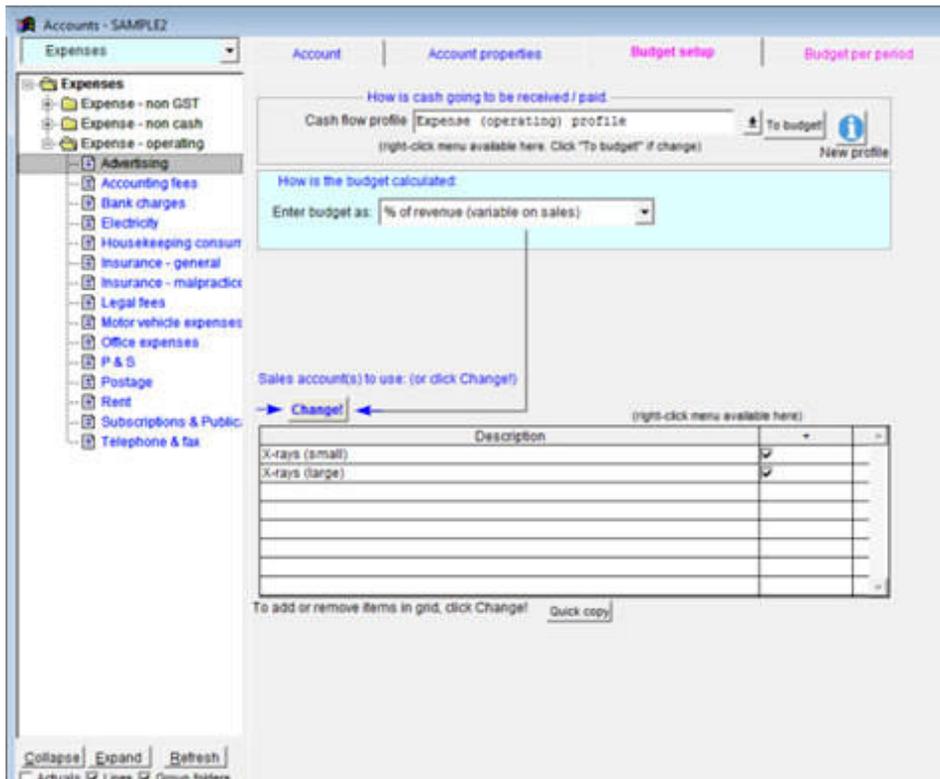


The left box displays all the sales accounts available. The chosen box is empty. Try

using the arrows or double-click to move entries from one side to the other.

When the two X-ray sales accounts are in the right box ("Chosen"), click on OK.

Notice that the selected accounts now appear in the grid below the Change button. This form reads: Advertising expense is budgeted as a % of revenue, and the two revenue accounts to use for the calculation are the X-ray accounts.



Click on the *Budget per period* page. For period 1 set the percentage to 5. Copy it to all periods (using the right-click shortcuts). Leave the minimum column at zero. (This minimum column can be useful if you have this situation: an expense such as a royalty is a percentage of revenue, but a minimum amount must be paid each period).

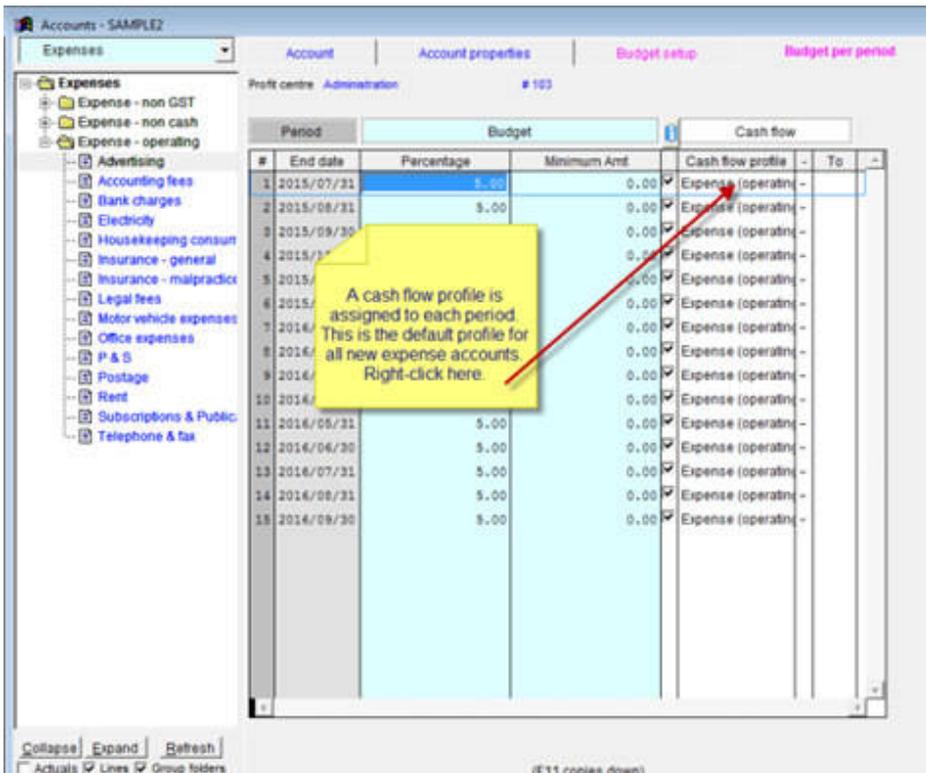
Cash flow profile

The budget amounts impact upon the bank account. Revenue from sales must be collected over time and expenses are often paid one or more months in arrears.

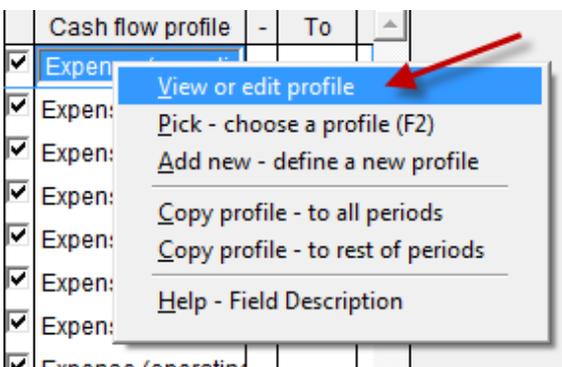
- Example: An expense amount of 1,000 in January may only have to be paid in February or March. The cash flow profile provides the flexibility to specify how the

budget will affect cash.

Notice for advertising that the cash flow profile assigned to every period is the Expense (operating) profile. This is a default cash flow profile used for any new expense account.



For period 1, right-click on Expense (operating) profile:



Choose *View or Edit profile*. You see the profile.

Profiles

Name of profile: Expense (operating) profile (default profile)
 Used: 15
 List available profiles for: Expense
 This profile is used by more than one account

The Cash flow profile named above is defined in the grid

Allocation (%)	to Period
100.00	0

Periods here are relative
 -2 Two periods prior
 -1 One period prior
 0 Current period
 1 One period on
 2 Two periods on

100.00 (relative)

New line Delete line Show more

Expense
 You specify how an expense account will be paid.
 Example: If you pay the account in full one period after it is incurred, put 100.00 under allocation percentage and 1 under period.

How to read a cash flow profile

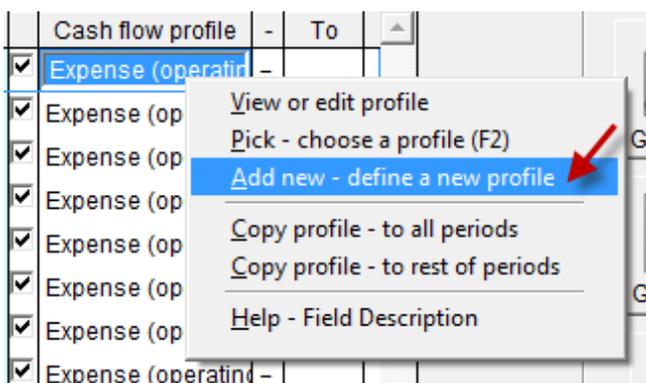
The key part of this form is the grid in the middle. It shows that the expense is paid 100% in the period of the budget (period 0).

Assume that expenses should be paid 30 days in arrears. So change the "to Period" from 0 to 1. The expense is now paid 100% in the period after the budget. We will come back to the cash flow profile shortly. Close it now with the "X" on the top right of the window.

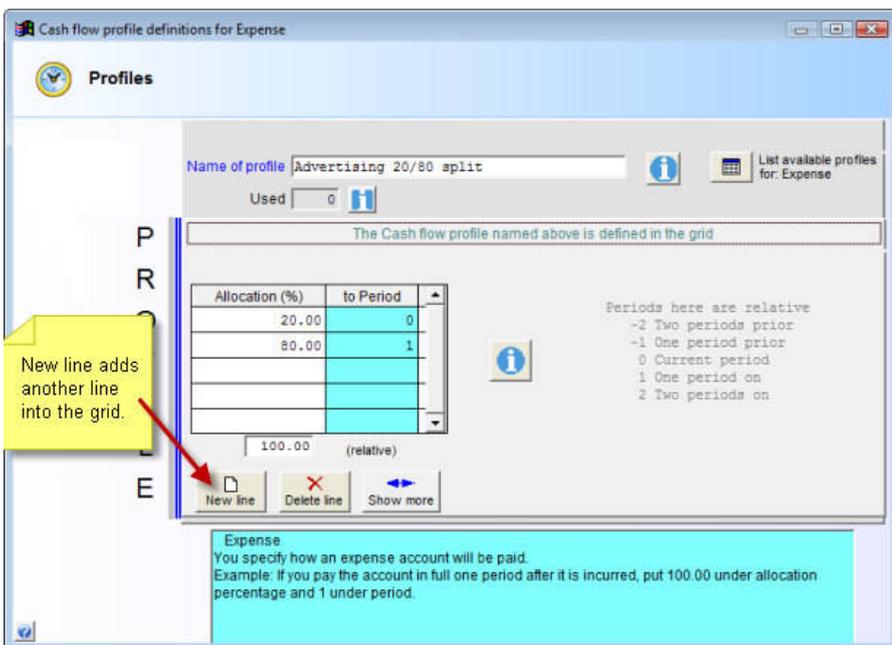
The budget window has not changed - it still shows that the cash flow profile is Expense (operating). The profile was adjusted to pay expenses one month after incurred. It is very useful to be able to name the cash flow profiles. It makes it easy to choose appropriate ones for each account.

New payment profile

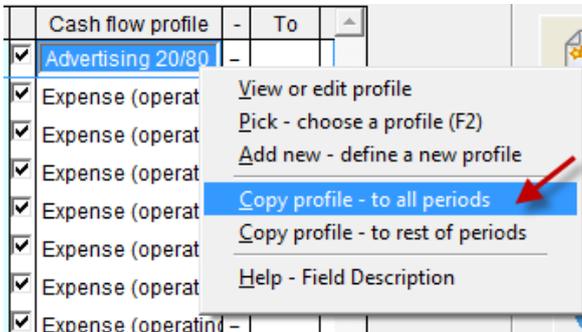
The expense account for advertising was entered as paid in 30 days. In fact you now discover that this is not what is wanted for advertising, because typically 20% of the bill is for artwork which must be paid immediately and the balance is due 1 month later. So add a new cash flow profile for advertising. For advertising, right-click on Expense (operating) in the first period and this time choose Add new - define a new profile.



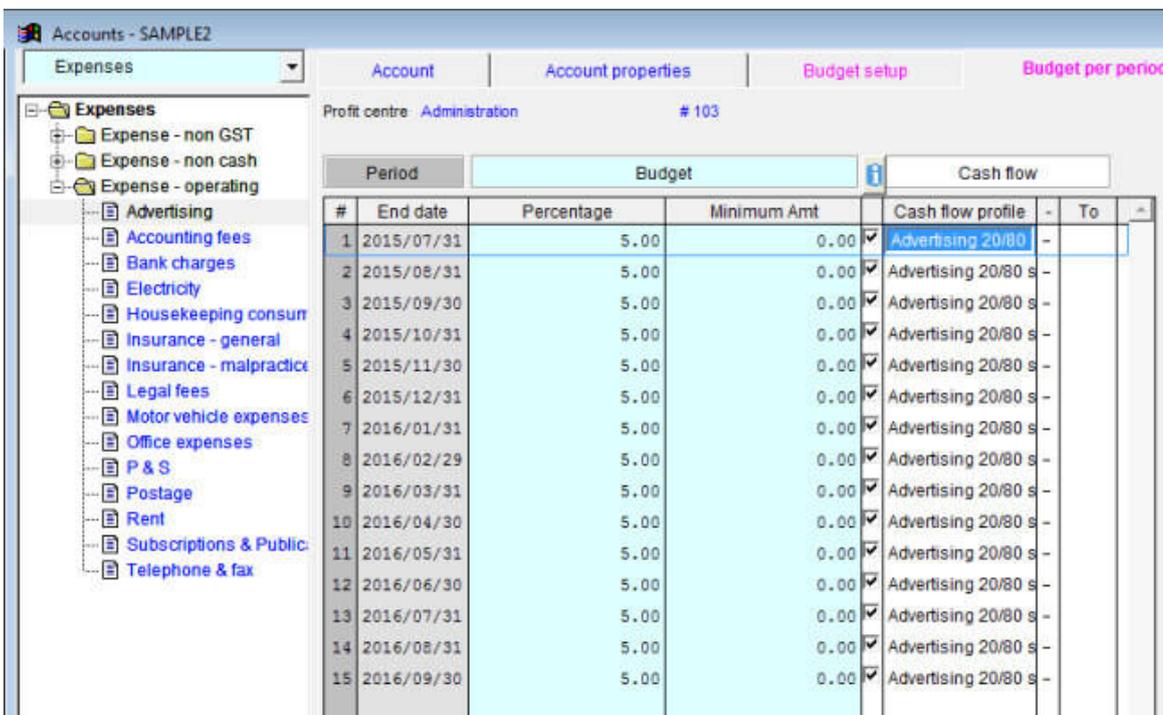
In the cash flow profile form: for the Name of profile enter Advertising 20/80 split. There is only 1 line of allocations presently in the grid and two are needed, so click on New line to add a new line to the grid. Fill in the grid "Allocation %" and the "to Period" rows as illustrated below.



Close the profile form with the "X". On the Budget per period page right click on the profile Advertising 20/80 split.



Choose Copy profile - to all periods.



□ Tip: For your own company, you probably will have several typical cash flow profiles for collecting debtors and paying creditors. You can enter these and then use them as appropriate. When you have special timing requirements, the power of having named cash flow profiles will become apparent.

In the Tutorial (in the Help file, Tutorial 7) more profiles are created including how to handle situations like payments made quarterly in advance etc. Start simply and then build in more detail as needed later.

Several additional account types are available in the sample company, like fixed assets and leases. Explore these later at your leisure. For now, close the accounts form with the "X" on the top right of the window to return to the map.

Opening balances:

From the map click on Opening balances.

A list of all the balance sheet accounts (Cash at bank, A/R, Inventory, etc) is shown. If there is an amount for the opening balance, you would key it in here.

For the sample company the opening balance sheet should be in balance, so there is no need to make any changes here. Close the form with the "X" and return to the map.

Next step is to see the results.

Step 3 - Results

View results:

On the map click on *View results*. The software does some calculations then, after a brief wait, shows the results. Click on the three pages to see the Profit and loss / income statement, Balance sheet and Cash Flow. (Tip: the names of these reports can be changed later to suit your own terminology - this is done under Defaults).

	2015/07/31 (1)	2015/08/31 (2)	2015/09/30 (3)	2015/10/31 (4)	2015/11/30 (5)	2015/12/31 (6)
Profit and loss						
Sales						
Medical consultations						
Doctors	68,750.00	71,500.00	74,250.00	77,000.00	79,750.00	82,500.00
Specialists	164,160.00	164,160.00	164,160.00	164,160.00	164,160.00	164,160.00
Total Medical consultations	232,910.00	235,660.00	238,410.00	241,160.00	243,910.00	246,660.00
Services						
X-rays (large)	37,950.00	37,950.00	37,950.00	37,950.00	37,950.00	37,950.00
X-rays (small)	16,875.00	16,875.00	16,875.00	16,875.00	16,875.00	16,875.00
Total Services	54,825.00	54,825.00	54,825.00	54,825.00	54,825.00	54,825.00
Tests by laboratory						
Blood tests	27,500.00	27,500.00	30,250.00	30,250.00	27,500.00	27,500.00
Kidney tests	300.00	300.00	300.00	300.00	450.00	450.00
Urine tests	8,000.00	8,160.00	8,320.00	8,480.00	8,600.00	8,960.00
Total Tests by laboratory	35,800.00	35,960.00	38,870.00	39,030.00	36,750.00	36,910.00
Total Sales	323,535.00	326,445.00	332,105.00	335,015.00	335,485.00	338,395.00
Direct costs: COS						
Cost of sales (general)						
Cos Expense - non cash						
Depreciation (COS)						

On the first page notice that because the revenue accounts were grouped under Departmental folders, a sub-total for each Department is shown on the report. Example: *Total Services*.

Notice the radio buttons (1, 2 and 3) at the top of each page. Choosing 1 will display the most detail in the grid and 3 the least.

See that the figures make sense, as follows:

- On the cash flow page, the software calculates the net cash flow per period, and thus calculates the closing bank balance (at the bottom of the cash flow). Make a note of one or two of the figures. Then go to the balance sheet and see that the same figure is in the cash at bank account under Current Assets. Note: Although not applicable to the sample company, if the bank account balance were in overdraft it would be shown as a Bank account under current liabilities.
- The balance sheet also links to the Profit and loss / income statement. See that the NET INCOME AFTER DEDUCTIONS at the bottom of the Profit and

loss agrees with the Retained Earnings line under Equity at the bottom of the balance sheet.

Tip: if you cannot see the headings, use the scroll bars at the bottom left of the form to scroll left.

- The balance sheet will be in balance. Total Assets near the top will agree with Total Liabilities & Equity near the bottom. Actually you can just check the last line, Balances. It calculates *Total Assets* minus *Total Liabilities & Equity*, and will be zero for all periods.

Note: We are not suggesting that you should check these for every forecast. Our purpose in mentioning these relationships is to show you that the software takes care of all balancing issues for you.

Drill down

Go to the Cash flow page. If the 1, 2, 3 radio button at the top of the page is not on 1, click 1.

Now go to the Advertising line and put the cursor on the amount for period 3. Drill down on this amount.

Results

View results

Profit and loss | Balance sheet | **Cash flow**

Profit centre:
Entire organisation

	2015/07/31 (1)	2015/08/31 (2)	2015/09/30 (3)	2015/10/31 (4)	2015/11/30
Cash flow					
TRADE Cash flows from operations					
Receipts from customers					
Blood tests	30,250.00	30,250.00	33,275.00	33,275.00	30,250.00
Doctors	75,625.00	78,650.00	81,675.00	84,700.00	87,625.00
Kidney tests	330.00	330.00	330.00	330.00	330.00
Specialists	180,576.00	180,576.00	180,576.00	180,576.00	180,576.00
Urine tests	8,800.00	8,976.00	9,152.00	9,328.00	9,504.00
X-rays (large)	41,745.00	41,745.00	41,745.00	41,745.00	41,745.00
X-rays (small)	18,562.50	18,562.50	18,562.50	18,562.50	18,562.50
Total receipts from customers	355,888.50	359,089.50	365,315.50	371,921.50	378,534.50
Payments of expenses					
Accountant	-7,041.67	-7,041.67	-7,041.67	-7,041.67	-7,041.67
Accounting fees	-1,100.00	-1,100.00	-1,100.00	-1,100.00	-1,100.00
Advertising	-603.08	-3,015.36	-3,015.36	-3,015.36	-3,015.36
Assistant	-3,250.00	-3,250.00	-3,250.00	-3,250.00	-3,250.00
Bank charges	-110.00	-110.00	-110.00	-110.00	-110.00
Cleaner	-5,850.00	-5,850.00	-5,850.00	-5,850.00	-5,850.00
Clerk	-8,775.00	-8,775.00	-8,775.00	-8,775.00	-8,775.00
Electricity	-2,200.00	-2,200.00	-2,200.00	-2,200.00	-2,200.00
GP	-24,375.00	-24,375.00	-24,375.00	-24,375.00	-24,375.00
General manager	-10,833.33	-10,833.33	-10,833.33	-10,833.33	-10,833.33
Housekeeper	-3,033.33	-3,033.33	-3,033.33	-3,033.33	-3,033.33

Double-click an amount to drill down.

Tip: There are two ways to drill down:-

- *Double-click* the mouse.
- Press *Shift+F2* on the keyboard.

Use the method you prefer.

Ledger for Advertising For period dated: 2015/09/30 (Period no: 3)

Advertising
For period dated: 2015/09/30 (Period no: 3)
(Ledger is for all profit centers.) Show more >>

Journal				
Dr	Cr	Narration	#	
	2,412.30	Pay Expense: payable Per : 2 Administration Adver	2	
	603.08	Pay Expense: payable Per : 3 Administration Adver	3	
<u>0.00</u>	<u>3,015.38</u>	Period end balance: 3,015.38 CR		

For countries that use GST, VAT or Sales tax:

If your country has GST, VAT or a Sales tax, it is automatically included in cash flows. When you pay a supplier for advertising you pay the entire invoice which includes GST / VAT. (If you have a sales tax system: sales account receipts will include sales tax in the cash flow report).

Note: The figures in your model may be different to that displayed above depending upon the GST or VAT or Sales tax applicable in your country.

For advertng in period 3, the audit trail shows how the software calculated the cash flow for advertising. It is paying the advertng expense amount that is payable in period 3. The source period number that generated this cash flow line is shown in the column designated "#". In this example there are two source periods that generated this cash flow item, periods 2 and 3. If a more complex timing schedule had been used, all the lines would be shown appropriately.

Click on the *Show more* button. Additional information is revealed; in particular that the source account was advertising.

Close the green drill-down form with the "X" on the top-right of the window.

Tip: the software looks after the GST or VAT or Sales tax (if appropriate). It will accumulate GST / VAT / Sales tax payable or receivable and pay or collect it automatically as appropriate,

Drill down is available for most accounts in the financial statements. The drill-down feature is terrific as it allows you to verify any figure. You won't use it every day, but when there is a figure in one of the financial reports that you want to verify, it is good to know that verification is just a double-click away!

Close the Results view with the "X" on the top-right of the window.

Print reports:

Previously you used *Results - View* to see the financial results on screen. Printing is available from that form, as well as from the Main reports option.

Main reports

Additional reports are available by clicking on *Main reports* from the map. To preview a report the appropriate button is clicked, for example click *Balance sheet*.

Preview mode:

When you click on the button of a report e.g. Balance sheet the reports will display in preview mode. Above the preview window a bar similar to this appears.



- To print the previewed report: click on the *print* icon.
- To export the previewed report click on the icon second from the left. Several export formats are available. For the destination choose *Application* or *Disk file*. Usually choose *Disk file* to export the report to a file in the format of your choice. Alternatively, if *Application* is chosen, the software will open the application (e.g. Microsoft Excel or Adobe Acrobat) and show the export report

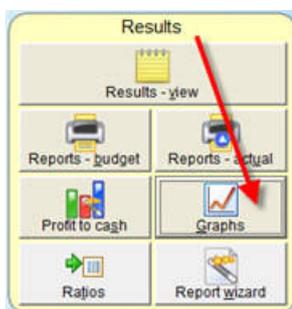
open in the application. The application must be installed for this to work; otherwise it will be exported to a file.

- Toggle tree group (3rd icon from left): If this is available, click it. The report will show two panels, a narrow one on the left with a tree display for ease of navigation. This is useful for navigating long reports, as it can take you to a selected period range, profit centre, etc. Click on this icon to switch the tree display on or off. Not all reports and schedules have this tree group toggle.
- Zoom facility. - Choose the desired magnification from the drop down box. Depending upon your screen resolution and your eyesight, it may be easier to see the report on screen if you increase the zoom to say 150%.
- The navigation arrows. The number in the box is the current page number. The two outer arrows go to the first and last pages. The inner arrows move one page at a time. The number in the box changes as the arrows are clicked. The arrows on the left move backwards through the report, those on the right move forwards.
- Search text icon (last icon on right). Use it to find a particular text in the report.

Several reports and schedules are available. Pages are also available to change headers and footers, select a period range, choose the number of decimals to display, use separators in numbers, etc.

Close Reports.

Graphs



Select *Graphs* from the map. The first page has a grid with two columns. Any yellow item can be selected.

You can enter actuals for each period and get management reports of performance. Reports include actuals versus budget, variances, and calculation of expected outcome.

The software also calculates the cash flow from the balance sheet and profit and loss.

Ratios

The system as supplied contains many standard ratios. You can change the definitions and add new ratios.

User journals

As you have seen, in View results you can verify any amount by drilling down to the underlying transactions. Actually Visual Cash Focus very cleverly does its projections by creating journals for each budget amount you supply. User journals extend the capabilities of the system by allowing you to add your own journals.

Example: if you add a journal that affects a bank account, then all consequences affecting the bank account (such as interest charged) will be taken into account when appropriate. The advantage is that you are not restricted - you can go beyond the budgeting systems when you need to.

Cost of sales

This can be entered with the revenue account (as we did in the case studies above). Or you can use separate cost of sales account and link one or more to a sales account.

Miscellaneous items

Sometimes you may wish to base the budget of an account on some miscellaneous (non-financial) item e.g. number of hotel rooms, tones of coal, number of clients serviced etc.

These are easily entered into the Accounts data entry form. They do not appear on the financial reports, but can be used to calculate the budgets.

Tip: Miscellaneous items can contain non-financial items as well as financial items. For example, you could enter revenue as a miscellaneous item. Then have several accounts based on it (revenue, direct costs or expenses). It provides additional flexibility for entering budget data.

Manufactured items

Are you doing a forecast for a manufacturer? The software includes a recipe (bill of materials) function specifically for manufactures.

Profit centres

(Gold edition)

Once a model has been setup, you can add additional profit centres. The system as supplied comes with one profit centre called Administration. You may wish to add others, such as Production, Department 1, Europe, Retail division, etc.

Example: If your model includes an account for Rent, then when you add a new profit centre for Department 1, the Rent account is automatically inserted into both profit centres. You can then budget rent separately for Department 1.

All profit centres share a common balance sheet. You can print out a separate profit & loss / income statement account for each profit centre. Also, you can report the cash flows per profit centre.

Note: If individual Balance sheets are required then set up separate models and then consolidate.

All these options are easy to use and are further described in the help files.

To exit, choose File Exit from the menu.

This has been a brief overview of the software. The software has the depth you need to grow with you as your needs grow.

Conclusion

You have reviewed the sample model and made some modifications to it. It is time now to start a new model.

Tip: There are Tutorials available - here is an excellent guide to follow when you want to start building your own budget model: Start a new model.

We wish you all success with Visual Cash Focus.



Cash Focus Pty Limited
Email: info@cashfocus.com
Web site: www.cashfocus.com

Next step: If you have already reviewed the sample data using the notes above, then you are ready to **Start a new model**.