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

Visual Cash Focus

Version 9

Quick start — review the sample model



Budget management software

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Quick start: Review of the sample model

Visual Cash Focus has excellent functionality and is easy-to-use. Use it to do your budgeting tasks including preparing budgets, forecasting cash flows, monitoring performance, and more.

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. Run the setup program supplied.



Run the software

To start "Visual Cash Focus" double-click the *Visual Cash Focus* icon on the desktop (or select *Start* and choose "*Visual Cash Focus*").

The first time the software is run, you see a welcome screen for registration. Follow the instructions on the screen: choose the *Click here for information* button for instructions. Your registration code will be sent to you within one business day (often sooner). Enter the registration code when you receive it.

The username 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 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 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". The main area is divided into "Model selector" and "Details". The "Model details" section contains the following fields and controls:

- Model:** A text box containing "SAMPLE". A yellow callout box points to it with the text "Type a Model name then click 'Proceed'".
- Description:** A text box containing "Sample".
- Directory:** A text box containing "c:\vcf9\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, which is highlighted in yellow. A text box below the buttons says "Click on proceed to make the files for this new model".
- Checkbox:** "Insert sample data" is checked. A yellow callout box points to it with the text "To load a sample model: Insert sample data should be checked".
- Other fields:** "Business name", "Notes", "Started on", "Last used", and "Owner".

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.

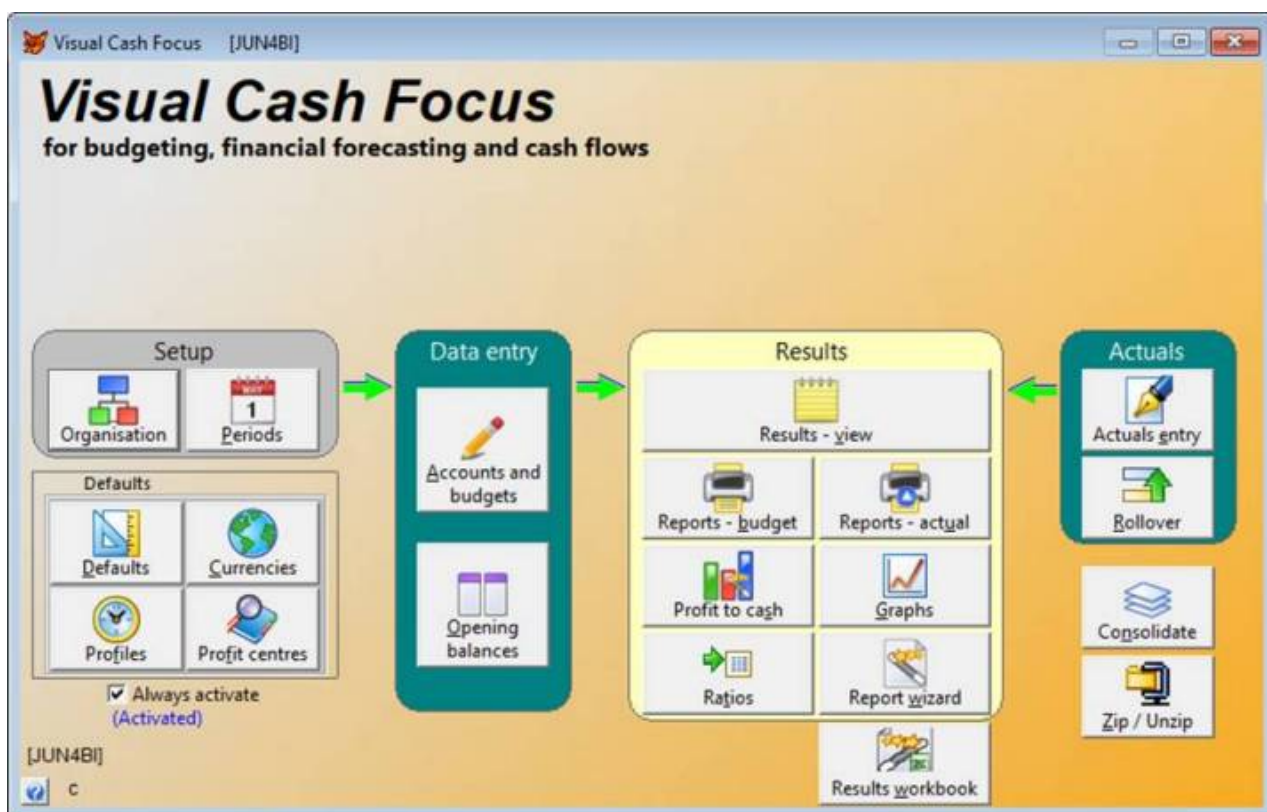
If this is the first time that you are using the program, the *Insert sample data* checkbox should be checked (see picture above). If it is checked, leave all the other fields at their defaults, and click on *Proceed*.

If someone else has already used the software: the *Insert sample data* checkbox will be unchecked. For *Model* 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. 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).

The options on the map are now explained. Following along will take you through the Visual Cash Focus sample model.

Step 1 — Setup

Organisation details:

Click on the *Organisation* button (top left 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 the 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 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 usually be correct for your country.

- 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 your preferred format.

Tip: Hover your mouse over any of the *Info* buttons for tips.

Extra assistance is available for any field: right-click in the field and choose Help.

Organisation

Organisation details

Name

Address

Balance sheet date

Units

Currency

GST cycle Use GST cycle

GST first

Postpone GST due in

Model notes and key assumptions

Arial 12 **B** **I** **U** **Text** **Image** **Align**

Note: For best performance, use text only (do not use pictures).

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 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.

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 | | MONTHLY |
| 2 | | MONTHLY |
| 3 | | MONTHLY |
| 4 | | MONTHLY |
| 5 | | MONTHLY |
| 6 | | MONTHLY |
| 7 | | MONTHLY |
| 8 | | MONTHLY |
| 9 | | MONTHLY |
| 10 | | MONTHLY |
| 11 | | MONTHLY |
| 12 | | MONTHLY |
| 13 | | MONTHLY |
| 14 | | MONTHLY |
| 15 | | 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. Monthly is usually recommended. 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. 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 periods.

Tip: usually add 3 extra periods. So, a twelve-month forecast would have 15 periods. This is to account for any "End effects".

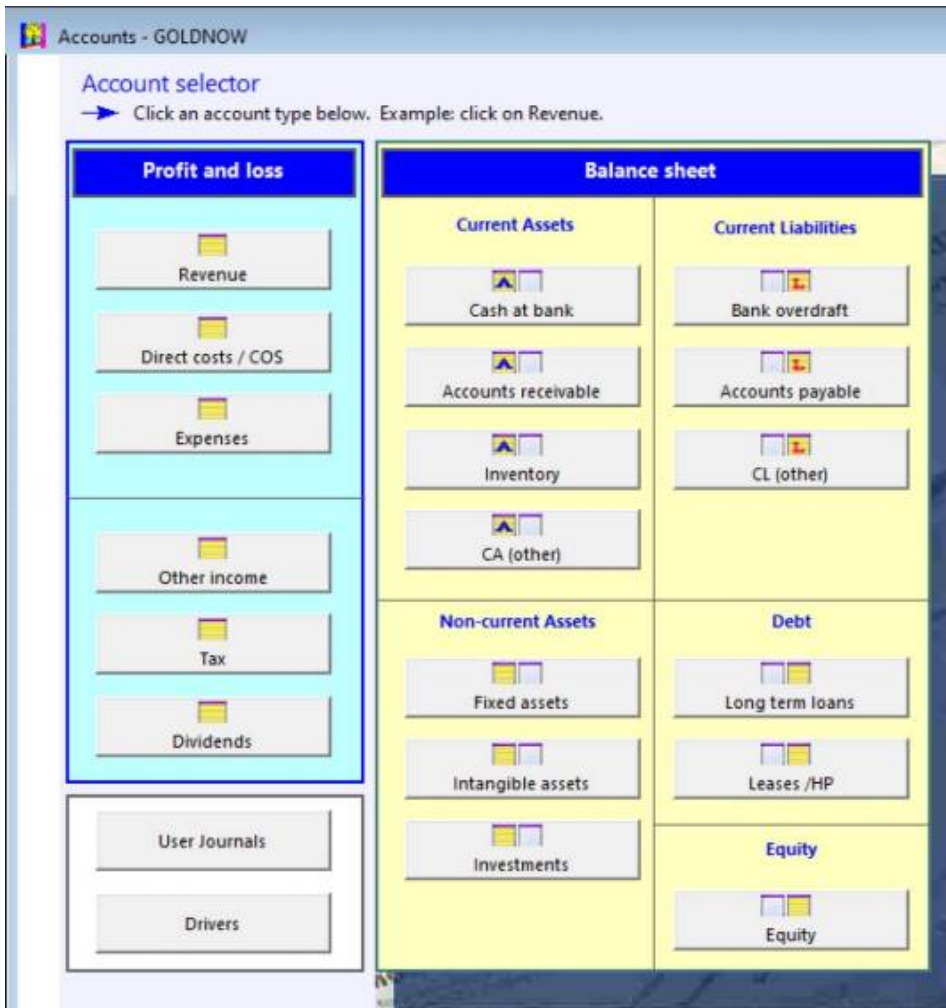
Step 2 -Data entry

Accounts

The software is ready for data entry- click the *Accounts and budgets* button on the map.

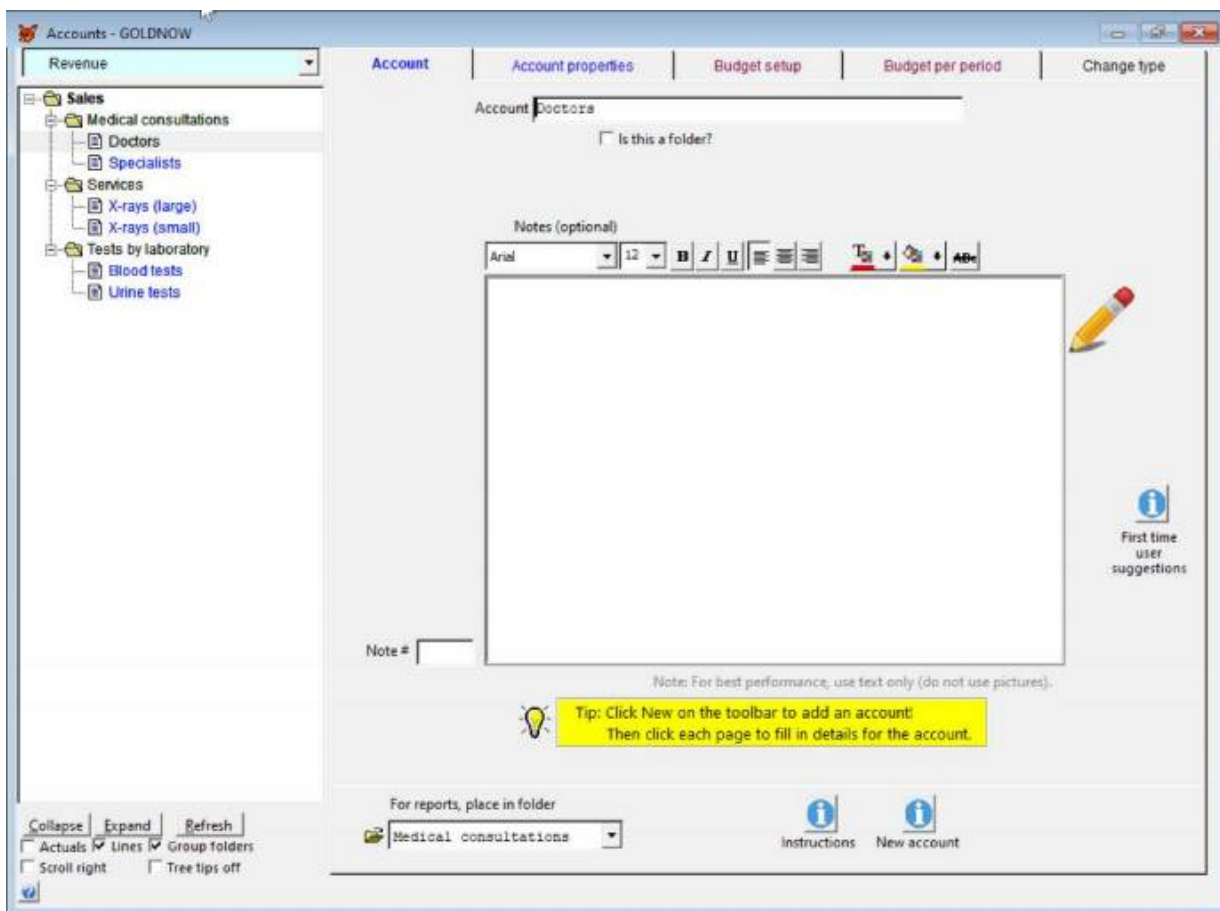


After a short wait the Account type selector is shown: -



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

Start with revenue, so click the *Revenue* button.



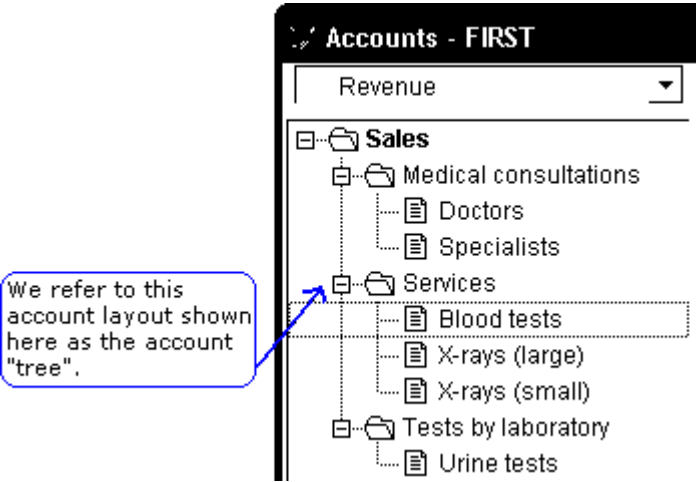
The sample data is for a medical centre. We have chosen this as most of us easily relate to the kind of accounts that a medical centre is likely to have. All revenue (sales) accounts are listed on the left. The medical centre gets its revenue from three departments: *Medical consultations*, *Services* and *Tests by laboratory*.

Notice a folder has been created for each department. The revenue accounts are placed under the appropriate department.

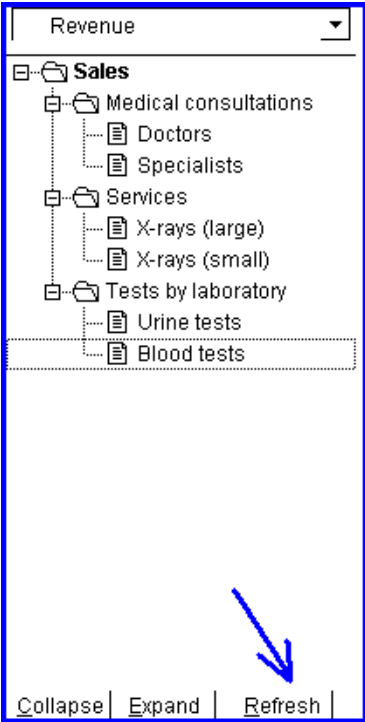
Tip: Use folders (e.g. *Services*) whenever you want a sub-total on a report.

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. 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. Release the mouse. The account automatically moves into *Tests by laboratory*.

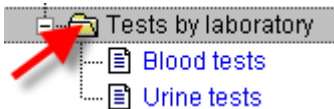


The accounts will automatically be re-ordered next time you select revenue. You can also re-order by clicking the *Refresh* button. Do so now.

New sales account

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: -

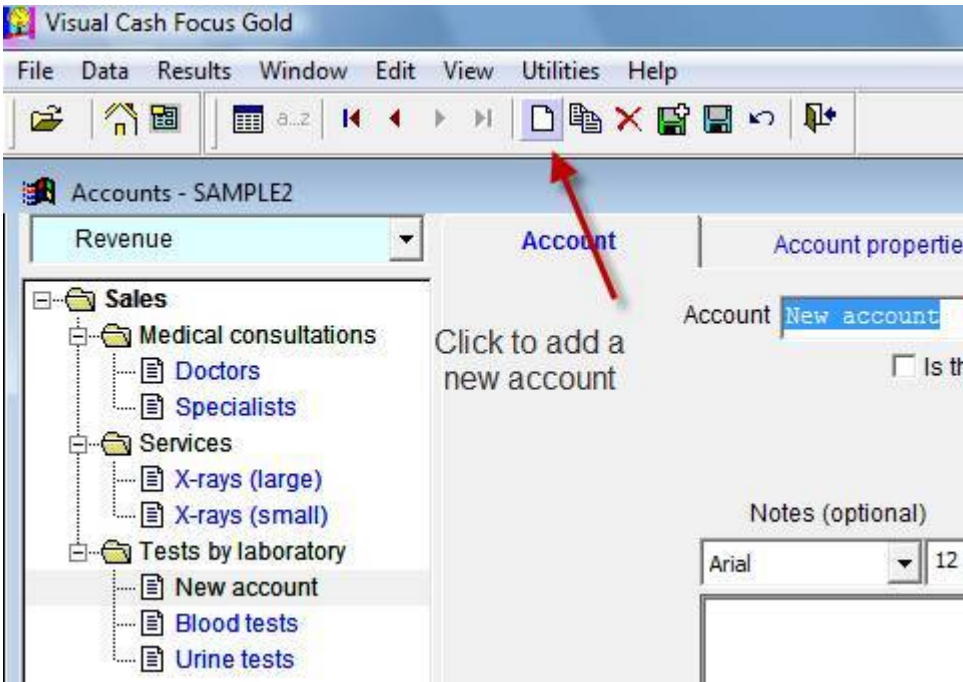
Toolbar

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.

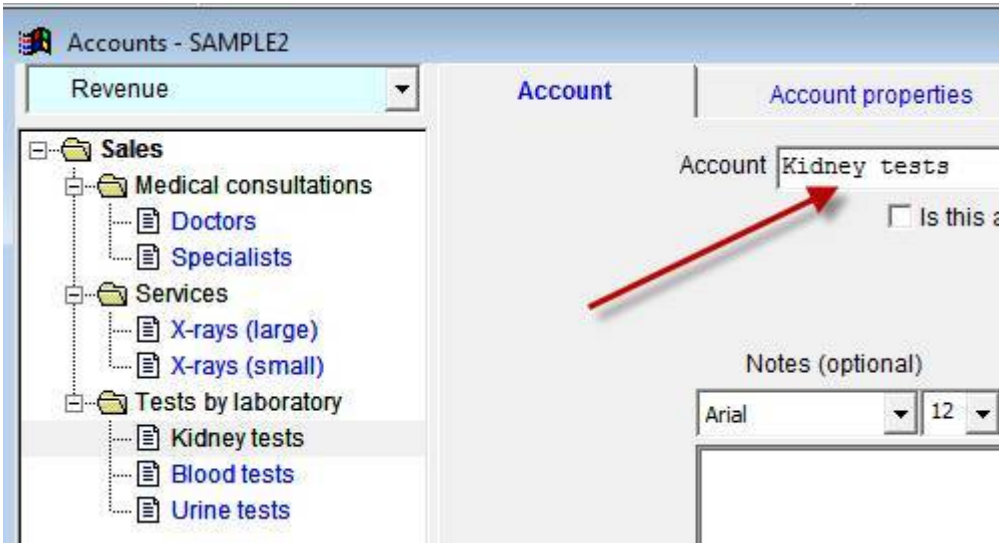


Enter a new sales account called *Kidney tests*, as follows: -

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



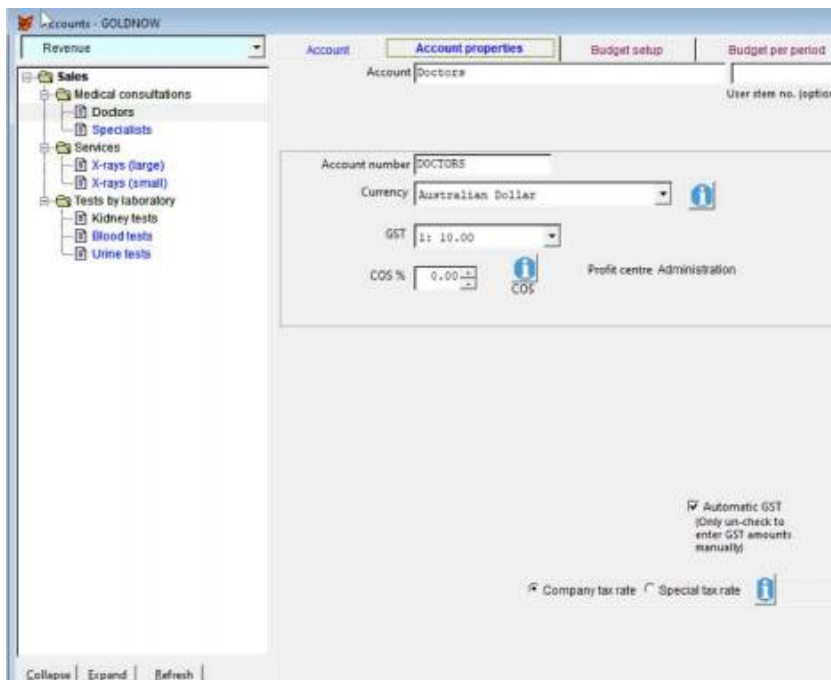
Overwrite this by typing Kidney tests. Notice that Kidney tests is also added to the tree on the left.



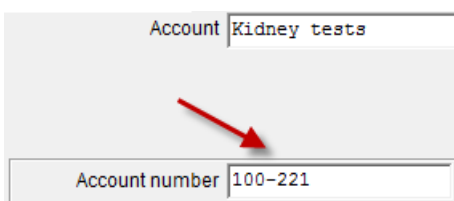
It is easy to add new accounts. You can add as many new accounts as you wish — there is no limit.

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.



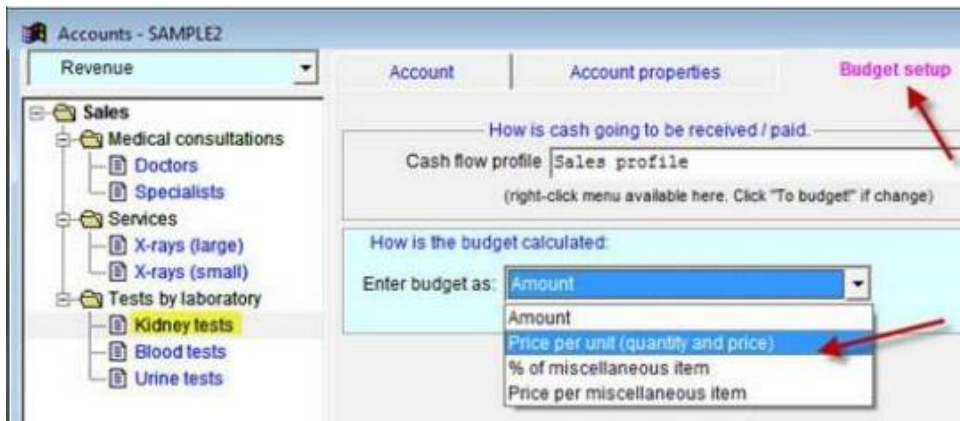
Now click on the Kidney tests account. This is the new account you entered earlier. The system automatically assigned a unique number beginning with #. You can use the system number or enter your own number. For example, change it to 100-221 (see picture).

All the fields are filled with default values. Most of the time these will be acceptable, but 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.

The budget can be entered in several 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.

The screenshot shows the 'Accounts - GOLDNOW' application window. The 'Budget per period' tab is active, displaying a table for the 'DOCTORS' account. The table has columns for 'Period', 'End date', 'Price', 'Units (qty)', 'Price * units', and 'Cash flow profile'. The 'Price' and 'Units (qty)' columns are highlighted in blue, indicating they are the primary budget input fields. The 'Price * units' column shows the calculated extended amount. The 'Cash flow profile' column is set to 'Sales profile'. The table lists 15 periods, each with a price of 27.50 and units ranging from 2,500 to 3,060. The right-hand sidebar contains buttons for 'Excel workbook', 'Go to a/c', 'Get data', 'Excel', 'Account data', 'Get from', and 'Big copy'.

| Period | End date | Price | Units (qty) | Price * units | Cash flow profile |
|--------|----------|-------|-------------|---------------|-------------------|
| 1 | | 27.50 | 2,500.00 | 68,750.00 | Sales profile |
| 2 | | 27.50 | 2,600.00 | 71,500.00 | Sales profile |
| 3 | | 27.50 | 2,700.00 | 74,250.00 | Sales profile |
| 4 | | 27.50 | 2,800.00 | 77,000.00 | Sales profile |
| 5 | | 27.50 | 2,900.00 | 79,750.00 | Sales profile |
| 6 | | 27.50 | 3,000.00 | 82,500.00 | Sales profile |
| 7 | | 27.50 | 3,000.00 | 82,500.00 | Sales profile |
| 8 | | 27.50 | 3,000.00 | 82,500.00 | Sales profile |
| 9 | | 27.50 | 3,000.00 | 82,500.00 | Sales profile |
| 10 | | 27.50 | 3,000.00 | 82,500.00 | Sales profile |
| 11 | | 27.50 | 3,000.00 | 82,500.00 | Sales profile |
| 12 | | 27.50 | 3,060.00 | 84,150.00 | Sales profile |
| 13 | | 27.50 | 3,060.00 | 84,150.00 | Sales profile |
| 14 | | 27.50 | 3,060.00 | 84,150.00 | Sales profile |
| 15 | | 27.50 | 3,060.00 | 84,150.00 | Sales profile |

You see the 15 months going down the page.

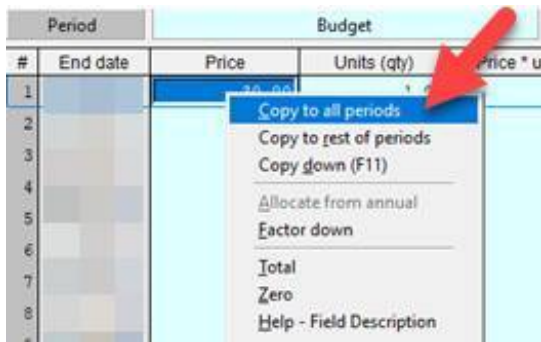
- A forecast is not limited to 15 months - it could be longer.

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 * u |
| 1 | | 30.00 | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |

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

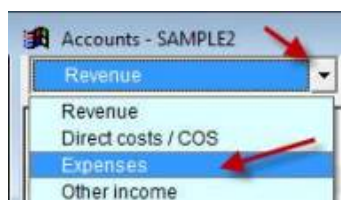
Now fill in the Units (quantity) field for one period: type 1000.00. Right-click on the 1000.00 and choose *Copy to all periods*. 1000.00 is filled into the Units (qty) for all periods and the extended price is calculated. Now change the Price and Units (quantity) for some periods to any numbers of your 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

How to go to expenses easily: 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.

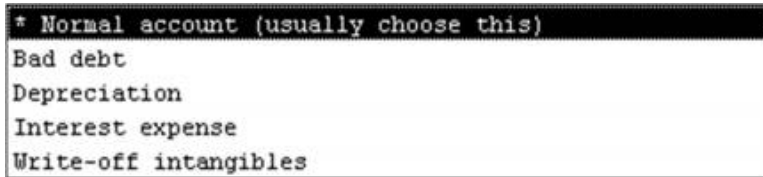
The screenshot shows the 'Accounts - GOLDNOW' window with the 'Budget setup' tab selected. The 'Account' is 'Accounting fees' and the 'Profit centre' is 'Administration'. The table below shows a budget of 1,000.00 for each of 15 periods.

| Period | End date | Budget amount | Cash flow profile | To |
|--------|----------|---------------|-------------------|----|
| 1 | | 1,000.00 | Expense (operatin | - |
| 2 | | 1,000.00 | Expense (operatin | - |
| 3 | | 1,000.00 | Expense (operatin | - |
| 4 | | 1,000.00 | Expense (operatin | - |
| 5 | | 1,000.00 | Expense (operatin | - |
| 6 | | 1,000.00 | Expense (operatin | - |
| 7 | | 1,000.00 | Expense (operatin | - |
| 8 | | 1,000.00 | Expense (operatin | - |
| 9 | | 1,000.00 | Expense (operatin | - |
| 10 | | 1,000.00 | Expense (operatin | - |
| 11 | | 1,000.00 | Expense (operatin | - |
| 12 | | 1,000.00 | Expense (operatin | - |
| 13 | | 1,000.00 | Expense (operatin | - |
| 14 | | 1,000.00 | Expense (operatin | - |
| 15 | | 1,000.00 | Expense (operatin | - |

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

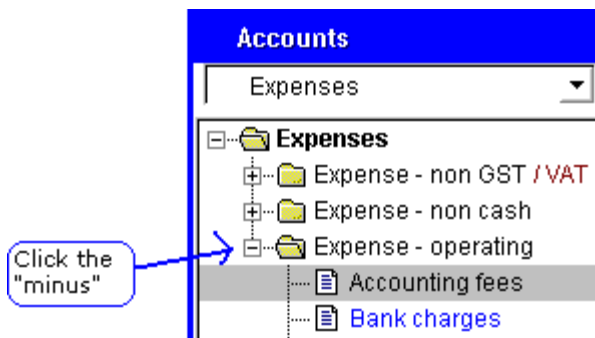
The screenshot shows the 'Accounts - SAMPLE2' window with the 'Account properties' tab selected. The 'Account' is 'Accounting fees' and the 'Kind of account' is 'Expense account (usually choose this)'. The 'Account number' is 'Accounting fees', the 'Currency' is 'Australian Dollar', and the 'GST' is 'S1 10.00'. The 'Profit centre' is 'Administration'. There is a checkbox for 'Automatic GST' which is checked, and a checkbox for 'Company tax rate' which is also checked.

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

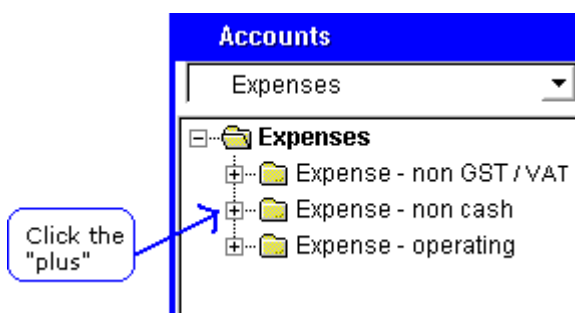


Normal account is used for Accounting fees. In fact, all the accounts under *Expense - operating* are designated Normal expenses.

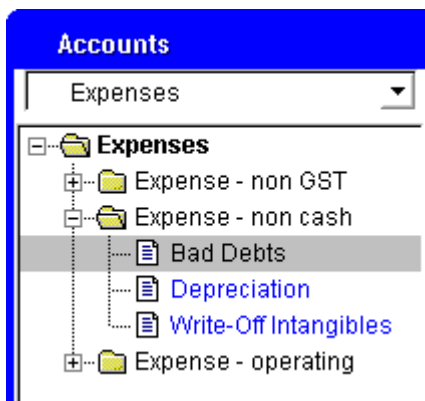
Now close the *Expense - operating* folder as follows: Click on the minus sign to the left of the folder.



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.

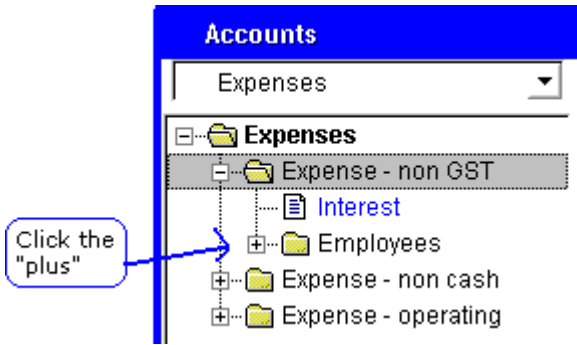
Tip: We chose to group all the non-cash expenses under the folder *Expense - non cash* for display purposes. The system does not require this, and you could drag the accounts into the *Expense - operating* folder if you prefer. The *Kind of account* (Normal or Depreciation, etc.) determines how the account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

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*.

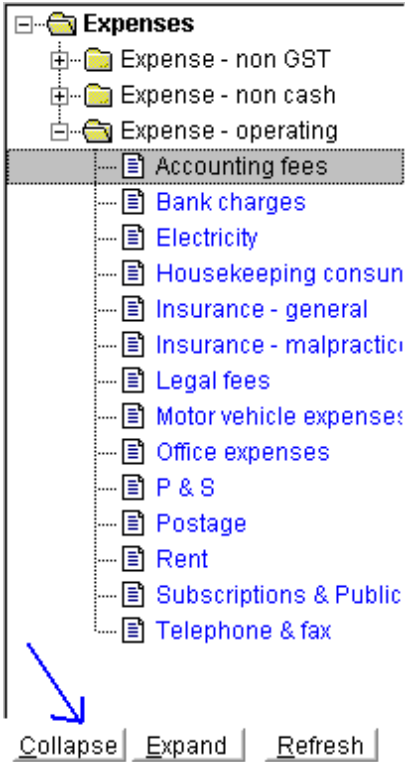
Notice there is an interest account under this folder as well as another folder for Employees. Open the *Employees* folder.



Then click on the *Budget per period* page. Click on some 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.

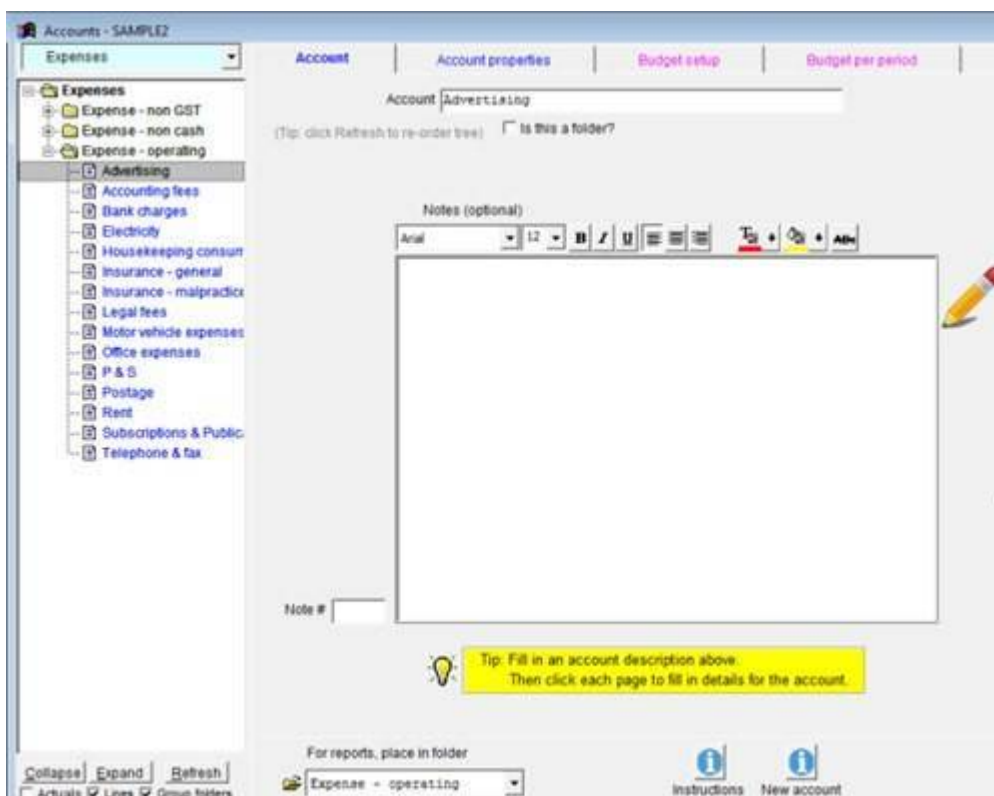
a) Click on *Accounting fees*.

b) Click *New* on the toolbar (the toolbar is at the top of page, as mentioned above).

c) The Accounts page will be displayed with 'New account' in the Account field.

Overwrite this with **Advertising**.

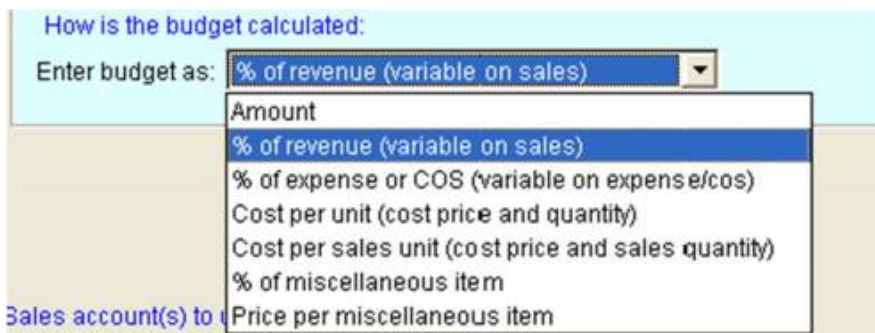
Tip: You do not have to capitalize the A. The software will do that automatically.



Click on the *Account properties* page. If you have GST or VAT, notice the GST or VAT rate is set automatically; but it 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: -

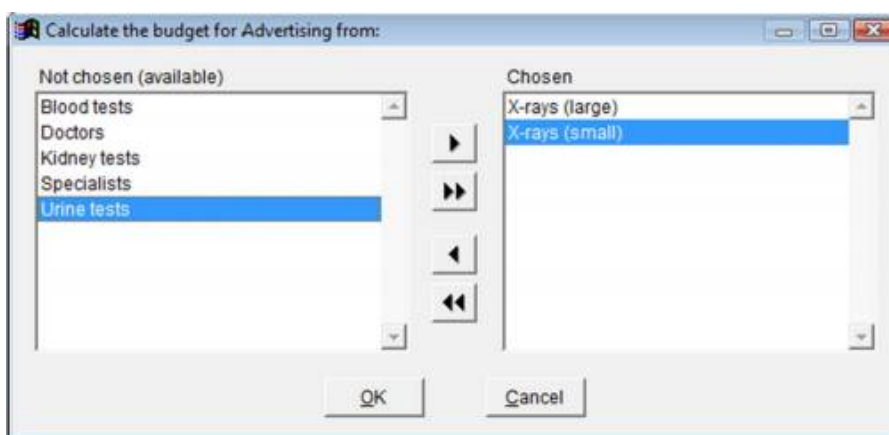
- Click on the down arrow of *Enter budget* and set to *% of revenue (variable on sales)* as shown below.



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:

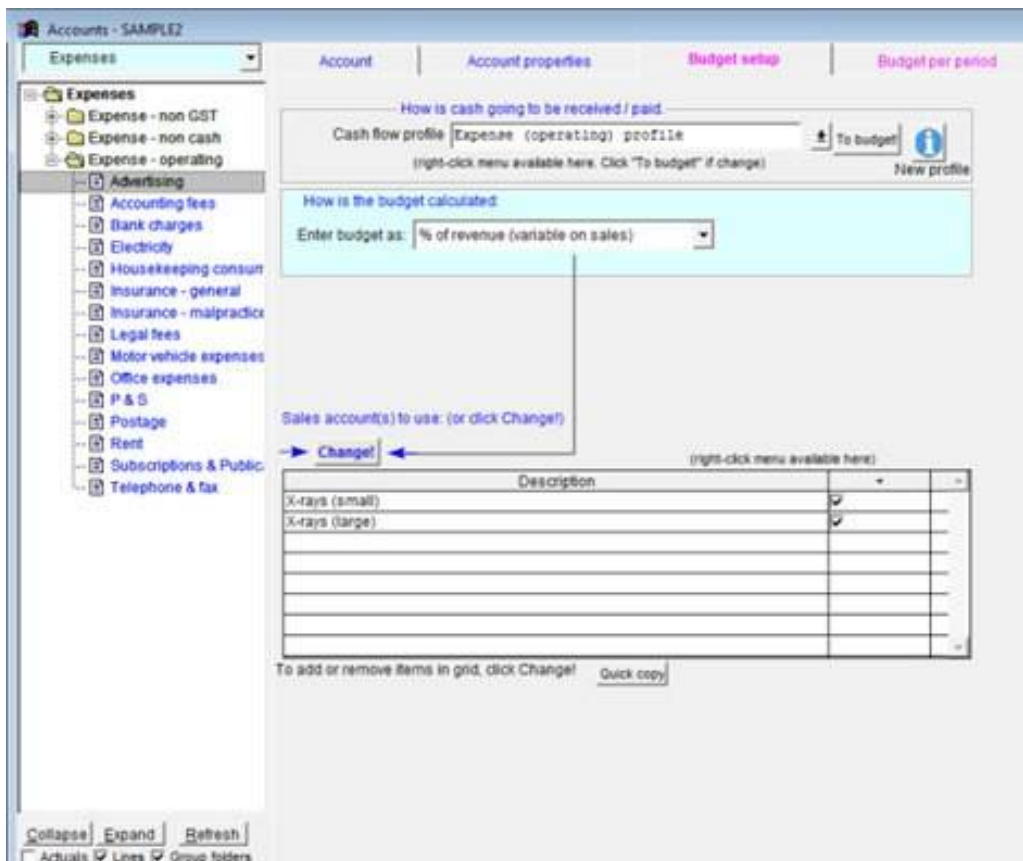


The left box displays all the sales accounts available. The chosen box is empty. Try using the arrows or double-click to move entries from one side to the other.

When the two X-ray sales accounts are in the right box ("Chosen"), click *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). So now Advertising is set at 5% of the sum of the sales of the two X-ray accounts.

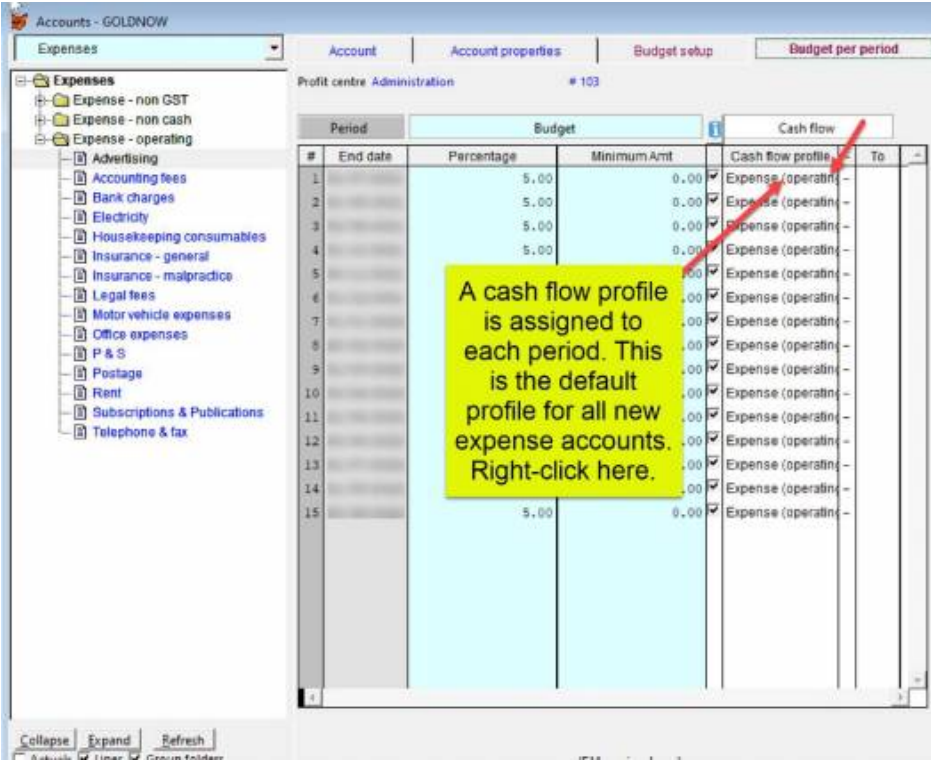
Leave the minimum column at zero. (This minimum column can be useful for a royalty expense that is to be calculated as a percentage of revenue, but has a minimum amount that must be paid each period).

Cash flow profile

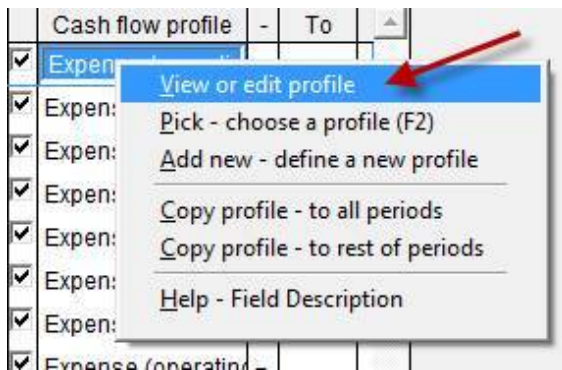
The budget amounts impact upon the bank account. Revenue from sales must be collected over time and expenses are often paid one or more months in arrears.

- 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 when the budget will affect cash.

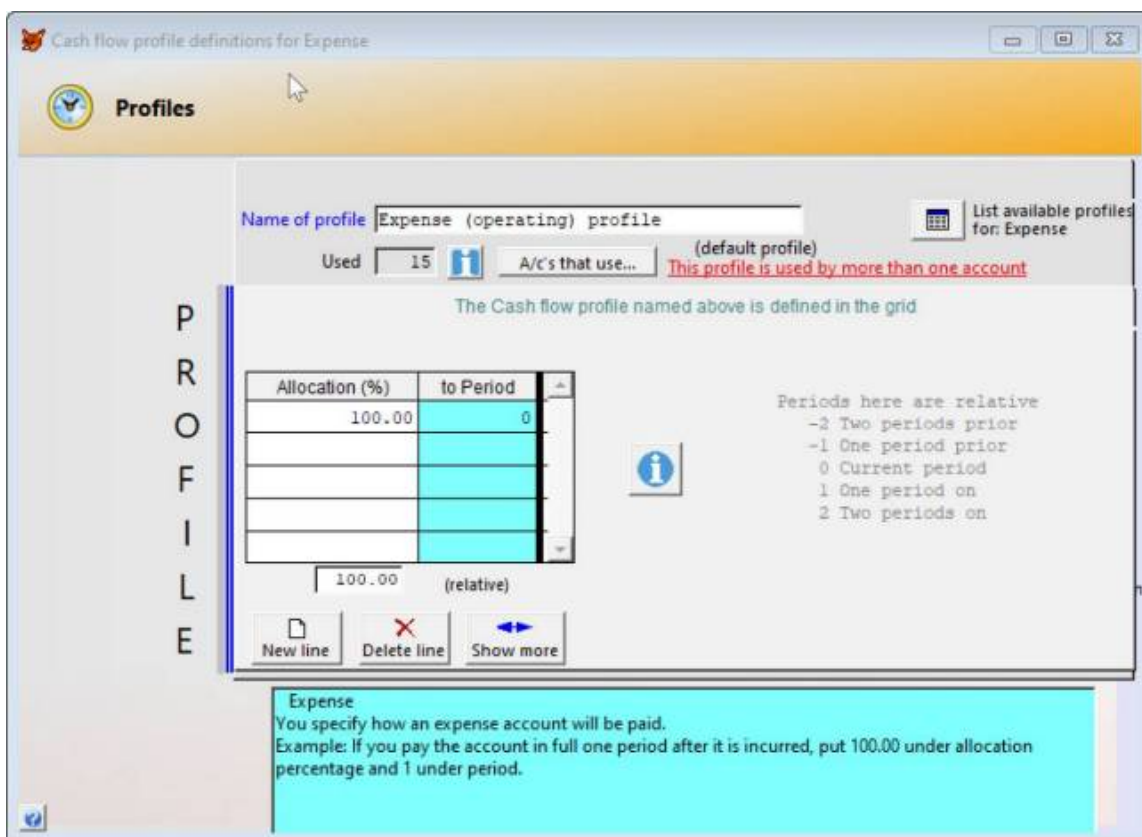
Notice for advertising that the cash flow profile assigned to every period is the *Expense (operating)* profile. This is a default cash flow profile used for any new expense account.



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



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



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)*. This 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.

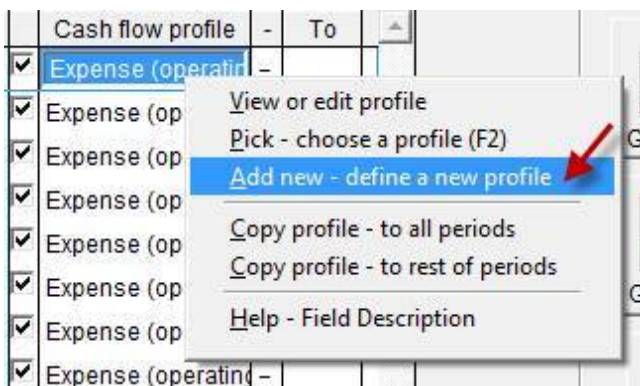
New payment profile

The expense account for Advertising will be changed now.

Example: 20% of the bill is for Advertising artwork which must be paid immediately, and the balance is due 1 month later.

So add a new cash flow profile for Advertising as follows: -

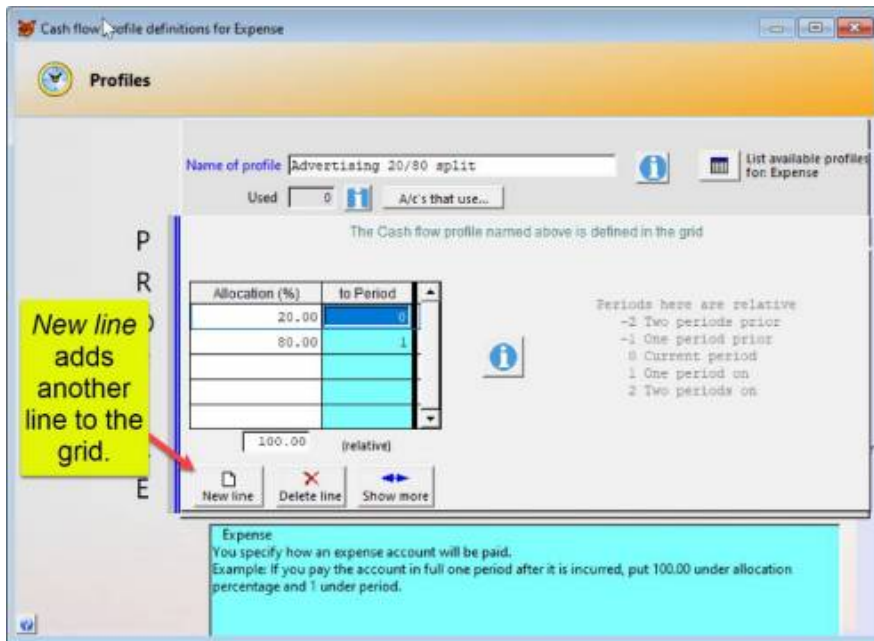
For Advertising, right- click on *Expense (operating)* in the first period. Then choose *Add new - define a new profile*.



In the cash flow profile form: -

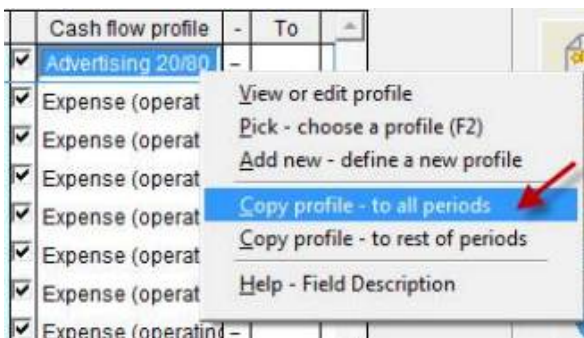
Name of profile: enter Advertising 20/80 split.

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. Notice the total allocation should always add up to 100.00%



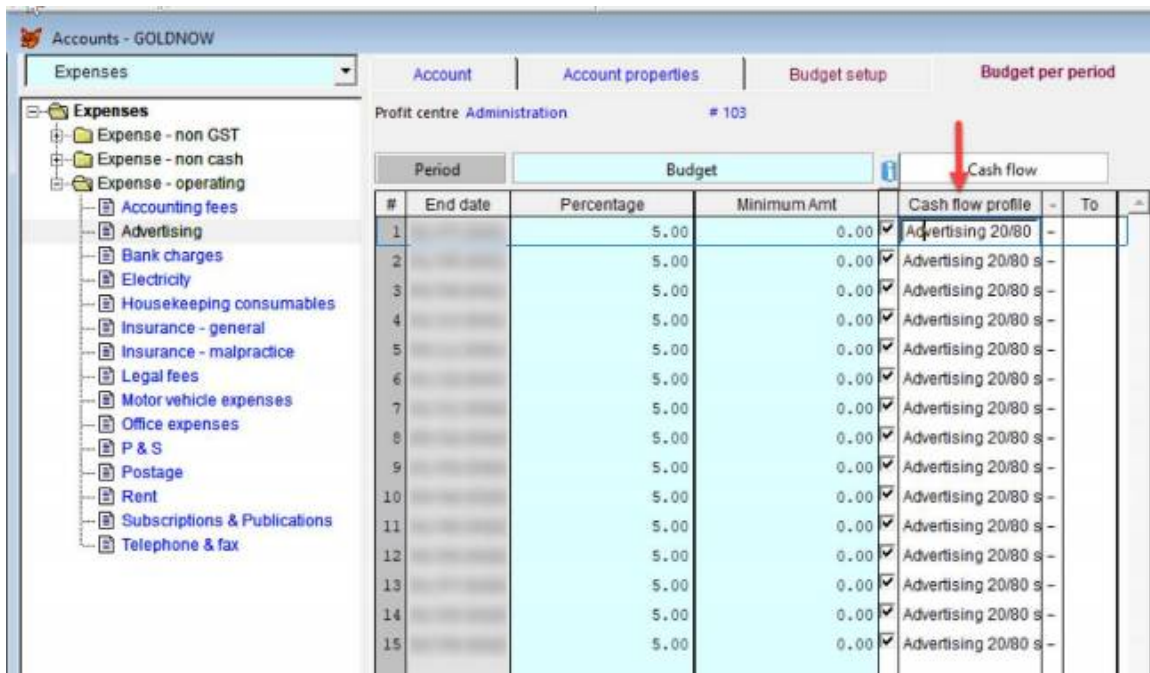
Close the profile form with the "X".

On the *Budget per period* page right-click on the profile *Advertising 20/80 split*.



Choose *Copy profile - to all periods*.

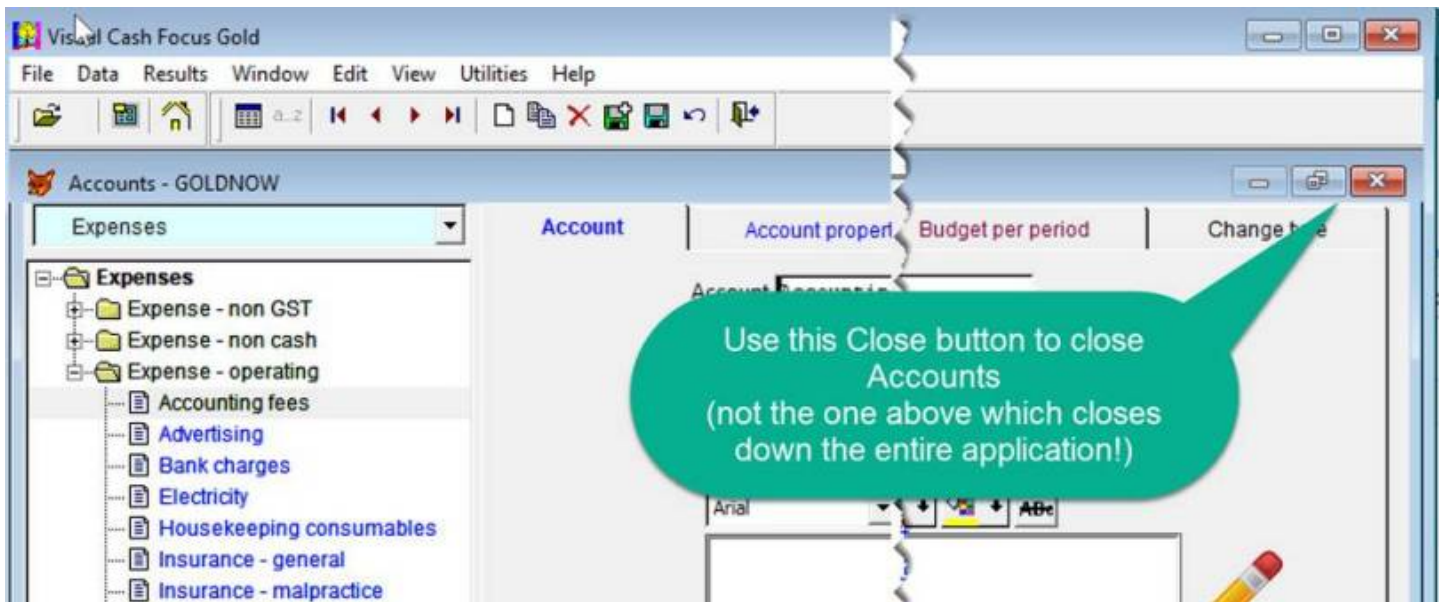
It now shows this profile for all periods: -



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 as appropriate. Named cash flow profiles is a useful feature of the software.

Tip: 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" of the Accounts form (see picture below) to return to the map.



Opening balances:

From the map click *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 now. 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 *Results - view*. The software calculates and, 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).

| | Period (1) | Period (2) | Period (3) | Period (4) | Period (5) |
|------------------------------------|------------|------------|------------|------------|------------|
| Profit and loss | | | | | |
| Sales | | | | | |
| Medical consultations | | | | | |
| Doctors | 68,750.00 | 71,500.00 | 74,250.00 | 77,000.00 | 79,750.00 |
| Specialists | 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 |
| Services | | | | | |
| X-rays (large) | 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 |
| Total Services | 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 |
| Kidney tests | 30,000.00 | 30,000.00 | 30,000.00 | 30,000.00 | 40,000.00 |
| Urine tests | 8,000.00 | 8,160.00 | 8,320.00 | 8,480.00 | 8,800.00 |
| Total Tests by laboratory | 65,500.00 | 65,660.00 | 68,570.00 | 68,730.00 | 76,300.00 |
| Total Sales | 353,235.00 | 356,145.00 | 361,805.00 | 364,715.00 | 375,035.00 |
| 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 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. We mention these relationships here to show 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: -

The screenshot shows a 'View results' window with tabs for 'Profit and loss', 'Balance sheet', and 'Cash flow'. The 'Cash flow' tab is active. Below the tabs, there is a 'Profit centre:' dropdown menu set to 'Entire organisation'. The main table displays cash flow data for five periods. The 'Advertising' row is highlighted in yellow, and a yellow callout bubble points to the value '-3,015.38' in period 3.

| | (1) | (2) | (3) | (4) | (5) |
|--------------------------------------|----------------|-------------------|-------------------|-------------------|-------------------|
| Cash flow | | | | | |
| TRADE | | | | | |
| Cash flows from operations | | | | | |
| Receipts from customers | | | | | |
| Blood tests | | 30,250.00 | 33,275.00 | 33,275.00 | 30,250.00 |
| Doctors | | 78,650.00 | 81,675.00 | 84,700.00 | 87,725.00 |
| Kidney tests | | 33,000.00 | 33,000.00 | 33,000.00 | 44,000.00 |
| Specialists | | 180,576.00 | 180,576.00 | 180,576.00 | 180,576.00 |
| Urine tests | | 8,976.00 | 9,152.00 | 9,328.00 | 9,604.00 |
| X-rays (large) | | 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 |
| Total receipts from customers | | 397,985.50 | 397,985.50 | 401,186.50 | 412,500.00 |
| 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 |
| Advertising | -603.08 | -3,015.38 | -3,015.38 | -3,015.38 | -3,015.38 |
| 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 |
| 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 |
| 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 |

Tip: There are two ways to drill down: -

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

Use the method you prefer.

This is the drill-down screen for Advertising for period 3: -

| Ledger for Advertising For period no: 3 | | | |
|---|----------|---|---|
| Advertising | | | |
| For period no: 3 | | | |
| (Ledger is for all profit centers). | | | |
| 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 |
| 0.00 | 3,015.38 | 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.

Previously we set up the cash flow profile for Advertising as follows: -

- 20% of the bill is for Advertising artwork which must be paid immediately, and the balance is due 1 month later.

It follows that the advertising paid for in period 3 is: -

- 80% of the advertising expense budget amount from period 2 that is paid one month later, plus ...
- 20% of the advertising expense budget amount from period 3 that is paid in the month the expense was incurred (period 3).

The drill-down audit trail above shows that the software correctly calculated the cashflow for advertising. It is paying the advertising 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.

Similarly, if you drill down on the Advertising amount for period 4, you will see that the balance of the Advertising expense budget from period 3 is paid.

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 *Reports – budget* 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 (the first 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, starting from the currently shown page.

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.

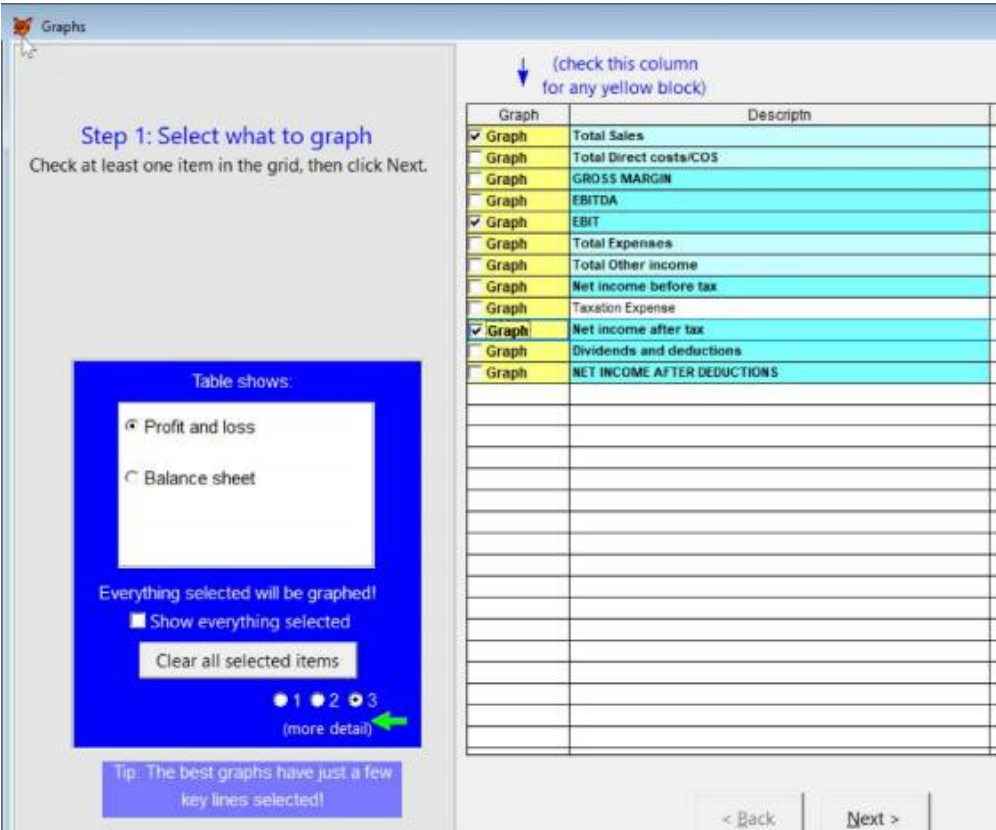
Close Reports.

Graphs

Select *Graphs* from the map.



The first page has a grid with two columns. Any yellow item can be selected.



For example, choose *Total sales*, *EBIT* and *Net income after tax*. Click on *Next*.

Accept all the defaults for step 2, so click on Next. The graph is shown.

Click on *Finished* to return to the map.

Beyond the basics

We mention some other features in the software now without going through examples. When you are ready to use them refer to the help file and tutorials. They are all easy to use and easily accessible. You may not use all these every day, but when you need them, it is good to know that they are built into the software.

Consolidation

Consolidation is built in. It is very easy to consolidate two or more forecasts. There is no limit on the number of forecasts that are consolidated.

Actuals

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 considered 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. Or you can use separate cost of sales account and link one or more to a sales account.

Drivers

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

These are easily entered into the Accounts data entry form. They can be used to calculate the budgets.

- Tip: Drivers can contain non-financial as well as financial items. For example, you could enter revenue as a Driver. 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 manufacturers.

Profit centres

(Gold edition)

Once a model has been set up, 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.

Tip: 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.

Tip: There are Tutorials available under the Help menu, Contents.

Conclusion

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

We wish you all success with Visual Cash Focus.



Cash Focus Pty Limited
Website: www.cashfocus.com