

ABC Company, LLC
Internal Cash Flow Projections
January to July, 20X1

	January	February	March	April	May	June	July
Operating Cash, Beginning	\$ 125,000	\$ 82,000	\$ 54,000	\$ 11,000	\$ (58,000)	\$ (11,000)	\$ 8,000
Sources of Cash:							
Receivable collections	225,000	200,000	175,000	225,000	250,000	275,000	250,000
Customer Deposits	10,000	15,000	10,000	12,000	10,000	15,000	10,000
Loans from the bank - Revolving Line	-	25,000	35,000	55,000	35,000	30,000	20,000
Other	-	-	3,000	-	-	-	-
Total Sources of cash, including beginning	360,000	322,000	277,000	303,000	237,000	309,000	288,000
Uses of Cash:							
Payroll, including payroll taxes	65,000	65,000	70,000	65,000	65,000	70,000	65,000
Accounts Payable - Vendors	45,000	45,000	38,000	55,000	45,000	55,000	45,000
Other overhead, including rent	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Owners' Guaranteed Payments	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Line of credit payments	50,000	40,000	30,000	20,000	20,000	20,000	20,000
Debt Service payments	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Capital expenditures from operations	-	-	10,000	-	-	-	-
Income taxes - prior year	-	-	-	65,000	-	-	-
Estimated income taxes - current year	-	-	-	38,000	-	38,000	-
Other	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Total Uses of Cash	278,000	268,000	266,000	361,000	248,000	301,000	248,000
Excess (Deficit) of Cash	\$ 82,000	\$ 54,000	\$ 11,000	\$ (58,000)	\$ (11,000)	\$ 8,000	\$ 40,000

Key Assumptions:

- (1) 80% of sales will be collected the month after the sale.
- (2) 20% of sales will be collected the 2nd month after the sale.
- (3) Payables are due in 30 days.
- (4) 75% of eligible receivables can be used for the revolving line of credit.

The company is projecting negative cash in April. What can be done in January to make sure the company does not run out of cash in April?