

Cash Flow Development

Notes for Creation of Urban
Commercialization Center
Cash Flow Model

Sections of Application

- **Operational Tasks** (areas of concern / focus)
 - Development
 - Operations
 - Marketing / Sales
 - Staffing
- **Cash Flow Projections** (critical to achieving financial sustainability)
 - Revenue (less Cost of Goods Sold for Retailers)
 - Costs
 - Net Cash Flow

Development

- Interlinked Activities
 - Equipment - Operations
 - Employees - Staffing
 - Activities - Development
- Areas of Activity
 - Design
 - Development: working prototypes
 - Testing
 - Refinement

Operational Expenses / Activities

- Financial Management - Bank accounts, checks, accounting system
- Legal Activities - Contracts, NDAs, Employment Agreements, etc.
- Payroll - ADP
- Office space
- Utilities - Telephone, electricity, heat
- Equipment
- Supplies

Marketing / Sales

- Public Relations
- Marketing
 - Identify
 - Evaluate
- Sales
 - Contact
 - Interest
 - Contract

Staffing

- Required Skills
 - Management
 - Development
 - Sales
 - Operations
- Sources
- Contract / projection parameters
 - Rate
 - Duration
 - Benefits

Factors for Revenue Projections

- Timing
- Size
- Volume
- Growth Rates

Cost Projections

- Variable vs. Fixed
- Salaries - Staff, Consultants
- Benefits - Health care, ownership
- Utilities - Deposits, monthly estimate
- Supplies - Development, Marketing / sales, operations
- Equipment - Financing, replacement

Capital Planning

- Accumulated cash flow
- Minimum capital - covers most negative accumulated value plus 20% to 30%
- Expansion / growth
- Return to investor / capital source