

TOOLKIT 2: THE CASH CONFIDENCE GRID

*Companion to *So, You've Built Yourself a Job?**

THE PROBLEM: Most owners only realise they're in financial trouble when the bank account runs dry.

THE PAYOFF: This simple weekly grid gives you a clear picture of your cash runway. You'll know if you're safe, exposed, or heading for danger — and have time to act before it's too late.

HOW TO USE (4-WEEK CYCLE)

- 1) Record your Starting Cash Balance (Week 1) from your bank account.
- 2) For each week, enter Inflows and Outflows, then calculate the Net Position (Inflows – Outflows).
- 3) Update Cash Balance each week: previous balance + this week's net position.
- 4) Calculate Buffer (weeks): Cash Balance ÷ this week's outflows (or ÷ average outflows if they swing).
- 5) Review the trend and use the Next Moves to adjust.

WORKED EXAMPLE (WHAT THE STORY MIGHT LOOK LIKE)

Category	Week 1	Week 2	Week 3	Week 4
Inflows	\$12,000	\$11,500	\$11,000	\$21,000
Outflows	\$9,000	\$11,500	\$10,000	\$10,000
Net Position	+\$3,000	\$0	+\$1,000	+\$11,000
Cash Balance	\$18,000	\$18,000	\$19,000	\$30,000
Buffer	2.0	1.6	1.9	3.0

RULES OF THUMB (INTERPRET YOUR NUMBERS)

- If your buffer is less than 4 weeks of expenses, you're exposed — one bad month could sink you.
- If your net position is negative for 3 weeks in a row, you're heading for a crunch. Fix outflows or increase inflows fast.
- If your inflows are steady but your buffer keeps shrinking, costs are eating your runway — cut or re-price quickly.

NEXT MOVES

- Aim to build a buffer of at least 8 weeks — it's the difference between panic and peace of mind.
- If your net position is negative, act fast: raise inflows, cut non-essential outflows, or both.

- Use your weekly cash trends to plan ahead: e.g. shift supplier payments, time tax set-asides, or push collections.
- Track your grid every Friday — over time, you'll see patterns and know where to act first.



TOOLKIT 2: THE CASH CONFIDENCE GRID — WORKSHEET

How to Use (4-Week Cycle): For the next 4 weeks, fill in the table below each Friday. Record inflows, outflows, and net position. Update your cash balance and buffer weekly.

Category	Week 1	Week 2	Week 3	Week 4
Inflows				
Outflows				
Net Position				
Cash Balance				
Buffer				

KEY THINGS TO LOOK FOR IN YOUR NUMBERS

- Is your buffer holding steady or growing? If not, costs are creeping up or inflows aren't strong enough.
- Is your net position negative for 3 weeks in a row? That's an early warning sign of a crunch.
- Are your inflows consistent but your cash balance still shrinking? Pricing or margins may need a reset.
- Did you get a sudden spike in outflows? Track if it's a one-off (e.g. tax, seasonal purchase) or a recurring risk.

NEXT MOVES

- Aim to build a buffer of at least 8 weeks — that's the difference between panic and peace of mind.
- If your net position is negative, act fast: raise inflows, cut non-essential outflows, or both.
- Use your weekly cash trends to plan ahead: e.g. shift supplier payments, time tax set-asides, or push collections.
- Track your grid every Friday — over time you'll see patterns and know where to act first.

Now Build the Business You First Imagined — For Real This Time.

Need help working through this? Or want someone to step in and set it up with you? Contact us at support@letsbuildabusiness.co