PebbleLedger Ltd

Sheetpack practice note · 36-month SaaS operating forecast · figures in GBP

Purpose

A monthly operating sketch for a hypothetical UK B2B subscription product that helps independent tradespeople quote jobs and send invoices. It is built around a customer and MRR waterfall, cash operating costs, burn and runway, and simple unit economics. It is not a three-statement model and not a valuation of any real software company. The company and every figure are invented.

How to use

- Edit only blue text on a pale-yellow background (Assumptions).
- Monthly is the engine: column B is month 0 (31 Dec 2026), then 36 forecast months from January 2027. Summary shows months 12, 24 and 36.
- On Checks, the MRR waterfall, “ending MRR − customers × ARPA”, the customer rollforward, the gross-margin check and the cash rollforward should all equal 0. “All checks pass” should read TRUE.
- If a month is profitable, burn is zero and runway shows “Not burning” rather than dividing by zero. If the month is loss-making and opening cash is already zero or negative, runway shows 0.

Key starting assumptions (defaults)

Item	Default	Cell refs
Opening customers, ARPA and MRR	180, £49.00, £8,820	Assumptions!B12–B14
Monthly logo churn and ARPA expansion	2.50% and 0.40%	Assumptions!B15–B16
New customers in month 1, then growth	22, then +1.20% a month	Assumptions!B17–B18
Gross margin	82%	Assumptions!B25
S&M, R&D and G&A in month 1, then monthly growth	£6,500 (+1.0%), £8,000 (+0.8%), £5,500 (+0.5%)	Assumptions!B21–B29
Opening cash	£150,000	Assumptions!B32

Waterfall rules and simplifying choices

- Churned customers leave at the beginning-of-month ARPA. Expansion applies only to customers who stay. New customers arrive at the end-of-month ARPA. Ending MRR therefore also equals ending customers × ending ARPA.
- Customers may be fractional (a rate times a stock). Revenue in a month equals that month’s ending MRR. Cost of revenue is (1 − gross margin) × revenue.
- Cash equals opening cash plus operating profit. There is no separate working-capital delay, tax, capex, depreciation or debt schedule.
- LTV is undiscounted: current ARPA × gross margin ÷ monthly logo churn. CAC is that month’s S&M ÷ new customers. Neither is a valuation.
- Because churn and expansion are constant, net revenue retention is also constant: 1 + (1 − churn) × expansion − churn = 97.89% at the default rates.
- Calendar-month labels on Monthly assume the default start (January 2027) and do not shift if you change the first year or month.

> *Educational practice only. Not investment, financial, or tax advice. All companies and figures are fictional.*

Designed by me with help from AI tools; every formula checked by hand.