

Step 17 · Cash Buffer

Frequently Asked Questions

How do I make financial projections when I have not opened yet?

Use quoted costs and clearly labeled sales assumptions. Show how orders, average spending, and selling days produce the revenue estimate, then test a slower start. Plan when money arrives and bills are due as well as whether sales cover expenses. Ask an accountant to check the structure; you still need to understand the assumptions. Replace estimates with actual results as trading begins.

How long does it take a café to become profitable?

There is no reliable countdown. Covering operating bills, paying yourself, and recovering startup investment are different milestones. Owners sometimes call the first one 'profitable' while still taking no pay. Set a monthly forecast for each milestone, then compare it with actual sales, costs, and available cash. Review shortfalls while you still have options to change the menu, hours, staffing, or commitment. Do not keep funding losses solely because someone else's shop took longer to establish itself.

What monthly expenses should I expect after opening?

List the costs of your actual schedule: rent and property charges, payroll and employer costs, ingredients, packaging, utilities, insurance, software, payment fees, maintenance, and other commitments. Then put payments on a cash calendar, including debt and tax amounts where applicable. Payroll does not wait for profit. Separate launch purchases from recurring costs, and avoid counting the same payment twice.

How much should I have saved before opening?

Enough for the launch plus a realistic slow-start cash plan, while keeping your household needs protected. Work out which bills continue if opening is delayed or sales disappoint, and when you could change course. There is no useful universal savings minimum. Treat unapproved finance as uncertain, and do not promise the same savings to both business survival and personal emergencies.

Educational guidance. Check your own circumstances with the appropriate local professional.