

SaaS Budget Checklist for Startups

Use this checklist to systematically build and manage your SaaS startup budget.

Estimate Initial Startup Costs (CapEx)

☐ Identify & List Legal/Administrative Tasks:

- Business Incorporation/Registration
- Trademark Filing (if applicable)
- Terms of Service & Privacy Policy Drafting/Review
- Shareholder/Operating Agreement
- Initial Legal Consultations
- Business Bank Account Setup

☐ Identify & List Initial Product Development (MVP) Tasks:

- UI/UX Design (Wireframes, Mockups)
- Backend Development
- Frontend Development
- Database Setup
- Key Third-Party API Integrations
- Initial Quality Assurance & Testing

☐ Identify & List Infrastructure Setup Tasks:

- Domain Name Purchase
- Cloud Platform Account Setup (AWS, Azure, GCP, etc.)
- Essential Software Licenses (IDE, Project Management - initial purchase/setup)
- Email Service Provider Setup

☐ Identify & List Initial Marketing & Sales Tasks:

- Logo Design & Branding Package
- Landing Page Creation & Hosting
- Initial Market Research Tools/Reports
- Setup of Analytics Tools (e.g., Google Analytics)
- Small Budget Allocation for Launch Promotion/Ads

☐ **Identify & List Office Setup Costs (if applicable):**

- Rent Deposit / Co-working Space Fees
- Essential Furniture / Equipment

☐ **Research & Estimate Costs for ALL listed items:** (Get quotes for major items like development)

- Estimated Total CapEx: \$_____

Forecast Revenue

☐ **Choose Your SaaS Pricing Model:** (Tiered, Per-User, Usage-Based, Freemium, etc.)

☐ **Define Key Revenue Metrics:**

- Average Revenue Per User/Account (ARPU/ARPA) Goal
- Estimated Customer Churn Rate (%)
- Target Customer Lifetime Value (LTV)
- Target Customer Acquisition Cost (CAC)

☐ **Conduct Market Size Research:** (Estimate TAM, SAM, SOM)

☐ **Select Forecasting Method(s):** (Bottom-Up, Top-Down, Combined)

☐ **Develop Revenue Assumptions:**

- Website Traffic / Lead Generation Estimates
- Conversion Rate Estimates (Visitor-to-Trial, Trial-to-Paid)
- Sales Cycle Length Estimate
- Upsell/Expansion Revenue Rate Estimate

☐ **Create Monthly Revenue Projections (12-24 months):** Include Conservative, Realistic, and Optimistic Scenarios

Detail Operating Expenses (OpEx)

☐ List Cost of Goods Sold (COGS) Items:

- Hosting Costs (Estimate based on projected usage)
- Direct Customer Support Costs (Software, Personnel)
- Third-Party APIs directly tied to service delivery

☐ List Research & Development (R&D) Items:

- Developer Salaries / Contractor Fees (Ongoing)
- R&D Software/Tools Subscriptions (GitHub, Jira, etc.)
- Testing Platform Costs

☐ List Sales & Marketing (S&M) Items:

- Sales Staff Salaries / Commissions
- Marketing Staff Salaries / Contractor Fees
- CRM Software Subscription
- Marketing Automation Tool Subscription
- Advertising Budget (Monthly/Quarterly)
- Content Creation Costs
- SEO Tool Subscriptions

☐ List General & Administrative (G&A) Items:

- Founder / Management Salaries
- Administrative Staff Salaries (if any)
- Rent / Utilities / Co-working Fees (Ongoing)
- Accounting Software Subscription
- Legal Fees (Retainer / Ongoing)
- Business Insurance Premiums
- Bank Fees
- Payment Processing Fees (% of Revenue)
- Internal Communication/Productivity Software (Slack, G Suite, etc.)

☐ Categorize Each OpEx Item: (Fixed vs. Variable)

☐ Create Monthly OpEx Projections (12-24 months)

Calculate & Analyze Cash Flow

- ☐ Create Monthly Cash Flow Projections (12-24 months):
 - Map Revenue Receipts (consider payment delays)
 - Map Expense Payments (consider payment terms)
 - Include Funding Inflows (if applicable)
 - Calculate Net Cash Flow (Inflows - Outflows)
 - Calculate Ending Cash Balance each month
- ☐ Identify Months with Potential Negative Cash Flow.
- ☐ Calculate Average Monthly Burn Rate (Net Cash Outflow).
- ☐ Calculate Estimated Cash Runway (Months).

Plan for Contingencies

- ☐ Identify Potential Financial Risks: (Market downturns, competitor actions, tech failures, key staff loss, higher-than-expected churn, etc.)
- ☐ Determine Appropriate Contingency Fund Percentage: (Typically 5-15% of OpEx, based on risk assessment) Selected Percentage: ____%
- ☐ Allocate Contingency Amount in Financial Model: (As potential expense or buffer)
- ☐ Research Backup Funding Options: (e.g., Line of Credit feasibility)

Set Up Budget Review & Refinement Process

- ☐ Schedule Recurring Monthly Budget Review Meetings.
- ☐ Choose Budget Tracking Method: (Spreadsheet template/software)
- ☐ Establish KPIs to Track Alongside Budget: (CAC, LTV, Churn, Burn Rate)