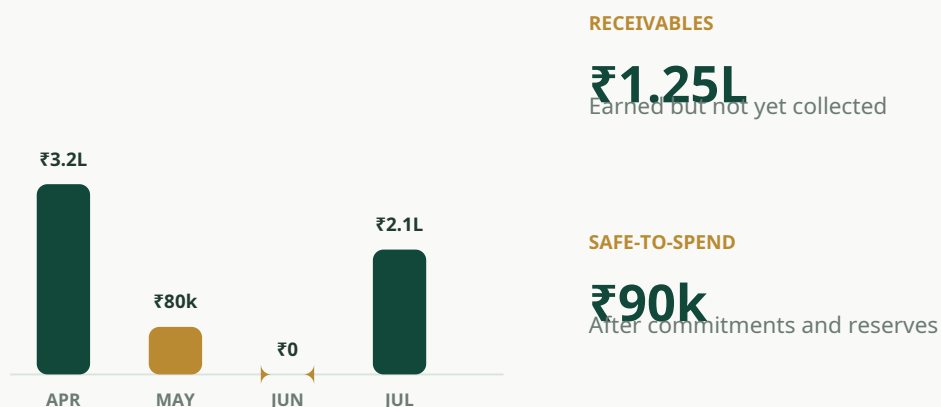


Income & Client Payment Playbook

Get paid faster. Handle irregular income. Protect your cash. Know what you can actually spend.

A FREELANCER MONEY SYSTEM YOU CAN ACTUALLY USE



Contents

A practical operating guide - built for decisions, not theory.

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HOW TO USE THIS BOOK

Read the problem, use the example, then complete the action. You do not need to read every page before using the system.

● UNDERSTAND

● DECIDE

● UPDATE SOLOLEDGER

● REVIEW

What this book solves

Freelancer money problems usually start before tax: late payments, uneven months and unclear spending decisions.

KEY IDEAS

- Know what money is already earned but still unpaid.
- Use deposits, milestones and payment terms to reduce collection risk.
- Separate bank cash from money already committed to expenses, tax and GST reserves.
- Build a buffer for slow months instead of relying on the next client payment.

WHY IT MATTERS

Keep the decision simple: freelancer money problems usually start before tax: late payments, uneven months and unclear spending decisions. Separate billed, collected, committed and flexible money before you act.

REAL EXAMPLE

You can invoice ₹3.5L in one month and still struggle to pay yourself if ₹1.8L is overdue and ₹70k is already committed.

APPLY IT NOW

Turn the idea into one visible decision.
Dashboard + Income & Invoices

Your decision

Use ₹90k cash - not ₹3.5L billed

Next action

Chase ₹1.8L overdue; protect ₹70k

WATCH FOR

Risk to avoid

Do not try to build the whole system in one sitting. Choose one number and one weekly habit, then repeat it.

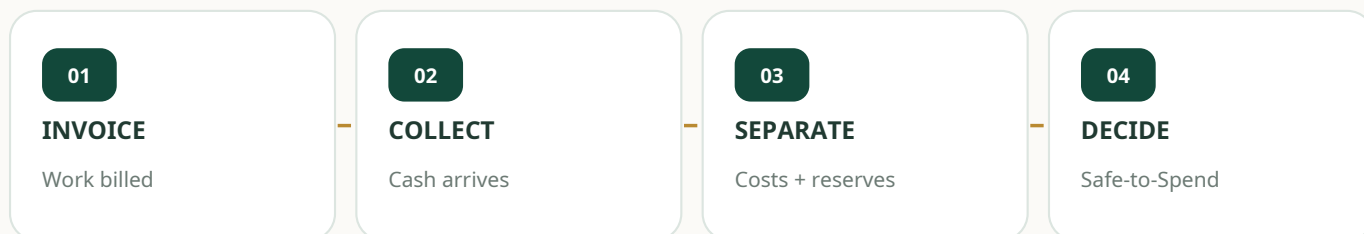
NEXT MOVE

Do this next

Use the book as an operating system: invoice -> follow up -> receive -> separate -> plan -> pay yourself.

The freelancer cash-flow map

Cash flow becomes easier when you stop treating "income" as one single number.



INVOICES

What you have billed.

RECEIVABLES

What clients still owe.

BANK CASH

What has actually arrived.

SAFE-TO-SPEND

What remains after commitments.

REAL EXAMPLE

A ₹1L invoice is not cash until the client pays it. A ₹1L bank balance is not fully spendable if ₹40k is already committed.

YOUR MONEY MAP

Billed

₹3.5L

Collected

₹1.7L

Protected

₹70k

Flexible

₹1.0L

NEXT MOVE

Follow the money in this order

Use the sequence Invoice Collect Separate Decide, instead of treating the bank balance as the answer.

The seven numbers that matter

You do not need 40 accounting metrics to manage a freelance business well.

01

Cash received

Money actually landed

02

Outstanding

Earned but unpaid

03

Fixed costs

Recurring commitments

04

Variable costs

Project-linked spend

05

Tax / GST reserves

Protected money

06

Safe-to-Spend

Flexible after commitments

07

Runway

Months your buffer can support your baseline

CASH RECEIVED**₹2.4L**

This month

OUTSTANDING**₹85k**

Still unpaid

RUNWAY**3.0 mo**

Buffer / baseline

MONTHLY REVIEW

Put all seven numbers in one place.

Most urgent number**₹85k outstanding****What changed?****Cash +₹40k
Outstanding +₹15k****Next action****Follow up ₹50k invoice****DECISION RULE****Use the numbers to decide, not to impress**

If one number is unclear, make that the next thing you update in SoloLedger.

Why profit and cash are different

A profitable freelancer can still have a cash crisis.

KEY IDEAS

- Profit can include money earned but not yet collected.
- Cash can look high temporarily because tax/GST or future expenses are sitting in the same account.
- Large annual subscriptions or equipment purchases create timing shocks even if yearly profit is healthy.

WHY IT MATTERS

Keep the decision simple: a profitable freelancer can still have a cash crisis. Separate billed, collected, committed and flexible money before you act.

REAL EXAMPLE

You earn ₹2L in April but only collect ₹80k. Your P&L may look fine; your bank still has to survive on ₹80k.

APPLY IT NOW

Dashboard + Income & Invoices

Your key number

₹80k cash collected

What could distort it?

₹1.2L earned but still unpaid

One weekly habit

Review cash every Friday

WATCH FOR

Risk to avoid

A monthly total can hide a mid-month cash gap. Put a date beside both expected receipts and known payments.

NEXT MOVE

Do this next

When deciding what to spend, use cash timing - not only annual profit.

Three money buckets

A simple bucket system can prevent most freelancer cash confusion.

OPERATE

₹60k

Software, contractors, tools and business costs.

RESERVE

₹40k

Tax, GST and other protected amounts.

OWNER

₹80k

Money intentionally transferred for personal life.

REAL EXAMPLE

If ₹1.8L lands in your bank, you might protect ₹40k, keep ₹60k for business costs and pay yourself ₹80k. The important part is that each amount has a job before you spend it.

SET UP YOUR BUCKETS

You can track them even if you use one bank account.

Operating target

₹60k

Reserve target

₹40k

Owner-pay target

₹80k

NEXT MOVE

Give every rupee a job

Label the buckets inside SoloLedger before making your next large transfer. The goal is not three bank accounts - it is three clear purposes.

Meet five freelancers we will use

Different freelance businesses have different cash-flow risks, so the examples rotate.

01 Riya Brand designer Project deposits	02 Arjun Developer Retainers + late B2B	03 Meera Consultant High-value invoices	04 Kabir Video editor Milestone payments	05 Sana Social media manager Several smaller retainers
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WHY FIVE?

Learn the system, not a single business model

Each profile changes the income pattern, payment timing and risk. Use the examples as decision patterns, not rules.

COMPARE YOUR BUSINESS

Which profile is closest to you?

Closest profile

Riya - designer

Your payment cycle

50% upfront / 50% final

Your biggest cash risk

₹60k final balance delayed

USE THE EXAMPLES

Copy the logic, not the numbers

A designer and a developer can use the same cash-flow rules even when their payment cycles look completely different.

Why freelancers feel cash-poor

Income is irregular, but expenses and personal needs keep arriving on schedule.

KEY IDEAS

A ₹3L month can be followed by a ₹40k month.

- Clients can pay 7, 15, 30 or 60 days after invoicing.
- Tax and GST money may temporarily inflate the bank balance.

WHY IT MATTERS

The practical point: income is irregular, but expenses and personal needs keep arriving on schedule. Put dates beside money so timing problems become visible early.

REAL EXAMPLE

April ₹3.2L -> May ₹80k -> June ₹0 -> July ₹2.1L. Spending like every month is April creates the problem.

APPLY IT NOW

[Dashboard + Reports](#)

Current cash pressure

₹1.0L monthly baseline

Timing risk this month

June receipts could be ₹0

One change this week

Cap owner pay at ₹60k

WATCH FOR

Risk to avoid

A monthly total can hide a mid-month cash gap. Put a date beside both expected receipts and known payments.

NEXT MOVE

Do this next

Build plans around a baseline month, not your best month.

The "good month" trap

One strong month should not automatically create a new permanent lifestyle cost.

KEY IDEAS

- High months often contain catch-up payments from old invoices.
- New monthly subscriptions are recurring; one-time income is not.
- A strong month is the best time to build buffer, not only spend more.

WHY IT MATTERS

The practical point: one strong month should not automatically create a new permanent lifestyle cost. Put dates beside money so timing problems become visible early.

REAL EXAMPLE

A ₹3.5L month includes ₹1.2L from an overdue invoice. Your true current run-rate may be much lower.

APPLY IT NOW

[Dashboard + Reports](#)

Current cash pressure

₹3.5L month looks stronger than it is

Timing risk this month

₹1.2L was old overdue cash

One change this week

Move ₹80k to buffer

WATCH FOR

Risk to avoid

Do not make a permanent spending decision from one unusually strong month. Use several months and the timing of receipts.

NEXT MOVE

Do this next

Before increasing personal spending, look at the last 3-6 months.

The "invoice = money" mistake

Sending an invoice creates a receivable, not bank cash.

KEY IDEAS

Track invoice date and due date separately.

- Do not fund personal commitments from unpaid receivables.
- Age receivables so you know which client needs attention.

WHY IT MATTERS

Invoice = a formal request for payment. It becomes cash only when the client actually pays.

REAL EXAMPLE

Three invoices total ₹2.4L, but only ₹90k is received. Your cash decisions must start from ₹90k.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

Cash available: ₹90k

What could change it?

₹1.5L still unpaid

Next action

Spend from ₹90k only

WATCH FOR

Risk to avoid

Keep invoice value, cash received and remaining balance as separate numbers. An invoice is not cash until it lands.

NEXT MOVE

Do this next

Use invoice status every week: Paid, Pending, Part Paid, Overdue.

The "bank balance = mine" mistake

Your bank can contain money already promised to other purposes.

KEY IDEAS

- Upcoming contractor payments are already committed.
- Tax/GST reserves should be mentally protected.
- Annual subscriptions due next month are future cash needs.
-

WHY IT MATTERS

The practical point: your bank can contain money already promised to other purposes. Put dates beside money so timing problems become visible early.

REAL EXAMPLE

Bank balance ₹2.2L; GST/tax reserve ₹55k; contractor due ₹45k; fixed costs ₹30k. Real flexibility is much lower.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

Bank: ₹2.2L

What could change it?

₹1.3L protected / committed

Next action

Treat ₹90k as flexible

WATCH FOR

Risk to avoid

Do not make a permanent spending decision from one unusually strong month. Use several months and the timing of receipts.

NEXT MOVE

Do this next

Make a committed-cash list before any large personal transfer.

Fixed costs create pressure

The more recurring costs you add, the less freedom you have in slow months.

KEY IDEAS

Software and SaaS.

- Coworking / internet.
- Assistants or retainers.
- Loan/EMI or equipment financing.
-

WHY IT MATTERS

The practical point: the more recurring costs you add, the less freedom you have in slow months. Put dates beside money so timing problems become visible early.

REAL EXAMPLE

Fixed business costs of ₹45k + personal baseline ₹55k means you need about ₹1L every month before optional spending.

APPLY IT NOW

[Dashboard + Reports](#)

Current cash pressure

Baseline need: ₹1.0L / month

Timing risk this month

₹45k fixed costs still recur

One change this week

Build ₹2L buffer target

WATCH FOR

Risk to avoid

Do not make a permanent spending decision from one unusually strong month. Use several months and the timing of receipts.

NEXT MOVE

Do this next

Know your monthly baseline to calculate runway.

Collections lag behind work

Cash problems often come from timing, not low demand.

KEY IDEAS

You can be fully booked and still unpaid.

- Long payment terms shift financing burden onto you.
- Milestone billing can reduce the gap between work and cash.

WHY IT MATTERS

The practical point: cash problems often come from timing, not low demand. Put dates beside money so timing problems become visible early.

REAL EXAMPLE

A 45-day client term on a ₹1.5L project means you may finance more than a month of work yourself.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

₹1.5L project • Net 45

What could change it?

Take ₹75k upfront

Next action

Bill ₹75k milestone earlier

WATCH FOR

Risk to avoid

Do not make a permanent spending decision from one unusually strong month. Use several months and the timing of receipts.

NEXT MOVE

Do this next

Shorten the cash gap with deposits or milestones where commercially reasonable.

Client concentration amplifies cash shocks

One late client can freeze the whole business if they represent most of your income.

KEY IDEAS

Measure each client as % of receipts.

- Watch both revenue concentration and payment reliability.
- Diversify before you are desperate.
-

WHY IT MATTERS

Client concentration = how much of your receipts depend on one client or a small group of clients.

REAL EXAMPLE

If Client A supplies 72% of cash and pays 25 days late, your entire month can slip with them.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

Client A = 72% of receipts

What could change it?

At ₹2L/month, A ≈ ₹1.44L

Next action

Build ≥₹1.5L cash buffer

WATCH FOR

Risk to avoid

A monthly total can hide a mid-month cash gap. Put a date beside both expected receipts and known payments.

NEXT MOVE

Do this next

Treat >50% dependence as a business-risk conversation, not just a sales metric.

Personal withdrawals can hide the problem

Random owner withdrawals make business cash hard to read.

KEY IDEAS

Frequent small transfers create noise.

- Large unplanned transfers can eat reserve cash.
- A fixed owner-pay rhythm makes decisions calmer.
-

WHY IT MATTERS

The practical point: random owner withdrawals make business cash hard to read. Put dates beside money so timing problems become visible early.

REAL EXAMPLE

₹15k here + ₹20k there + ₹10k weekend transfer = ₹45k withdrawn without one deliberate decision.

APPLY IT NOW

[Dashboard + Reports](#)

Current cash pressure

₹45k random withdrawals

Timing risk this month

₹20k unplanned weekend transfer

One change this week

Set owner pay: ₹45k once

WATCH FOR

Risk to avoid

Do not make a permanent spending decision from one unusually strong month. Use several months and the timing of receipts.

NEXT MOVE

Do this next

Pay yourself on a planned schedule.

You need a cash calendar, not only a budget

A budget says what you plan to spend. A cash calendar says when money actually moves.

KEY IDEAS

List expected client receipts by date.

- List known business payments by date.
- Add tax/GST and owner-pay dates.
-

WHY IT MATTERS

The practical point: a budget says what you plan to spend. a cash calendar says when money actually moves. Put dates beside money so timing problems become visible early.

REAL EXAMPLE

June may look profitable overall but still go negative on 12 June if a ₹70k contractor payment arrives before a client receipt.

APPLY IT NOW

Turn the idea into one visible decision.
Dashboard + Reports

Your decision

Keep ₹70k ready before 12 Jun

Next action

Move ₹70k into operating bucket

WATCH FOR

Risk to avoid

A monthly total can hide a mid-month cash gap. Put a date beside both expected receipts and known payments.

NEXT MOVE

Do this next

Review the next 30 days every week.

Section recap: fix the timing first

Most early freelancer cash problems are timing and process problems, not complex accounting problems.

KEY IDEAS

Stop spending unpaid invoices.

- Make payment terms explicit.
- Separate protected cash.
- Build a baseline and runway number.
-

WHY IT MATTERS

The practical point: most early freelancer cash problems are timing and process problems, not complex accounting problems. Put dates beside money so timing problems become visible early.

REAL EXAMPLE

The goal is not to predict every rupee perfectly; it is to see problems early enough to act.

APPLY IT NOW

[Dashboard + Reports](#)

Current cash pressure

₹85k due before next receipt

Timing risk this month

₹1.2L arrives only on 25th

One change this week

Keep ₹85k pre-receipt buffer

WATCH FOR

Risk to avoid

Do not make a permanent spending decision from one unusually strong month. Use several months and the timing of receipts.

NEXT MOVE

Do this next

Next we build the invoice and payment system.

Design payment terms before the project starts

Collections improve when payment expectations are decided before the invoice is late.

KEY IDEAS

Deposit amount or first milestone.

- Milestone dates / deliverables.
- Invoice due date.
- Accepted payment methods.
- What happens if payment is delayed.
-

WHY IT MATTERS

Decide the payment rule before work starts, put it in writing, and track what actually happens instead of relying on memory.

REAL EXAMPLE

For a ₹1.2L website project, 40% upfront + 30% at design approval + 30% before handover can reduce the cash gap.

APPLY IT NOW

Income & Invoices + Client Summary

Decision to make

₹1.2L project: 40 / 30 / 30

Put it in writing

₹48k / ₹36k / ₹36k

Track this field

Final balance: ₹36k

WATCH FOR

Risk to avoid

Every follow-up should ask for one concrete next step: a payment date, missing approval, accounts contact or revised schedule.

NEXT MOVE

Do this next

Put the payment structure into the proposal/ contract and repeat it on the invoice.

When a deposit makes sense

Deposits are mainly about commitment and cash-flow risk, not greed.

KEY IDEAS

Custom work with significant upfront effort.

- Projects where you block calendar capacity.
- New clients with no payment history.
- Work requiring you to pay contractors or tools in advance.

WHY IT MATTERS

Deposit = money collected before or at the start of work to secure commitment and reduce financing risk.

REAL EXAMPLE

50% of a ₹80k brand project = ₹40k received before the work starts, reducing the risk of financing the whole project yourself.

APPLY IT NOW

Income & Invoices + Client Summary

Decision to make

Take 50% deposit

Put it in writing

₹40k upfront on ₹80k

Track this field

Remaining balance: ₹40k

WATCH FOR

Risk to avoid

A deposit is not a bonus. It is early project cash that reduces the amount of work you finance before the client pays you.

NEXT MOVE

Do this next

Choose a deposit structure that fits project risk and client expectations.

Deposit structures you can actually use

There is no single correct percentage; the structure should match the project.

KEY IDEAS

50/50 - simple for shorter projects.

- 40/30/30 - useful for projects with clear stages.
- Monthly retainer paid in advance - predictable recurring work.
- Small booking fee + milestone payments - useful for long projects.

WHY IT MATTERS

Deposit = money collected before or at the start of work to secure commitment and reduce financing risk.

REAL EXAMPLE

Kabir edits a ₹90k video package using 30% booking, 40% after rough cut, 30% before final files.

APPLY IT NOW

Income & Invoices + Client Summary

Decision to make

Use 30 / 40 / 30

Put it in writing

₹27k / ₹36k / ₹27k

Track this field

Final balance: ₹27k

WATCH FOR

Risk to avoid

A deposit is not a bonus. It is early project cash that reduces the amount of work you finance before the client pays you.

NEXT MOVE

Do this next

Use milestones that are easy for both you and the client to recognise.

Milestones stop one invoice from carrying all the risk

Milestone billing converts progress into cash instead of waiting for the very end.

KEY IDEAS

Attach payment to meaningful project stages.

- Do not create so many milestones that invoicing becomes a job itself.
- State whether work pauses until the milestone is paid.

WHY IT MATTERS

Invoice = a formal request for payment. It becomes cash only when the client actually pays.

REAL EXAMPLE

₹1.5L consulting engagement: ₹50k kickoff, ₹50k after workshop, ₹50k before final strategy delivery.

APPLY IT NOW

Income & Invoices + Client Summary

Decision to make

3 milestones × ₹50k

Put it in writing

₹50k kickoff / workshop / final

Track this field

Max open balance: ₹50k

WATCH FOR

Risk to avoid

Keep invoice value, cash received and remaining balance as separate numbers. An invoice is not cash until it lands.

NEXT MOVE

Do this next

Invoice immediately when a milestone is reached.

Retainers: predictable cash, different risk

A retainer can stabilise cash flow if scope and payment timing are clear.

KEY IDEAS

Bill at the start of the service period where agreed.

- Define what is included and what is extra.
- Track renewal/cancellation notice.
- Do not let unpaid old retainers quietly roll forward.
-

WHY IT MATTERS

Retainer = recurring client arrangement, usually billed on a repeating schedule for an agreed scope or access.

REAL EXAMPLE

Sana manages social content for 5 clients at ₹30k/month. Losing one client hurts, but no single client controls the whole business.

APPLY IT NOW

Income & Invoices + Client Summary

Your number / decision

₹30k × 5 clients = ₹1.5L

What could change it?

One client leaves: -₹30k

Next action

Keep ≥ ₹60k cash buffer

WATCH FOR

Risk to avoid

Every follow-up should ask for one concrete next step: a payment date, missing approval, accounts contact or revised schedule.

NEXT MOVE

Do this next

Use recurring invoice dates and review client concentration quarterly.

Due dates should be deliberate

"Pay whenever" is not a payment term.

KEY IDEAS

- Use a clear date or explicit Net 7 / Net 15 / Net 30 term.
- Match terms to client size and approval process.
- Long terms should be reflected in your cash buffer.
-

WHY IT MATTERS

Decide the payment rule before work starts, put it in writing, and track what actually happens instead of relying on memory.

REAL EXAMPLE

Meera invoices ₹2L on 1 July with Net 30. She should not plan to use that cash on 10 July.

APPLY IT NOW

Income & Invoices + Client Summary

Your number / decision

₹2L invoice • Net 30

What could change it?

Cash may arrive ~31 Jul

Next action

Do not spend the ₹2L early

WATCH FOR

Risk to avoid

Every follow-up should ask for one concrete next step: a payment date, missing approval, accounts contact or revised schedule.

NEXT MOVE

Do this next

Treat the due date as part of project pricing and risk.

Invoice immediately, not "later this week"

Billing delays are self-created payment delays.

KEY IDEAS

Invoice at project/milestone completion.

- Use reusable client details and service descriptions.
- Include payment instructions clearly.
-

WHY IT MATTERS

Invoice = a formal request for payment. It becomes cash only when the client actually pays.

REAL EXAMPLE

Delaying a ₹75k invoice by 8 days effectively gives the client 8 extra free days before the due-date clock even begins.

APPLY IT NOW

Income & Invoices + Client Summary

Your number / decision

₹75k invoice

What could change it?

8-day billing delay

Next action

Send ₹75k invoice same day

WATCH FOR

Risk to avoid

Keep invoice value, cash received and remaining balance as separate numbers. An invoice is not cash until it lands.

NEXT MOVE

Do this next

Make "invoice sent" part of your project completion checklist.

Make invoices easy to approve

The fastest invoice is often the one that creates the fewest questions.

KEY IDEAS

Use the client legal/business name they expect.

- Include purchase-order / project reference if needed.
- Describe the service clearly.
- Match agreed amounts and milestones.
-

WHY IT MATTERS

Invoice = a formal request for payment. It becomes cash only when the client actually pays.

REAL EXAMPLE

A vague "creative services" invoice may bounce internally; "June product launch design - milestone 2" is easier to approve.

APPLY IT NOW

Income & Invoices + Client Summary

Your number / decision

₹1.2L milestone invoice

What could change it?

Missing PO can delay ₹1.2L

Next action

Confirm PO before invoicing

WATCH FOR

Risk to avoid

Keep invoice value, cash received and remaining balance as separate numbers. An invoice is not cash until it lands.

NEXT MOVE

Do this next

Ask enterprise clients what their accounts team needs before the first invoice.

Part payments: record what happened, not what you hoped for

Part-paid invoices are common and need clear tracking.

KEY IDEAS

Keep original invoice total.

- Record actual cash received.
- Keep remaining outstanding visible.
- Continue follow-up on the balance.
-

WHY IT MATTERS

Part payment = the client paid only part of the invoice; the unpaid balance remains receivable.

REAL EXAMPLE

Invoice ₹1,00,000. Client pays ₹40,000. The invoice is not "paid"; ₹60,000 remains outstanding.

APPLY IT NOW

Income & Invoices + Client Summary

Your number / decision

Invoice: ₹1,00,000

What could change it?

Received: ₹40,000

Next action

Chase ₹60,000 balance

WATCH FOR

Risk to avoid

Every follow-up should ask for one concrete next step: a payment date, missing approval, accounts contact or revised schedule.

NEXT MOVE

Do this next

Use Part Paid / Overdue (Part Paid) status instead of manually changing the invoice total.

Offer a payment plan only when it solves the problem

A payment plan can preserve the relationship, but it should be concrete.

KEY IDEAS

Agree exact amounts and dates.

- Get the plan in writing.
- Do not keep doing new work while old balances grow unless you intentionally accept that risk.

WHY IT MATTERS

Decide the payment rule before work starts, put it in writing, and track what actually happens instead of relying on memory.

REAL EXAMPLE

₹90k overdue -> ₹30k today + ₹30k on 15th + ₹30k on 30th is actionable. "I will pay soon" is not.

APPLY IT NOW

Income & Invoices + Client Summary

Decision to make

Reschedule ₹90k balance

Put it in writing

₹30k now + ₹30k + ₹30k

Track this field

After first pay: ₹60k due

WATCH FOR

Risk to avoid

Every follow-up should ask for one concrete next step: a payment date, missing approval, accounts contact or revised schedule.

NEXT MOVE

Do this next

Record every agreed instalment and follow up against dates.

Payment methods affect speed and visibility

Make it easy for the client to pay and easy for you to reconcile.

KEY IDEAS

- Bank transfer for larger B2B payments.
- UPI for smaller domestic payments where appropriate.
- Payment gateways where card convenience matters.
- International platforms/bank routes for overseas clients.

WHY IT MATTERS

Decide the payment rule before work starts, put it in writing, and track what actually happens instead of relying on memory.

REAL EXAMPLE

A ₹50k invoice that requires the client to ask for your bank details again creates unnecessary friction.

APPLY IT NOW

Turn the idea into one visible decision.
Income & Invoices + Client Summary

Your decision

Put payment details on ₹50k invoice

Next action

Send ₹50k invoice + bank details

WATCH FOR

Risk to avoid

Every follow-up should ask for one concrete next step: a payment date, missing approval, accounts contact or revised schedule.

NEXT MOVE

Do this next

Put payment instructions on every invoice and keep the reference trail.

Invoice system checklist

Before the next project, make your payment system repeatable.

KEY IDEAS

Payment terms are in proposal/contract.

- Deposit/milestones decided.
- Invoice template ready.
- Due date clear.
- Payment instructions included.
-

WHY IT MATTERS

Invoice = a formal request for payment. It becomes cash only when the client actually pays.

REAL EXAMPLE

A good invoice system should take minutes to operate, not require a new decision every time.

APPLY IT NOW

Income & Invoices + Client Summary

Decision to make

Use deposit + milestones

Put it in writing

₹1.2L: ₹48k / ₹36k / ₹36k

Track this field

Outstanding after each stage

WATCH FOR

Risk to avoid

Keep invoice value, cash received and remaining balance as separate numbers. An invoice is not cash until it lands.

NEXT MOVE

Do this next

Next we build the follow-up ladder.

The payment follow-up ladder

A professional collection system starts before an invoice becomes seriously overdue.

01	3 days before due	Friendly reminder	Prevent accidental delay
02	Due date	Simple nudge	Confirm it is scheduled
03	3 days overdue	Ask for a payment date	Turn pending into a promise
04	7 days overdue	Firm follow-up	Set a clear response deadline
05	14+ days overdue	Escalate	Add accounts / decision-maker

WATCH FOR

Do not wait until day 30

Earlier, smaller follow-ups are usually easier for both sides and give you more time to fix admin problems.

OPERATING RULE

Every message creates a next step

Create a next date, owner or action - then update the invoice status immediately.

SET YOUR LADDER

Schedule the next step before you close the current one.

Due-soon review day

Friday

Overdue review day

Tuesday + Friday

Escalation owner

You + accounts contact

3 days before due: friendly reminder

A reminder before the deadline reduces accidental late payments.

COPY / SEND

3 days before due: friendly reminder

Hi [Name], quick reminder that invoice [#] for ₹[amount] is due on [date]. Sharing it here again for convenience. Please let me know if your accounts team needs anything from me. Thanks!

Replace the bracketed fields, keep the tone professional, and send through the same channel the client normally uses for payment/admin.

WHEN TO USE

Use it when

Use when the invoice is due within a few days and there is no known dispute.

AFTER SENDING

Update the next step

If the client raises an admin issue, solve it now. Otherwise wait until the due date before escalating.

RECORD THE FOLLOW-UP

A message is useful only if it creates a trackable next step.

Invoice + amount

INV-104 • ₹80k

Promised date / ask

Due 18 Jul

Status update

Friendly reminder sent

WHY IT WORKS

Specific beats vague

The message is short, specific and easy for the client to forward to finance/accounts. It asks for one concrete outcome instead of a vague reply.

Due today: simple nudge

Keep the message short and assume good intent.

COPY / SEND

Due today: simple nudge

Hi [Name], invoice [#] for ₹[amount] is due today. Could you please confirm it is scheduled for payment? I have attached/shared the invoice again here. Thank you.

Replace the bracketed fields, keep the tone professional, and send through the same channel the client normally uses for payment/admin.

WHEN TO USE

Use it when

Use on the actual agreed due date when payment has not landed.

AFTER SENDING

Update the next step

If there is no payment or reply, schedule the 3-days-overdue message rather than sending random nudges.

RECORD THE FOLLOW-UP

A message is useful only if it creates a trackable next step.

Invoice + amount

INV-104 • ₹80k

Promised date / ask

Confirm payment today

Status update

Due today

WHY IT WORKS

Specific beats vague

The message is short, specific and easy for the client to forward to finance/accounts. It asks for one concrete outcome instead of a vague reply.

3 days overdue: ask for a payment date

The goal is to move from "pending" to a concrete date.

COPY / SEND

3 days overdue: ask for a payment date

Hi [Name], invoice [#] for ₹[amount] is now 3 days overdue. Could you confirm the expected payment date today? If there is an approval issue or missing document, please tell me and I will resolve it quickly.

Replace the bracketed fields, keep the tone professional, and send through the same channel the client normally uses for payment/admin.

WHEN TO USE

Use it when

Use once the invoice is genuinely overdue and you need a promised date.

AFTER SENDING

Update the next step

Record the date the client commits to. That promise becomes the next follow-up trigger.

RECORD THE FOLLOW-UP

A message is useful only if it creates a trackable next step.

Invoice + amount

INV-104 • ₹80k

Promised date / ask

Promised: 22 Jul

Status update

3 days overdue

WHY IT WORKS

Specific beats vague

The message is short, specific and easy for the client to forward to finance/accounts. It asks for one concrete outcome instead of a vague reply.

7 days overdue: firmer follow-up

At this stage, be polite but clear that the invoice needs action.

COPY / SEND

7 days overdue: firmer follow-up

Hi [Name], following up again on invoice [#], now 7 days overdue. Please confirm the payment date by [time/day]. I am pausing any new/unbilled work until the outstanding amount is cleared, as per our payment terms.

Replace the bracketed fields, keep the tone professional, and send through the same channel the client normally uses for payment/admin.

WHEN TO USE

Use it when

Use when earlier reminders did not create payment or a reliable date.

AFTER SENDING

Update the next step

Decide whether new work should continue. Do not let the unpaid balance grow invisibly.

RECORD THE FOLLOW-UP

A message is useful only if it creates a trackable next step.

Invoice + amount

INV-104 • ₹80k

Promised date / ask

Pay by 26 Jul

Status update

7 days overdue

WHY IT WORKS

Specific beats vague

The message is short, specific and easy for the client to forward to finance/accounts. It asks for one concrete outcome instead of a vague reply.

14+ days overdue: escalation

Escalation means increasing clarity and involving the right person - not becoming aggressive.

COPY / SEND

14+ days overdue: escalation

Hi [Name], invoice [#] for ₹[amount] remains outstanding after previous reminders. Please arrange payment or send a confirmed payment schedule by [date]. If someone else in finance/accounts should handle this, please copy them into the thread.

Replace the bracketed fields, keep the tone professional, and send through the same channel the client normally uses for payment/admin.

WHEN TO USE

Use it when

Use when the invoice is materially overdue and prior messages have failed.

AFTER SENDING

Update the next step

Ask for the accounts owner or decision-maker and keep a clear written trail of the escalation.

RECORD THE FOLLOW-UP

A message is useful only if it creates a trackable next step.

Invoice + amount

INV-104 • ₹80k

Promised date / ask

Schedule by 2 Aug

Status update

Escalated to accounts

WHY IT WORKS

Specific beats vague

The message is short, specific and easy for the client to forward to finance/accounts. It asks for one concrete outcome instead of a vague reply.

Part-payment follow-up

Acknowledge the amount received and make the remaining balance explicit.

COPY / SEND

Part-payment follow-up

Thanks, I have received ₹[received] against invoice [#]. The remaining balance is ₹ [balance]. Please confirm when the balance will be paid. The original due date was [date].

Replace the bracketed fields, keep the tone professional, and send through the same channel the client normally uses for payment/admin.

WHEN TO USE

Use it when

Use after receiving only part of the invoice amount.

AFTER SENDING

Update the next step

Record actual cash, keep the original invoice total, and schedule follow-up for the remaining balance.

RECORD THE FOLLOW-UP

A message is useful only if it creates a trackable next step.

Invoice + amount

INV-105 • ₹1L

Promised date / ask

₹40k received; ask ₹60k date

Status update

Part paid • ₹60k due

WHY IT WORKS

Specific beats vague

The message is short, specific and easy for the client to forward to finance/accounts. It asks for one concrete outcome instead of a vague reply.

Enterprise client: accounts-team follow-up

Big clients often need the right internal owner, not more reminders to your project contact.

COPY / SEND

Enterprise client: accounts-team follow-up

Hi [Name], could you please connect me with the accounts-payable contact for invoice [#]? I want to confirm whether the invoice is approved and whether any PO/vendor document is still missing.

Replace the bracketed fields, keep the tone professional, and send through the same channel the client normally uses for payment/admin.

WHEN TO USE

Use it when

Use when the project contact says finance/accounts controls the payment.

AFTER SENDING

Update the next step

Get the correct accounts contact, PO/vendor reference and approval status into the same thread.

RECORD THE FOLLOW-UP

A message is useful only if it creates a trackable next step.

Invoice + amount

INV-106 • ₹1.5L

Promised date / ask

Ask AP owner / PO status

Status update

Approval pending

WHY IT WORKS

Specific beats vague

The message is short, specific and easy for the client to forward to finance/accounts. It asks for one concrete outcome instead of a vague reply.

When the client says "payment is processing"

Ask for the next verifiable detail.

COPY / SEND

When the client says "payment is processing"

Thanks for the update. Could you confirm the expected credit date or payment reference once released? That will help me reconcile it correctly.

Replace the bracketed fields, keep the tone professional, and send through the same channel the client normally uses for payment/admin.

WHEN TO USE

Use it when

Use when the client says "processing" but gives no credit date.

AFTER SENDING

Update the next step

Ask for the expected bank-credit date or payment reference, then update your cash forecast conservatively.

RECORD THE FOLLOW-UP

A message is useful only if it creates a trackable next step.

Invoice + amount

INV-106 • ₹1.5L

Promised date / ask

Expected credit 5 Aug

Status update

Processing

WHY IT WORKS

Specific beats vague

The message is short, specific and easy for the client to forward to finance/accounts. It asks for one concrete outcome instead of a vague reply.

When the client asks for more time

You can say yes without leaving the date open-ended.

COPY / SEND

When the client asks for more time

Thanks for letting me know. I can extend this payment to [new date]. Please confirm that date works and that ₹[amount] will be cleared then. I will note the revised schedule on my side.

Replace the bracketed fields, keep the tone professional, and send through the same channel the client normally uses for payment/admin.

WHEN TO USE

Use it when

Use when you choose to give the client extra time.

AFTER SENDING

Update the next step

Confirm the new date in writing so the extension becomes a real schedule instead of an open-ended promise.

RECORD THE FOLLOW-UP

A message is useful only if it creates a trackable next step.

Invoice + amount

INV-107 • ₹90k

Promised date / ask

New date: 15 Aug

Status update

Extension agreed

WHY IT WORKS

Specific beats vague

The message is short, specific and easy for the client to forward to finance/accounts. It asks for one concrete outcome instead of a vague reply.

When to stop new work

Collections and scope control should support each other.

KEEP WORKING

- Payment date confirmed
- Balance is small / low risk
- Strategic exception is deliberate

PAUSE / REVIEW

- Repeated missed promises
- Outstanding balance keeps growing
- New work increases your exposure

IN PLAIN ENGLISH

Pausing work is a credit-control decision

You are choosing not to increase the unpaid balance while an old invoice is unresolved.

PRACTICAL EXAMPLE

Protect the balance before adding more work

If an invoice is materially overdue and the client keeps requesting new work, pause new deliverables until you have a clear payment plan - unless you consciously choose to extend credit.

MONEY EXAMPLE • ₹90k overdue + ₹40k new work requested -> pause new work until a dated payment plan is agreed.

OPERATING RULE

Do not accidentally become the client's bank

Never let "I do not want to upset the client" silently become unlimited credit. Make every exception visible, deliberate and time-bound.

Collections checklist

The goal is a repeatable routine, not emotional chasing.

☐

Invoices due in the next 7 days

CHECK / UPDATE

☐

Invoices already overdue

CHECK / UPDATE

☐

Part-paid balances

CHECK / UPDATE

☐

Promised payment dates

CHECK / UPDATE

☐

Payment proofs received

CHECK / UPDATE

☐

Statuses updated in SoloLedger

CHECK / UPDATE

MONEY SNAPSHOT

Due soon ₹1.2L • Overdue ₹90k • Part-paid balance ₹60k

WEEKLY ROUTINE

15-minute collections review

Check due soon -> overdue -> part paid -> promised dates -> proof of payment -> update SoloLedger. Pick one day each week and run the same list.

The most important number in SoloLedger

Bank balance answers "what is in the account?" Safe-to-Spend answers "what can I use without stealing from future obligations?"

KEY IDEAS

Start with actual bank/cash received.

- Subtract business expenses / commitments.
- Protect GST and tax reserve amounts.
- Do not count unpaid invoices.
-

WHY IT MATTERS

Treat bank balance as the starting point, not the answer. Protect business commitments and reserves before deciding what is flexible.

REAL EXAMPLE

₹2,00,000 received - ₹30,000 costs - ₹20,000 GST buffer - ₹35,000 tax reserve - ₹25,000 future commitments = ₹90,000 flexible cash.

APPLY IT NOW

Dashboard + Tax Reserve + GST Tracker

Cash actually available

₹2,00,000

Protected / committed

₹1,10,000

Flexible decision amount

₹90,000

WATCH FOR

Risk to avoid

Bank balance is only a starting number. Safe-to-Spend becomes useful after you subtract business commitments and the tax/GST money you intend to protect.

NEXT MOVE

Do this next

Use Safe-to-Spend before large personal withdrawals, not after.

A ₹2 lakh month, properly separated

This is where “I made ₹2L” becomes an actual cash decision.

+	Bank / cash received	₹2,00,000
-	Business expenses / commitments	₹30,000
-	GST cash buffer	₹20,000
-	Additional tax reserve	₹35,000
-	Near-term business commitments	₹25,000
=	Safe-to-Spend	₹90,000

DO NOT COUNT

Unpaid invoices

PROTECT FIRST

Tax / GST / known costs

DECIDE LAST

Owner pay + optional spend

KEY LESSON

Separate obligations before spending

The exact reserve numbers depend on your own records and planning. The discipline is to protect known obligations before personal spending.

CALCULATE YOURS

Cash received

₹2,00,000

Protected / committed

₹1,10,000

Safe-to-Spend

₹90,000

Unpaid invoices do not increase Safe-to-Spend

Receivables are assets you expect to collect, not cash already available.

KEY IDEAS

Outstanding invoices belong in a collection plan.

- Expected payment dates belong in your cash calendar.
- Do not "borrow" against them mentally unless you deliberately use financing.

WHY IT MATTERS

Invoice = a formal request for payment. It becomes cash only when the client actually pays.

REAL EXAMPLE

Bank cash ₹80k + outstanding invoices ₹2L does not equal ₹2.8L available today.

APPLY IT NOW

Dashboard + Tax Reserve + GST Tracker

Cash actually available

₹80,000

Protected / committed

₹0 in this example

Flexible decision amount

₹80,000

WATCH FOR

Risk to avoid

Keep invoice value, cash received and remaining balance as separate numbers. An invoice is not cash until it lands.

NEXT MOVE

Do this next

Keep receivables visible, but separate from current cash decisions.

Future commitments count before they are paid

A known bill next week is already part of the decision today.

KEY IDEAS

Contractor invoices due soon.

- Annual software renewals.
- Upcoming ad spend already committed.
- Equipment instalments or rent/coworking dues.
-

WHY IT MATTERS

Treat bank balance as the starting point, not the answer. Protect business commitments and reserves before deciding what is flexible.

REAL EXAMPLE

If a ₹60k subcontractor payment is due in 5 days, do not treat that ₹60k as available merely because it has not left your bank yet.

APPLY IT NOW

Dashboard + Tax Reserve + GST Tracker

Cash actually available

₹1,40,000

Protected / committed

₹60,000 subcontractor

Flexible decision amount

₹80,000

WATCH FOR

Risk to avoid

Bank balance is only a starting number. Safe-to- Spend becomes useful after you subtract business commitments and the tax/GST money you intend to protect.

NEXT MOVE

Do this next

Add a "next 30 days commitments" block to your monthly review.

Why TDS can confuse the cash picture

TDS can reduce bank cash while still representing tax credit in your tax-planning layer.

KEY IDEAS

- Bank receipt may be lower than the professional fee.
- Do not treat TDS as cash you can spend.
- Do not forget it when estimating what tax remains to fund.

WHY IT MATTERS

Treat bank balance as the starting point, not the answer. Protect business commitments and reserves before deciding what is flexible.

REAL EXAMPLE

A ₹1L professional fee may produce ₹90k bank cash + ₹10k TDS credit in a simplified example.

APPLY IT NOW

Dashboard + Tax Reserve + GST Tracker

Your number / decision

Bank cash: ₹90k

What could change it?

TDS credit: ₹10k

Next action

Plan spending from ₹90k cash

WATCH FOR

Risk to avoid

Bank balance is only a starting number. Safe-to-Spend becomes useful after you subtract business commitments and the tax/GST money you intend to protect.

NEXT MOVE

Do this next

Keep bank cash and tax credit as separate numbers.

Use a reserve gap, not a fixed panic percentage

The reserve question is "how much more should I fund?" not "should I always hide 25%?"

KEY IDEAS

- Use SoloLedger Tax Estimate Helper for the current estimate.
- Subtract TDS/credits already represented.
- Compare target reserve vs amount actually set aside.

WHY IT MATTERS

Treat bank balance as the starting point, not the answer. Protect business commitments and reserves before deciding what is flexible.

REAL EXAMPLE

If the helper estimates ₹60k still needs funding and you already set aside ₹35k, the gap is ₹25k.

APPLY IT NOW

Dashboard + Tax Reserve + GST Tracker

Your number / decision

Reserve need: ₹60k

What could change it?

Already set aside: ₹35k

Next action

Fund remaining ₹25k gap

WATCH FOR

Risk to avoid

Bank balance is only a starting number. Safe-to- Spend becomes useful after you subtract business commitments and the tax/GST money you intend to protect.

NEXT MOVE

Do this next

Review after meaningful income changes.

The monthly owner-transfer decision

Pay yourself from the result, not from excitement after a client payment.

KEY IDEAS

Know this month's baseline personal need.

- Keep business operating cash intact.
- Protect reserves first.
- Only then choose optional extra owner pay.
-

WHY IT MATTERS

Owner pay = the amount you intentionally transfer from business cash to your personal life.

REAL EXAMPLE

₹1.5L Safe-to-Spend does not require a ₹1.5L personal transfer. You may intentionally retain ₹60k to strengthen runway.

APPLY IT NOW

Dashboard + Tax Reserve + GST Tracker

Your number / decision

Safe-to-Spend: ₹1.5L

What could change it?

Retain ₹60k for runway

Next action

Owner transfer: ₹90k

WATCH FOR

Risk to avoid

Bank balance is only a starting number. Safe-to-Spend becomes useful after you subtract business commitments and the tax/GST money you intend to protect.

NEXT MOVE

Do this next

Use a base owner pay + optional profit draw system.

High month vs low month

Safe-to-Spend should flex without making your personal life chaotic.

KEY IDEAS

- Use stable base owner pay where possible.
- High months build buffer / optional draw.
- Low months use buffer intentionally instead of panic borrowing.

WHY IT MATTERS

Treat bank balance as the starting point, not the answer. Protect business commitments and reserves before deciding what is flexible.

REAL EXAMPLE

April Safe-to-Spend ₹1.4L; May ₹70k; June ₹40k. A base owner pay of ₹60k is easier to sustain than taking ₹1.2L every good month.

APPLY IT NOW

Dashboard + Tax Reserve + GST Tracker

Your number / decision

3-mo avg ≈ ₹83k

What could change it?

Low month = ₹40k

Next action

Base owner pay: ₹60k

WATCH FOR

Risk to avoid

Bank balance is only a starting number. Safe-to-Spend becomes useful after you subtract business commitments and the tax/GST money you intend to protect.

NEXT MOVE

Do this next

Set the base using your 3-6 month cash pattern.

Safe-to-Spend is not permission to ignore goals

Some "available" cash may still have a better job than immediate spending.

KEY IDEAS

Emergency buffer.

- Equipment replacement fund.
- Upcoming slow season.
- Business investment with clear purpose.
-

WHY IT MATTERS

Safe-to-Spend = cash received minus the amounts you still need for business costs and protected reserves.

REAL EXAMPLE

₹1L flexible cash can become ₹50k extra buffer + ₹20k equipment fund + ₹30k optional owner draw.

APPLY IT NOW

Dashboard + Tax Reserve + GST Tracker

Your number / decision

Flexible cash: ₹1L

What could change it?

Buffer ₹50k + equipment ₹20k

Next action

Optional owner draw: ₹30k

WATCH FOR

Risk to avoid

Bank balance is only a starting number. Safe-to-Spend becomes useful after you subtract business commitments and the tax/GST money you intend to protect.

NEXT MOVE

Do this next

Give surplus cash a deliberate job.

See Safe-to-Spend inside SoloLedger

The dashboard brings cash received, reserve gaps, outstanding invoices and spendable cash together.

01**Look**

Find the key number

02**Compare**

Check what changed

03**Act**

Choose the next step

WHAT TO NOTICE**Use the view to make one decision**

The key is the relationship between cash received, GST/tax buffers, outstanding invoices and the final Safe-to-Spend number.

QUICK REVIEW**Cash received now****₹2,00,000****Protected amount****₹1,10,000****Safe-to-Spend****₹90,000****OPERATING HABIT****Review decide update**

Do not stop at looking. Write the next action and update the relevant SoloLedger status while the decision is fresh.

Safe-to-Spend checklist

Use this before a large personal purchase or transfer.

☐

All recent client receipts recorded

CHECK

☐

Expenses and near-term commitments updated

CHECK

☐

GST status/buffer updated if applicable

CHECK

☐

Tax reserve reviewed

CHECK

☐

Overdue invoices not counted as cash

CHECK

☐

Owner transfer leaves an adequate operating buffer

CHECK

IN PLAIN ENGLISH

What this number means

Safe-to-Spend = cash received minus the amounts you still need for business costs and protected reserves.

REAL EXAMPLE

Why the checklist matters

The checklist stops "I have money in the bank" from becoming the only decision rule.

APPLY IT NOW

Dashboard + Tax Reserve + GST Tracker

Cash actually available

₹2,00,000

Protected / committed

₹1,10,000

Flexible decision amount

₹90,000

WATCH FOR

Do not let the headline number fool you

Bank balance is only a starting number. Safe-to-Spend becomes useful after you subtract business commitments and the tax/GST money you intend to protect.

NEXT MOVE

Turn the check into a routine

Review this in SoloLedger once per week or before major withdrawals.

Plan the next 30 days, not the next 12 months perfectly

Freelancers need a short-horizon cash view that gets updated often.

KEY IDEAS

Expected client receipts by date.

- Fixed costs by date.
- Variable/project costs.
- Owner pay date.
- Reserve transfers / tax or GST payments.
-

WHY IT MATTERS

Plan from dates and realistic confidence, not from the best-case total. The next 30 days matter more than a perfect 12-month forecast.

REAL EXAMPLE

If ₹1.2L is expected on the 25th but ₹85k of payments are due before the 20th, your monthly total can look fine while mid-month cash is tight.

APPLY IT NOW

Turn the idea into one visible decision.
Dashboard + Reports

Your decision

Keep ₹85k before 20th

Next action

Do not rely on ₹1.2L due 25th

WATCH FOR

Risk to avoid

A monthly total can hide a mid-month cash gap. Put a date beside both expected receipts and known payments.

NEXT MOVE

Do this next

Review your 30-day calendar weekly.

Build a cash calendar

A calendar exposes timing gaps that a monthly total hides.

DATE	WHAT MOVES	AMOUNT
5 Jul	Client A payment	+₹60,000
8 Jul	Software + tools	-₹12,000
12 Jul	Contractor payment	-₹45,000
18 Jul	Owner pay	-₹50,000
25 Jul	Client B payment	+₹1,20,000

01 List

Expected receipt dates

02 Map

Payments due first

03 Spot

Any mid-month gap

WHAT IT REVEALS

Month-end positive can still mean mid-month stress

The business may need a small buffer before 12 July even though the month ends strongly positive.

BUILD YOUR NEXT 30 DAYS

Next expected receipt

5 Jul • +₹60k

Next large payment

18 Jul • -₹50k

Lowest-cash date

18 Jul • ~₹3k*

*Illustration assumes ₹50k opening cash.

Use three scenarios for uncertain months

A forecast becomes more useful when you admit uncertainty.

KEY IDEAS

Base case - likely collections.

-
- Downside case - one major client pays late.
-
- Upside case - extra project or faster payment.
-

WHY IT MATTERS

Plan from dates and realistic confidence, not from the best-case total. The next 30 days matter more than a perfect 12-month forecast.

REAL EXAMPLE

Base ₹2L cash in; downside ₹1.2L if Client A slips; upside ₹2.8L if the new project deposit lands.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

Plan from downside: ₹1.2L

What could change it?

Base case is ₹2L

Next action

Keep ₹80k buffer for slip

WATCH FOR

Risk to avoid

A monthly total can hide a mid-month cash gap. Put a date beside both expected receipts and known payments.

NEXT MOVE

Do this next

Make spending decisions that still survive the downside case where possible.

Forecast receivables by probability

Not every unpaid invoice deserves the same confidence.

KEY IDEAS

High confidence - approved, clear payment date.

- Medium - not disputed, but timing uncertain.
- Low - significantly overdue or client unresponsive.
-

WHY IT MATTERS

Receivable = money a client owes you for work already billed but not yet collected.

REAL EXAMPLE

Outstanding ₹1.5L may include ₹80k high-confidence, ₹40k medium and ₹30k low. Your plan should not treat all ₹1.5L equally.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

High-confidence: ₹80k

What could change it?

₹70k is medium / low confidence

Next action

Do not spend the full ₹1.5L

WATCH FOR

Risk to avoid

Keep invoice value, cash received and remaining balance as separate numbers. An invoice is not cash until it lands.

NEXT MOVE

Do this next

Use confidence to protect yourself from optimistic forecasting.

Know your monthly baseline

Your baseline is the amount the business/personal system needs before optional spending.

KEY IDEAS

Fixed business costs.

- Minimum personal owner pay.
- Essential debt/EMI commitments if applicable.
- Minimum reserve contributions.
-

WHY IT MATTERS

Plan from dates and realistic confidence, not from the best-case total. The next 30 days matter more than a perfect 12- month forecast.

REAL EXAMPLE

Business fixed ₹35k + personal baseline ₹55k + reserve transfer ₹20k = ₹1.1L monthly baseline.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

Monthly baseline: ₹1.1L

What could change it?

Business ₹35k + personal ₹55k

Next action

Target ≥ ₹2.2L buffer

WATCH FOR

Risk to avoid

A monthly total can hide a mid-month cash gap. Put a date beside both expected receipts and known payments.

NEXT MOVE

Do this next

Use baseline when calculating runway and minimum revenue targets.

Separate fixed and variable costs

Variable costs can flex in a slow month; fixed costs keep arriving.

KEY IDEAS

Fixed: software retainers, rent, subscriptions.

- Variable: project contractors, ads, travel, one-off tools.
- Optional: experiments, upgrades, nonessential purchases.

WHY IT MATTERS

Plan from dates and realistic confidence, not from the best-case total. The next 30 days matter more than a perfect 12-month forecast.

REAL EXAMPLE

If income drops, knowing which ₹25k of spend can be paused is far better than cutting everything blindly.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

Pausable spend: ₹25k

What could change it?

Income drops below baseline

Next action

Cut the ₹25k first

WATCH FOR

Risk to avoid

A monthly total can hide a mid-month cash gap. Put a date beside both expected receipts and known payments.

NEXT MOVE

Do this next

Label costs by flexibility during your monthly review.

Use a 3-month rolling view

One month can be weird; three months reveal the pattern better.

KEY IDEAS

Average cash received.

- Average business costs.
- Average owner pay.
- Receivable days / overdue count.
-

WHY IT MATTERS

Plan from dates and realistic confidence, not from the best-case total. The next 30 days matter more than a perfect 12-month forecast.

REAL EXAMPLE

Cash received: ₹3L, ₹1L, ₹2L -> 3-month average ₹2L. That is a better planning anchor than the ₹3L peak.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

3-month average: ₹2L

What could change it?

Peak month = ₹3L

Next action

Plan from ₹2L, not ₹3L

WATCH FOR

Risk to avoid

A monthly total can hide a mid-month cash gap. Put a date beside both expected receipts and known payments.

NEXT MOVE

Do this next

Recalculate every month, not once per year.

Good month / bad month / normal month

Use the pattern to choose a sustainable owner-pay level.

GOOD MONTH

Build buffer / optional draw

Use this month type to choose the next cash action.

NORMAL MONTH

Run the normal plan

Use this month type to choose the next cash action.

LOW MONTH

Cut optional spend / use buffer

Use this month type to choose the next cash action.

PLANNING IDEA

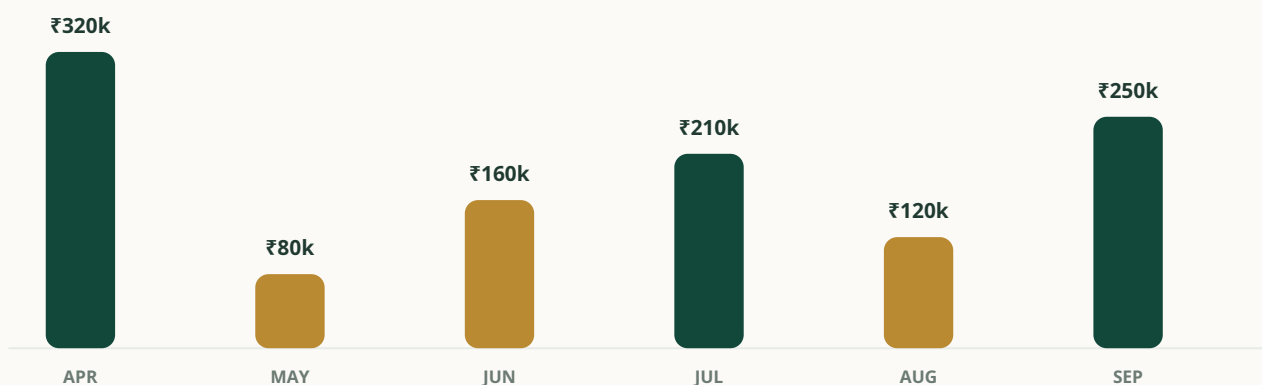
Make spending less reactive to peaks and dips

The goal is not to smooth income. The goal is to make your spending system less reactive to the peaks and dips.

DO THIS

Build owner pay from low / normal months

Use surplus months to strengthen buffer or make deliberate extra draws instead of permanently raising fixed personal costs.



Annual renewals can break a monthly plan

A ₹36k annual tool bill feels different from ₹3k/month even though yearly cost is identical.

KEY IDEAS

List annual subscriptions and renewal dates.

- Create a sinking fund for material annual costs.
- Do the same for insurance, licences or major equipment servicing.

WHY IT MATTERS

Plan from dates and realistic confidence, not from the best-case total. The next 30 days matter more than a perfect 12- month forecast.

REAL EXAMPLE

₹24k software renewal due in December -> setting aside ₹4k/month from July creates a smoother cash path.

APPLY IT NOW

[Dashboard + Reports](#)

Expected receipts + dates

₹1.2L • 25 Jul

Known payments + dates

₹24k renewal • Dec

Gap / action

Set aside ₹4k / month

WATCH FOR

Risk to avoid

A monthly total can hide a mid-month cash gap. Put a date beside both expected receipts and known payments.

NEXT MOVE

Do this next

Turn large predictable annual costs into monthly planned amounts.

Seasonality is real

Some freelance businesses have predictable busy and slow periods.

KEY IDEAS

Holiday / year-end client slowdowns.

- Budget resets.
- Industry event cycles.
- Personal planned time off.
-

WHY IT MATTERS

Plan from dates and realistic confidence, not from the best-case total. The next 30 days matter more than a perfect 12- month forecast.

REAL EXAMPLE

If December and January are historically slow, build the extra buffer in October-November instead of discovering the pattern again.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

Slow-season buffer: +₹1L

What could change it?

Dec-Jan receipts may dip

Next action

Add ₹50k/month Oct-Nov

WATCH FOR

Risk to avoid

A monthly total can hide a mid-month cash gap. Put a date beside both expected receipts and known payments.

NEXT MOVE

Do this next

Mark known slow periods in your 90-day plan.

A low month survival order

When cash is tight, choose the order deliberately.

KEY IDEAS

Protect essential operations.

- Protect minimum personal needs.
- Pause optional/experimental spend.
- Follow up receivables aggressively but professionally.
- Use buffer intentionally if needed.
-

WHY IT MATTERS

Plan from dates and realistic confidence, not from the best-case total. The next 30 days matter more than a perfect 12- month forecast.

REAL EXAMPLE

Cutting a ₹2k tool you need to deliver ₹80k of client work is false economy.

APPLY IT NOW

[Dashboard + Reports](#)

Expected receipts + dates

₹80k • 25th

Known payments + dates

₹55k essentials • before 20th

Gap / action

Pause ₹25k optional spend

WATCH FOR

Risk to avoid

A monthly total can hide a mid-month cash gap. Put a date beside both expected receipts and known payments.

NEXT MOVE

Do this next

Prioritise by business continuity and return, not emotion.

Use monthly reports to see the pattern

Reports help you compare cash received, professional receipts, expenses, profit and reserve needs over time.

01

Look

Find the key number

02

Compare

Check what changed

03

Act

Choose the next step

WHAT TO NOTICE

Use the view to make one decision

Look for the pattern across months, not just the latest number. This is where high-month/low-month planning becomes evidence-based.

QUICK REVIEW

Best month

₹3.2L

Lowest month

₹80k

3-month average

₹1.87L

OPERATING HABIT

Review decide update

Do not stop at looking. Write the next action and update the relevant SoloLedger status while the decision is fresh.

Stop paying yourself randomly

Owner pay should be a planned transfer, not whatever is left after impulsive spending.

KEY IDEAS

Choose a base amount.

- Choose a payment date / cadence.
- Keep optional profit draws separate.
- Review the base quarterly or after a sustained change in business income.

WHY IT MATTERS

Owner pay works best as a rule: protect the business first, pay a sustainable base, and make extra draws only when the numbers support them.

REAL EXAMPLE

Base owner pay ₹60k/month + occasional ₹30k profit draw is easier to manage than unpredictable ₹20k/₹1L/₹10k transfers.

APPLY IT NOW

[Dashboard + Reports](#)

Base owner pay

₹60k / month

Extra-draw trigger

Safe-to-Spend > ₹1.2L

Next review date

30 Sep

WATCH FOR

Risk to avoid

Owner pay is a deliberate transfer for your personal life. It should not be mixed up with business expenses in your records.

NEXT MOVE

Do this next

Name the transfer "Owner Pay" in your own records.

Base pay + profit draw

This hybrid model balances stability and flexibility.

KEY IDEAS

Base owner pay covers normal personal life.

- Profit draw is optional and only after cash/reserves are healthy.
- High months strengthen buffer before increasing the base permanently.

WHY IT MATTERS

Owner pay works best as a rule: protect the business first, pay a sustainable base, and make extra draws only when the numbers support them.

REAL EXAMPLE

Base ₹55k. Quarter-end surplus allows an extra ₹40k draw while still maintaining 4 months of runway.

APPLY IT NOW

[Dashboard + Reports](#)

Base owner pay

₹55k / month

Extra-draw trigger

₹40k if runway stays ≥ 4 mo

Next review date

Quarter-end

WATCH FOR

Risk to avoid

Owner pay is a deliberate transfer for your personal life. It should not be mixed up with business expenses in your records.

NEXT MOVE

Do this next

Do not let a one-off project permanently raise the base.

How to choose a starting base

Use evidence from both business cash and personal needs.

KEY IDEAS

Average Safe-to-Spend over recent months.

- Minimum personal household need.
- Desired business buffer build rate.
- Expected seasonality / client stability.
-

WHY IT MATTERS

Owner pay works best as a rule: protect the business first, pay a sustainable base, and make extra draws only when the numbers support them.

REAL EXAMPLE

Average Safe-to-Spend ₹95k; personal baseline ₹55k; business wants ₹20k monthly buffer build -> base owner pay around ₹55-65k may be more sustainable than ₹90k.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

Start base at ₹60k

What could change it?

Safe-to-Spend avg < ₹80k

Next action

Test ₹55k-₹65k range

WATCH FOR

Risk to avoid

Owner pay is a deliberate transfer for your personal life. It should not be mixed up with business expenses in your records.

NEXT MOVE

Do this next

Choose a conservative first number and review it after 3 months.

Do not confuse personal spending with business expenses

Paying yourself is not the same thing as recording a business deduction.

KEY IDEAS

- Business expenses belong in Expenses if they are business costs.
- Personal life is funded through owner transfers.
- Keeping this separation makes profit and cash much easier to understand.

WHY IT MATTERS

Owner pay works best as a rule: protect the business first, pay a sustainable base, and make extra draws only when the numbers support them.

REAL EXAMPLE

Groceries paid from a business account are still personal spending; do not "solve" the problem by labelling them business expenses.

APPLY IT NOW

[Dashboard + Reports](#)

Base owner pay

₹60k to personal account

Extra-draw trigger

Only from true surplus

Next review date

1st of each month

WATCH FOR

Risk to avoid

Owner pay is a deliberate transfer for your personal life. It should not be mixed up with business expenses in your records.

NEXT MOVE

Do this next

Transfer owner pay, then spend personally from your personal account where possible.

What if income is very unstable?

Use a lower base and more variable draws until the business becomes predictable.

KEY IDEAS

- Keep a minimum personal baseline.
- Build buffer aggressively in strong months.
- Do not commit to a personal fixed cost based on one exceptional quarter.

WHY IT MATTERS

Owner pay works best as a rule: protect the business first, pay a sustainable base, and make extra draws only when the numbers support them.

REAL EXAMPLE

Arjun has ₹4L one month and ₹70k the next. A ₹70k base + occasional draws is safer than committing to ₹1.5L monthly owner pay.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

Base owner pay: ₹70k

What could change it?

Low month can be ₹70k

Next action

Extra draw only after ₹4L month

WATCH FOR

Risk to avoid

Owner pay is a deliberate transfer for your personal life. It should not be mixed up with business expenses in your records.

NEXT MOVE

Do this next

Let the business earn the right to support a higher base over time.

Quarterly owner-pay review

Review the system, not every emotional week.

KEY IDEAS

3-month average Safe-to-Spend.

- Current runway.
- Overdue receivables.
- Client concentration.
- Known upcoming commitments.
-

WHY IT MATTERS

Owner pay = the amount you intentionally transfer from business cash to your personal life.

REAL EXAMPLE

If average Safe-to-Spend rose for 2 quarters and runway remains healthy, increasing base pay may be reasonable.

APPLY IT NOW

[Dashboard + Reports](#)

Base owner pay

₹60k → ₹70k candidate

Extra-draw trigger

2 healthy quarters + runway

Next review date

Every quarter

WATCH FOR

Risk to avoid

Owner pay is a deliberate transfer for your personal life. It should not be mixed up with business expenses in your records.

NEXT MOVE

Do this next

Change the base slowly; use draws for temporary upside.

When not to take the extra draw

Surplus cash can disappear quickly if you ignore business risk.

KEY IDEAS

Major invoices overdue.

- Runway below target.
- Large tax/GST or annual bills coming.
- One client represents most of your revenue.
-

WHY IT MATTERS

Owner pay works best as a rule: protect the business first, pay a sustainable base, and make extra draws only when the numbers support them.

REAL EXAMPLE

₹1.2L extra cash with a ₹90k annual software/equipment bill due next month is not really ₹1.2L of optional money.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

Extra cash: ₹1.2L

What could change it?

₹90k annual bill due next month

Next action

Keep ₹90k; draw max ₹30k

WATCH FOR

Risk to avoid

Owner pay is a deliberate transfer for your personal life. It should not be mixed up with business expenses in your records.

NEXT MOVE

Do this next

Check the 90-day calendar before extra owner draws.

Owner-pay checklist

A small routine protects both the business and your personal life.

☐

All current transactions updated

CHECK

☐

Reserve gap reviewed

CHECK

☐

Next 30-day business commitments covered

CHECK

☐

Runway still at/above your target after transfer

CHECK

☐

No overdue invoice being mentally counted as cash

CHECK

IN PLAIN ENGLISH

What this number means

Owner pay = the amount you intentionally transfer from business cash to your personal life.

REAL EXAMPLE

Why the checklist matters

The transfer should feel boring and repeatable - that is a feature.

APPLY IT NOW

[Dashboard + Reports](#)

Base owner pay

₹60k / month

Extra-draw trigger

Runway ≥ 3 mo + reserve gap
₹0

Next review date

1st of next month

WATCH FOR

Do not let the headline number fool you

Owner pay is a deliberate transfer for your personal life. It should not be mixed up with business expenses in your records.

NEXT MOVE

Turn the check into a routine

Use the same date or review ritual each month.

What runway actually means

Runway is a simple question: how long can the business/personal baseline survive if new cash slows down?

KEY IDEAS

Choose a baseline monthly need.

- Divide available buffer by that baseline.
- Use a conservative buffer number - exclude money already committed.

WHY IT MATTERS

Runway = buffer ÷ baseline monthly outflow. Example: ₹2.4L buffer ÷ ₹80k baseline = about 3 months.

REAL EXAMPLE

Buffer ₹2.4L ÷ baseline ₹80k = about 3 months of runway.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

Buffer: ₹2.4L

What could change it?

Baseline: ₹80k / month

Next action

Runway = 3.0 months

WATCH FOR

Risk to avoid

Runway is not savings in general. It is the number of months your dedicated buffer can cover your chosen baseline outflow if new income slows down.

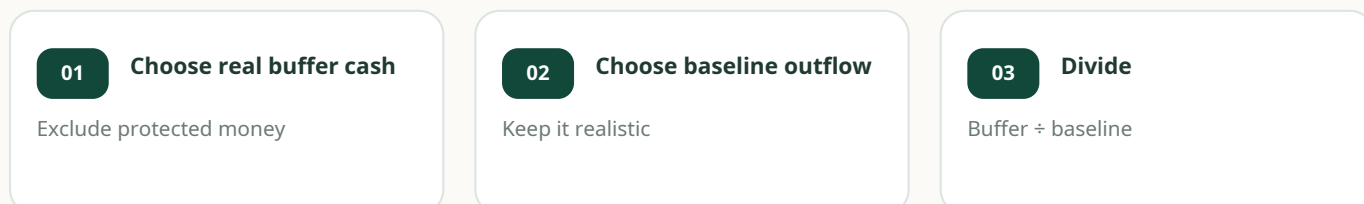
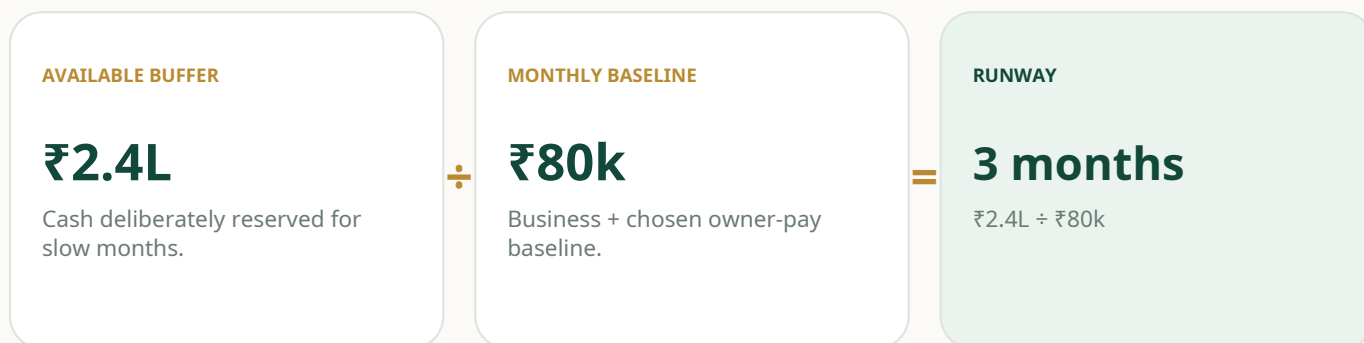
NEXT MOVE

Do this next

Runway is a planning estimate, not a guarantee.

Runway formula

Keep the calculation simple enough to use every month.

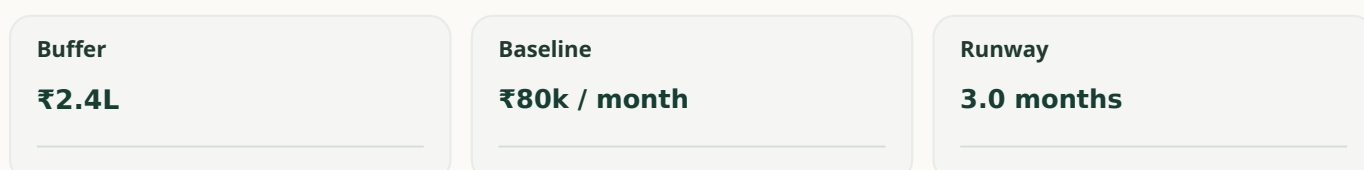


WATCH FOR

Do not count protected or imaginary cash

Exclude tax/GST reserves, unpaid invoices and money needed for near-term commitments unless you intentionally want those funds available for survival.

CALCULATE YOURS



A buffer is different from tax reserve

Both are protected cash, but they solve different problems.

KEY IDEAS

Tax/GST reserve protects obligations.

- Emergency buffer protects income interruption.
- Equipment sinking fund protects predictable future purchases.

WHY IT MATTERS

Runway is about survival time, not the size of your bank balance. Count only cash deliberately available to support your baseline.

REAL EXAMPLE

If you have ₹1L tax reserve and ₹1L emergency fund, you do not have a ₹2L "fun money" surplus.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

Tax reserve: ₹1L

What could change it?

Emergency buffer: ₹1L

Next action

Treat both as protected

WATCH FOR

Risk to avoid

Runway is not savings in general. It is the number of months your dedicated buffer can cover your chosen baseline outflow if new income slows down.

NEXT MOVE

Do this next

Label reserves by purpose in your own system.

Build buffer faster in strong months

Irregular income can become an advantage if surplus months strengthen the system.

KEY IDEAS

- Choose a minimum buffer contribution from high months.
- Use unexpected catch-up payments partly for buffer.
- Avoid raising recurring spending at the same speed as income.

WHY IT MATTERS

Runway is about survival time, not the size of your bank balance. Count only cash deliberately available to support your baseline.

REAL EXAMPLE

₹3L Safe-to-Spend month -> ₹1L owner pay + ₹1L buffer + ₹1L retained/other goals.

APPLY IT NOW

[Dashboard + Reports](#)

Your number / decision

Safe-to-Spend: ₹3L

What could change it?

Add ₹1L to buffer

Next action

Use remaining ₹2L deliberately

WATCH FOR

Risk to avoid

Runway is not savings in general. It is the number of months your dedicated buffer can cover your chosen baseline outflow if new income slows down.

NEXT MOVE

Do this next

Create a rule before the next high month arrives.

What if runway is under one month?

Treat it as a cash-flow priority, not a personal failure.

KEY IDEAS

- Freeze nonessential new recurring spend.
- Accelerate legitimate invoice follow-up.
- Review owner pay / optional draws.
- Review fixed costs that no longer support revenue.
- Build the first 1-month buffer target.
-

WHY IT MATTERS

Runway = buffer ÷ baseline monthly outflow. Example: ₹2.4L buffer ÷ ₹80k baseline = about 3 months.

REAL EXAMPLE

Going from 0.3 months to 1 month of runway can materially reduce panic around one late client.

APPLY IT NOW

[Dashboard + Reports](#)

Available buffer

₹24k

Monthly baseline

₹80k

Runway / target

0.3 mo → 1.0 mo

WATCH FOR

Risk to avoid

Runway is not savings in general. It is the number of months your dedicated buffer can cover your chosen baseline outflow if new income slows down.

NEXT MOVE

Do this next

Build in stages: 1 month -> 2 months -> your chosen target.

Sinking funds for predictable big costs

Not every future cash need is an emergency.

KEY IDEAS

- Laptop replacement.
- Annual insurance / licences.
- Tax professional fees.
- Conference / travel.
- Website rebuild or major software renewal.
-

WHY IT MATTERS

Runway is about survival time, not the size of your bank balance. Count only cash deliberately available to support your baseline.

REAL EXAMPLE

₹1.2L laptop expected in 12 months -> saving ₹10k/month makes the purchase less disruptive.

APPLY IT NOW

[Dashboard + Reports](#)

Available buffer

₹2.4L

Monthly baseline

₹80k

Runway / target

3 mo + ₹10k/mo sinking fund

WATCH FOR

Risk to avoid

Do not count every rupee in the bank as runway. Remove protected reserves and near-term commitments first.

NEXT MOVE

Do this next

Use sinking funds for known costs; emergency buffer for unknown shocks.

Runway should respond to business risk

Two freelancers earning the same amount may need different buffers.

KEY IDEAS

One client vs many clients.

- Short payment terms vs 60-day terms.
- Low fixed costs vs high payroll/contractor commitments.
- Stable retainer vs project-only work.
-

WHY IT MATTERS

Runway = buffer ÷ baseline monthly outflow. Example: ₹2.4L buffer ÷ ₹80k baseline = about 3 months.

REAL EXAMPLE

A freelancer with 75% revenue from one 45-day client may want more runway than someone with 8 small prepaid retainers.

APPLY IT NOW

[Dashboard + Reports](#)

Available buffer

₹3.2L

Monthly baseline

₹80k

Runway / target

4 mo for high concentration

WATCH FOR

Risk to avoid

Runway is not savings in general. It is the number of months your dedicated buffer can cover your chosen baseline outflow if new income slows down.

NEXT MOVE

Do this next

Choose the target from risk, not social-media rules.

Buffer checklist

Keep the number clean and honest.

☐

Exclude protected tax/GST amounts

CHECK

☐

Exclude unpaid invoices

CHECK

☐

Subtract known near-term commitments

CHECK

☐

Use a realistic baseline

CHECK

☐

Review monthly or after major business changes

CHECK

IN PLAIN ENGLISH

What this number means

Runway is about survival time, not the size of your bank balance. Count only cash deliberately available to support your baseline.

REAL EXAMPLE

Why the checklist matters

Runway is only useful if both the available buffer and the monthly baseline mean what you think they mean.

APPLY IT NOW

[Dashboard + Reports](#)

Available buffer

₹2.4L

Monthly baseline

₹80k

Runway / target

3.0 months

WATCH FOR

Do not let the headline number fool you

Runway is not savings in general. It is the number of months your dedicated buffer can cover your chosen baseline outflow if new income slows down.

NEXT MOVE

Turn the check into a routine

Write your target and current runway on the monthly review page.

Your biggest client can also be your biggest risk

Revenue concentration matters because one payment delay can become a whole- business cash event.

KEY IDEAS

Calculate each client as a % of receipts.

- Combine concentration with payment reliability.
- Watch for scope dependence as well as revenue dependence.

WHY IT MATTERS

Client risk is not only revenue share. Combine concentration, payment reliability and how hard the client would be to replace.

REAL EXAMPLE

Client A = 68% of receipts and routinely pays 20 days late. That is both sales risk and cash-flow risk.

APPLY IT NOW

Client Summary + Income & Invoices

Your number / decision

Client A = 68%

What could change it?

At ₹2L/mo, A ≈ ₹1.36L

Next action

Build 3-4 mo runway

WATCH FOR

Risk to avoid

A big client is not automatically bad. The danger appears when one client is both a large share of your cash and difficult to replace or slow to pay.

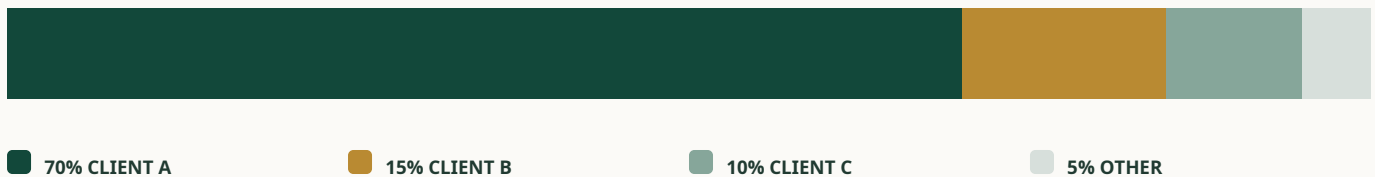
NEXT MOVE

Do this next

Use the Client Summary quarterly.

What 70% dependence looks like

A simple picture makes the risk obvious.



BUFFER

More runway buys time

One control can reduce the impact of a concentrated client.

PIPELINE

Replacement work before crisis

One control can reduce the impact of a concentrated client.

TERMS

Deposits / faster billing reduce exposure

One control can reduce the impact of a concentrated client.

RISK

What happens if Client A pauses?

If Client A pauses work or delays payment, 70% of expected cash may disappear at once. Concentration is not automatically bad - unmanaged concentration is the problem.

MEASURE YOURS

Concentration is a risk conversation, not a shame number.

Top client %

70%

Average days to pay

25 days

Replacement time

2-3 months

DECISION RULE

Pair concentration with resilience

A high percentage matters more when payment reliability is poor, runway is low or replacement work would take a long time.

Concentration is not automatically bad

A large client can be excellent; the problem is being unprepared for the downside.

KEY IDEAS

- High concentration + large buffer + reliable payment = manageable risk.
- High concentration + low runway + late payment = fragile cash flow.
- Pricing and contract quality also matter.
-

WHY IT MATTERS

Client concentration = how much of your receipts depend on one client or a small group of clients.

REAL EXAMPLE

One ₹2L/month client can be better than ten chaotic ₹20k clients - provided you understand the dependency.

APPLY IT NOW

Client Summary + Income & Invoices

Top client %

₹2L of ₹3L = 67%

Payment reliability

Usually paid in 3 days

Replacement plan

Pipeline target: ₹60k/mo

WATCH FOR

Risk to avoid

A big client is not automatically bad. The danger appears when one client is both a large share of your cash and difficult to replace or slow to pay.

NEXT MOVE

Do this next

Measure the risk instead of blindly chasing diversification.

Diversify without filling your calendar with junk

The goal is resilience, not maximum client count.

KEY IDEAS

Add one or two complementary retainers.

- Build referral / outbound pipeline before the big contract ends.
- Create a small productised offer if it fits your business.
- Keep capacity for replacement revenue.
-

WHY IT MATTERS

Client risk is not only revenue share. Combine concentration, payment reliability and how hard the client would be to replace.

REAL EXAMPLE

Reducing one client from 75% to 50% of receipts can materially improve resilience without doubling your client count.

APPLY IT NOW

Client Summary + Income & Invoices

Top client %

75% → target 50%

Payment reliability

₹1.5L paid Net 30

Replacement plan

Add ₹50k/mo second client

WATCH FOR

Risk to avoid

A big client is not automatically bad. The danger appears when one client is both a large share of your cash and difficult to replace or slow to pay.

NEXT MOVE

Do this next

Diversify intentionally, not reactively.

Payment reliability is part of client quality

A high-paying client who pays 45 days late can be less valuable than the headline fee suggests.

KEY IDEAS

Average days to pay.

- Number of overdue invoices.
- Approval friction.
- Dispute / revision patterns.
- Need for repeated follow-up.
-

WHY IT MATTERS

Client risk is not only revenue share. Combine concentration, payment reliability and how hard the client would be to replace.

REAL EXAMPLE

₹1L paid in 3 days can support cash flow better than ₹1.2L paid 70 days later, depending on your costs and risk.

APPLY IT NOW

Turn the idea into one visible decision.
Client Summary + Income & Invoices

Your decision

**Prefer ₹1L in 3 days over risky
₹1.2L / 70d**

Next action

**Tighten terms or price slow
cash**

WATCH FOR

Risk to avoid

A big client is not automatically bad. The danger appears when one client is both a large share of your cash and difficult to replace or slow to pay.

NEXT MOVE

Do this next

Add payment behaviour to quarterly client reviews.

Should you fire a late-paying client?

Do not jump straight from late payment to termination; diagnose the reason first.

KEY IDEAS

Administrative issue? Fix process.

- Client cash problem? Tighten terms / deposits.
- Repeated disrespect of terms? Reprice, pause or exit.
- Large strategic account? Build buffer and approvals process.

WHY IT MATTERS

Client risk is not only revenue share. Combine concentration, payment reliability and how hard the client would be to replace.

REAL EXAMPLE

The right action depends on profitability, reliability, concentration and replacement options.

APPLY IT NOW

Client Summary + Income & Invoices

Your number / decision

Client value: ₹1.5L / month

What could change it?

3 repeated late payments

Next action

Pause / reprice after balance clears

WATCH FOR

Risk to avoid

A big client is not automatically bad. The danger appears when one client is both a large share of your cash and difficult to replace or slow to pay.

NEXT MOVE

Do this next

Review the relationship as a business decision, not an emotional moment.

Use invoice status to manage client risk

Invoice data is the raw material for outstanding, overdue and client-concentration decisions.

01**Look**

Find the key number

02**Compare**

Check what changed

03**Act**

Choose the next step

WHAT TO NOTICE**Use the view to make one decision**

Look for recurring overdue clients, part-paid balances and due dates - not just the total amount invoiced.

QUICK REVIEW**Oldest overdue**

18 days • ₹90k

Part-paid balance

₹60k

Client to follow up

Client A • ₹1.5L

OPERATING HABIT**Review decide update**

Do not stop at looking. Write the next action and update the relevant SoloLedger status while the decision is fresh.

Case study: Riya, brand designer

Project-heavy income with deposits

CASE

Riya signs a ₹1.2L brand project. She uses 50% upfront and 50% before final files. The deposit covers her first month of work and avoids financing the full project.

MONEY PATTERN

Project deposit

MAIN RISK

Final balance delay

CONTROL

50/50 terms

ASK YOURSELF

What cash is actually available right now?

₹60k upfront is available first

What payment term or follow-up reduces the biggest risk?

50/50 terms protect ₹60k

If the next payment is late, what protects the business?

Deposit + buffer protect the work

APPLY THE CASE

Copy the logic, not the exact numbers.

Your similar situation

₹1L design project

Your main risk

₹50k final payment delay

Your control

50% upfront

PRACTICAL TAKEAWAY

Use deposits on custom projects where you block meaningful capacity.

Case study: Arjun, developer

High revenue, one concentrated client

CASE

Arjun receives ₹2.4L/month from Client A and ₹60k from smaller clients. Client A is 80% of receipts and pays Net 30. He builds a 4-month buffer and starts a small pipeline before renewal season.

MONEY PATTERN

Large retainer

MAIN RISK

80% concentration

CONTROL

4-month buffer

ASK YOURSELF

What cash is actually available right now?

₹3L monthly receipts before costs

What payment term or follow-up reduces the biggest risk?

Invoice Client A early / tighten Net 30

If the next payment is late, what protects the business?

4-month buffer + ₹60k smaller clients

APPLY THE CASE

Copy the logic, not the exact numbers.

Your similar situation

₹1.8L top client / month

Your main risk

70% concentration

Your control

3-month buffer + pipeline

PRACTICAL TAKEAWAY

Concentration can be managed with runway + pipeline, not only more clients.

Case study: Meera, consultant

Large invoices with enterprise approval lag

CASE

Meera invoices ₹2L monthly. Payments average 25 days, but one quarter-end invoice slips to 50 days. She starts invoicing on the first working day and keeps the accounts contact, PO reference and approval owner on every invoice.

MONEY PATTERN

Enterprise invoice

MAIN RISK

Approval lag

CONTROL

PO + accounts owner

ASK YOURSELF

What cash is actually available right now?

₹2L monthly invoice value

What payment term or follow-up reduces the biggest risk?

PO + AP owner before ₹2L invoice

If the next payment is late, what protects the business?

Keep ≥ ₹2L operating buffer

APPLY THE CASE

Copy the logic, not the exact numbers.

Your similar situation

₹1.5L enterprise invoice

Your main risk

Approval / PO delay

Your control

AP contact + invoice day 1

PRACTICAL TAKEAWAY

Process friction can be more important than reminder frequency.

Case study: Kabir, video editor

Milestones reduce production cash strain

CASE

Kabir sells a ₹90k video package: ₹27k booking, ₹36k rough cut, ₹27k before final export. He pays a sound designer ₹15k after the rough cut, so milestone cash arrives before the contractor payment.

MONEY PATTERN

Milestones

MAIN RISK

Contractor timing

CONTROL

Cash before cost

ASK YOURSELF

What cash is actually available right now?

₹27k booking cash before work

What payment term or follow-up reduces the biggest risk?

₹27k / ₹36k / ₹27k milestones

If the next payment is late, what protects the business?

₹36k arrives before ₹15k contractor

APPLY THE CASE

Copy the logic, not the exact numbers.

Your similar situation

₹1.2L production project

Your main risk

₹20k contractor timing

Your control

Milestone before contractor pay

PRACTICAL TAKEAWAY

Design milestones around both project progress and cash needs.

Case study: Sana, social media manager

Many retainers, lower concentration risk

CASE

Sana has 6 clients between ₹20k and ₹35k/month. She bills at the start of each month. One client leaving hurts, but does not collapse cash flow. Her main risk is scope creep, not collection concentration.

MONEY PATTERN

6 retainers

MAIN RISK

Scope creep

CONTROL

Low concentration

ASK YOURSELF

What cash is actually available right now?

₹20k-₹35k per client / month

What payment term or follow-up reduces the biggest risk?

Bill all retainers at month start

If the next payment is late, what protects the business?

6 clients spread the cash risk

APPLY THE CASE

Copy the logic, not the exact numbers.

Your similar situation

5 retainers • ₹25k each

Your main risk

Scope creep, not concentration

Your control

Prepay + clear scope limits

PRACTICAL TAKEAWAY

Different business models need different cash controls.

Case study: Priya, copywriter

Strong month followed by a gap

CASE

Priya collects ₹3.1L in April, only ₹70k in May, and expects ₹1.4L in June. She keeps base owner pay at ₹60k and moves ₹80k from April into buffer instead of raising personal fixed costs.

MONEY PATTERN

Uneven months

MAIN RISK

Lifestyle creep

CONTROL

Stable owner pay

ASK YOURSELF

What cash is actually available right now?

Base owner pay stays ₹60k

What payment term or follow-up reduces the biggest risk?

Move ₹80k from April to buffer

If the next payment is late, what protects the business?

Buffer covers the ₹70k May month

APPLY THE CASE

Copy the logic, not the exact numbers.

Your similar situation

₹2.8L / ₹90k / ₹1.3L months

Your main risk

Uneven income / lifestyle creep

Your control

₹60k base pay + buffer

PRACTICAL TAKEAWAY

Use high months to make low months boring.

Case study: Dev, photographer

Equipment purchase without destroying runway

CASE

Dev needs a ₹1.4L camera. He has ₹3L cash but only ₹1.5L true buffer after reserves and commitments. He delays the upgrade, creates a ₹25k/month sinking fund, and rents for one project meanwhile.

MONEY PATTERN

Big equipment buy

MAIN RISK

Runway drop

CONTROL

Sinking fund

ASK YOURSELF

What cash is actually available right now?

True available buffer: ₹1.5L

What payment term or follow-up reduces the biggest risk?

₹1.4L camera would leave ~₹10k

If the next payment is late, what protects the business?

₹25k/mo sinking fund + rent

APPLY THE CASE

Copy the logic, not the exact numbers.

Your similar situation

₹1.2L equipment upgrade

Your main risk

Runway falls below 1 month

Your control

₹20k/mo sinking fund

PRACTICAL TAKEAWAY

A purchase is affordable only if the remaining cash system stays healthy.

Case study: full monthly close

One month from invoice to owner pay

CASE

A freelancer collects ₹2.5L, logs ₹55k business costs, protects ₹45k tax/GST reserves, keeps ₹30k for near-term commitments and pays ₹80k owner pay. ₹40k remains to strengthen buffer.

MONEY PATTERN

Mixed month

MAIN RISK

Cash mixing

CONTROL

Separate then pay

ASK YOURSELF

What cash is actually available right now?

₹1.2L before owner pay

What payment term or follow-up reduces the biggest risk?

Protect ₹55k + ₹45k + ₹30k first

If the next payment is late, what protects the business?

₹40k remains to strengthen buffer

APPLY THE CASE

Copy the logic, not the exact numbers.

Your similar situation

₹2L collected this month

Your main risk

Mixing reserves with spending cash

Your control

Separate ₹30k buffer before pay

PRACTICAL TAKEAWAY

The goal is a repeatable sequence, not perfect forecasting.

30-day cash-flow worksheet

Use this page once a week. Pencil estimates are better than invisible assumptions.

Opening available cash ₹1,10,000

Expected receipts - amount + expected date ₹60k • 5 Jul + ₹1.2L • 25 Jul

Business payments due ₹12k tools + ₹45k contractor

Reserve / tax / GST transfers ₹20,000

Owner pay / personal transfer ₹50,000 • 18 Jul

Closing buffer estimate ₹1,63,000

HIGH CONFIDENCE RECEIPTS

₹60k • 5 Jul

UNCERTAIN RECEIPTS

₹1.2L • 25 Jul

BIGGEST TIMING GAP

12-18 Jul • ₹95k out before
₹1.2L in

RULE

Do not confuse due with guaranteed

Do not list an invoice as a guaranteed receipt just because it is due. Use a realistic expected date and confidence level, then plan the next 30 days from that.

Receivables aging worksheet

Turn “clients owe me money” into a prioritised list.

CLIENT	INVOICE	AMOUNT	DAYS OVERDUE	PROMISED DATE	NEXT ACTION
Client A	INV-104	₹80,000	14	22 Jul	Escalate / accounts
Client B	INV-105	₹60,000	7	26 Jul	Confirm promise
Client C	INV-106	₹40,000	3	29 Jul	Firm follow-up
Client D	INV-107	₹1,20,000	Due soon	5 Aug	Friendly reminder

USE THIS ORDER

Prioritise risk

Oldest / highest-risk invoices first. Then missed promised dates. Then due-soon invoices where a proactive reminder can prevent delay.

DO THIS

Every overdue item gets a next date

For every overdue invoice, write one next action and one next date. “Follow up sometime” is not a collection system.

Client payment terms checklist

Use this before you send a proposal or start a new project.

EXAMPLE SETUP • ₹1.2L project • 50% upfront (₹60k) • ₹36k milestone • Net 15 • bank transfer

☐

Deposit / first payment decided

CHECK / UPDATE

☐

Milestones linked to clear deliverables

CHECK / UPDATE

☐

Invoice due date stated

CHECK / UPDATE

☐

Payment method included

CHECK / UPDATE

☐

Late / pause-work expectations clear

CHECK / UPDATE

☐

Client billing details confirmed

CHECK / UPDATE

☐

PO / vendor onboarding needs confirmed

CHECK / UPDATE

☐

Accounts-payable contact known

CHECK / UPDATE

☐

Follow-up dates scheduled

CHECK / UPDATE

☐

Project handover linked to final payment where appropriate

CHECK / UPDATE

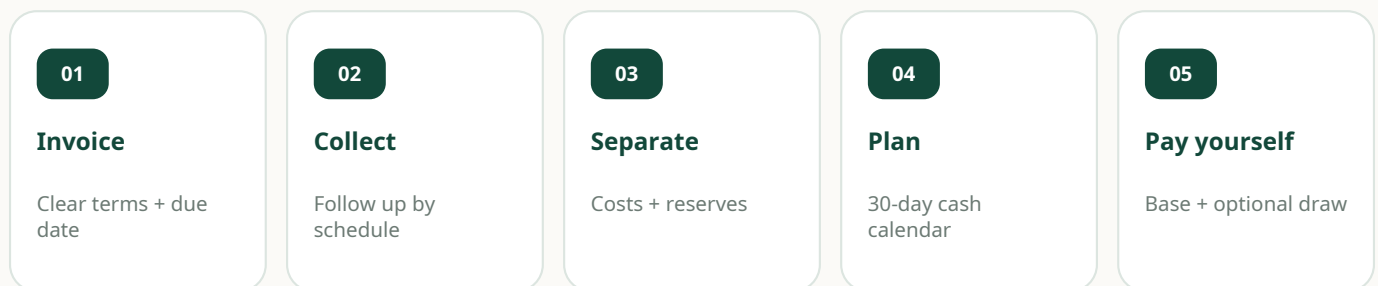
BEST USE

Fix payment friction before work begins

Run this checklist before the first invoice. It is much easier to remove payment friction before work starts than after an invoice becomes overdue.

Freelancer money system - one-page reference

The full operating loop to keep beside SoloLedger.



WEEKLY

Weekly review

Update invoices, receipts, expenses and the next 30 days. Follow up every overdue item with a date-specific action.

MONTHLY

Monthly review

Review Safe-to-Spend, baseline costs, owner pay, runway and top-client concentration.

QUARTERLY

Quarterly review

Review pricing/payment terms, recurring costs, buffer target and whether one client has become too important to your cash flow.

REMEMBER

SoloLedger is a decision system

Use it to decide what to invoice, follow up, protect, spend and review - not just to store transactions.

Planning and record-keeping guide only. This does not provide professional tax, accounting, financial or legal advice.