# Lesson Element

# Cash Flow Forecast

## Have a go

Create a cash flow forecast table which must include the following:

* Income
* Expenditure
* Balance brought forward (opening balance)
* Balance carried forward (closing balance)
* The months from September-February

This cash flow is for a toy shop called Tots Toys.

Add in the following data:

* The shop estimates the following cash sales each month:

September - £2500  
October £3500

November £5000

December £5500

January £1000

February £1500

* The stock is bought on 1 months credit, in each month the shop estimates ordering:

August - £1000

September - £1500

October - £2000

November - £3000

December - £1000

January - £1000

* The Balance brought forward (opening balance) for August is £5000
* The Staff have wages of £1000 per month to be paid
* The Utilities bills are paid every three months (Jan, Apr, July, Oct) and are £500
* The mortgage repayment is £1200 each month

**Extension**

In October the shop roof starts to leak and must be repaired immediately. It costs £5000 which the owner claims on the insurance. Unfortunately the insurance money will not be paid until January. Will the business be able to pay for the repairs?