**Narrative for cashflow report to end Mar 2019**

Since the January review, the most significant cashflow variances in expected v’s actual have been:

Income

Feb – ESFA income was up by around £60k as the additional grants were received.

Feb – LA income was up by around £30k as we received the back dated funding from Havering for 2017-18 and it cleared the bank in Feb.

Expenditure

Mar – All other expenditure was more than £100k higher than expected figure but this is not an immediate concern. The All other category cover most of the expenditure and a lot of orders\payments went through that month as opposed to what was forecast. Forecasting is a best estimate practice based on historical and in year spending patterns which can lead to some monthly variances. Expenditure in this category will be monitored over the next couple of months and any relevant updates will be included in the April re-forecast. If this more than just an anomaly then it will be taken into account in future rounds of forecasting.

Cashflow continues to look healthy for the remainder of the year with no expected issues. April/May cash levels will be monitored closely but are not expected to drop below £400k.

The report includes all tabs of the Excel workbook which are:

* **Forecast Current** **(JAN)–** this is where we forecast the cashflow for the year. This page is updated in Jan and April to reflect revised cashflow patterns throughout the year.
* **Actuals** – This shows actual income and expenditure compared to forecast for each month.
* **Notes (JAN)**– this shows the breakdown of categories and how\why we have forecast the way we have. This is mainly operational and used by Dawn and myself but I’ve left it in for reference in-case it was of interest.

The archive tabs for the forecast and notes as of SEPT are also there for reference. Again, these are mainly for operational use.