**Narrative for cashflow report to end January 2020**

The Jan re-forecast has been completed updating the total expected cashflow income and expenditure for the year as per virements to date. The latest staff cost calculators were also used update expected expenditure.

Sept to Jan forecast figures were updated to match actuals and remaining expected income and expenditure was distributed across Jan to Aug as described in the tables on tab “Notes – Jan”.

September Forecast and Notes were retained on their own tabs for future reference.

**Income**

Income is set as per expected income from the budget and any subsequent virements. It also includes the £20k SEN grant which has not been processed on a virement yet.

**Expenditure**

Expenditure is set as per expected expenditure from the budget and any subsequent virements.

It was noted that a couple of months staffing costs were significantly higher than expected before the re-forecast. At least one of these was because of teacher pay rises going through in Nov backdated to Sept.

It’s also worth noting that staffing expenditure on the cashflow analysis is taken from the BACS report so includes extras like additional hours, sports coaching, tutors etc.. some of which is funded from other cost centres on the budget. This may result in staffing expenditure looking higher than expected in some months. This will be monitored and reviewed moving forward.

**Summary**

The re-forecast has not changed the expectation for the year hugely. March and July remain the lowest forecast months however, there has been some improvement in expectations in these months.

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 but I’ve left it in for reference.
* **Archive Forecast (Sept)–** this is where we retain the previous forecast for comparison and reference.
* **Archive Notes (September)**– this is where we retain the previous forecast notes for comparison and reference.