**Narrative for cashflow report to MAR 21**

**Income**

The reduction in lettings income has been reflected in the forecast figures for the remainder of the year.

Up until Jan 2021, SEN income had been reflected in the “All other income section” so this has been amended for previous months and corrected from Jan onwards

**Expenditure**

Expenditure since the Dec actual which was high, has returned to be in-line with forecast and does not present any concern

**Summary**

Having passed the month with the lowest expected closing balance, there is every expectation that the rest of the year will follow smoothly.

**Report Guide**

The initial forecast is based on the budgeted figures plus any other known info which will affect funds going in or out of the bank. Whilst cashflow is different from budget, this is the most appropriate way of forecasting and gives a good indication of cashflow patterns throughout the year. The Forecast is reviewed in Jan and April to keep it as accurate as possible.

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

* **Forecast Current** **(Sept)–** 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** – 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 –** this is where we retain the previous forecast for comparison and reference.
* **Archive Notes** – this is where we retain the previous forecast notes for comparison and reference.

It’s worth noting that “actual” staffing expenditure on the cashflow analysis is taken from the BACS report which includes extras like additional hours, sports coaching, tutors etc.. Some of these are funded from other cost centres on the budget so the forecast figure (based on budget) will not always match but will give a reasonable indicator. This may result in staffing expenditure looking higher than expected in some months which will be monitored and reviewed but is not a cause for concern.