**Narrative for cashflow report to Oct 2023**

The current report for Oct 2023 is based on the original forecast assumptions detailed below and on the “Notes” tab of the spreadsheet.

The budget including virement 5 has been used for initial forecasting.

The opening cash balance at the bank on 1st Sept 2023 was £913,063.

The forecast figures and notes give a breakdown of the monthly forecast of income and expenditure expected through the bank.

The forecast shows an expected cashflow deficit of (£190,668) throughout the year with an estimated balance at 31st Aug 2024 of £722,395.

**Income**

**September**

“All other income” includes VAT reclaim £14k, one off income for computer trade in £25k, and debtors form last financial year.

**October**

“Local Authorities (SEN)” The SEN income from Essex CC didn’t come in in Oct but has been received in Nov and will be on the next report.

“All other income” – includes a lump sum backdated payment from Havering for SEN £20k, VAT reclaim of £54k, and income from the school sports partnership which goes to the School Games Organiser accounts.

**Expenditure**

Staffing costs September and October were lower than forecast as pay rises and back pay for support staff hadn’t been applied yet but had been included in overall forecast. These all went through in November and will be reflected on the next report.

**September**

“All other Expenditure” includes two large BACS runs (£164k and £135k) that included payments for Aug and Sept works and services.

**Summary**

Whilst April to June are forecast to be the lowest forecast cash balances, they are only just below £500k and don’t represent a concern

**Report Guide**

The initial forecast is based on the budgeted figures that affect cashflow, plus any other known information which will affect funds going in or out of the bank. Cashflow is different from budget, and does not reflect the overall budget position, only banking funds 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** **–** 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 additional hours which may not have been forecast initially. 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.