**Narrative for cashflow report to Sept 21**

The opening cash balance at the bank on 1st Sept 2021 was £801,171.

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

The forecast shows an expected cashflow deficit of (£455,313) throughout the year. Based on the initial forecast some months are predicted to see a cashflow surplus and some a deficit. This will be monitored carefully throughout the year.

**Income**

September actual income is in line with expectations

**Expenditure**

September actual expenditure is in line with expectations

**Summary**

April and May are forecast to be the lowest cash balance months and both fall below £300k

**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** **(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.