



Pretty Polly Cash Flow Forecast



Polly wants to open a clothing shop selling the latest fashions and accessories. She has forecasted her cash flow for the business: making the following assumptions:

- Every month, she increases her spending on stock by £200.
- The shop has 3 members of staff, including her, who get paid £300 a month.
- In this case, let's assume Heating and Lighting are fixed.
- For the first 3 months only, she spends £150 on furnishings and fittings for the shop.
- From June, she hires 2 additional employees part time who get paid £100 per month each.

	Feb	March	April	May	June	July
Revenue/ Inflows						
Cash Sales	2000	2500	2900		4000	4500
Payments received from debtors	0	350		700	1000	1250
Total Revenue	2000		3400	4150		5750
Expenses/ Outflows						
Stock	800					
Wages						
Rent	1000	1000	1000	1000	1000	1000
Heat and lighting	300	300	300	300	300	300
Council Tax	50	50	50	50	50	50
Furnishings and fittings						
Total Expenses						
Net cash Flow (total revenue - total expenses)						
Opening Balance	0					
Closing Balance						