



## Cash Flow

A cash flow is important because it tells you if you have enough money at any given time to stay in business and pay your bills.

You need to keep asking:

- Do you have enough money to pay the bills going forward in the short term?
- Are there any patterns of changes you need to highlight?
- What is cash flow looking like in the longer term?
- If there are issues on the horizon what are you doing to mitigate them?

### Example Cash Flow

XYZ	Projections 2022												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>Income</b>													
Invoices	£ 2,200	£ 2,200	£ 2,200	£ 2,200	£ 2,200	£ 2,200	£ 1,400	£ 1,400	£ 2,200	£ 2,200	£ 2,200	£ 2,200	£24,800
Trading	£ 4,300	£ 4,300	£ 4,300	£ 4,300	£ 4,300	£ 4,300	£ 2,200	£ 2,200	£ 4,300	£ 4,300	£ 4,300	£ 4,300	£47,400
Rent	£ 723	£ 723	£ 723	£ 723	£ 723	£ 723	£ 723	£ 723	£ 723	£ 723	£ 723	£ 723	£ 8,676
Sundries	£ -	£ -	£ -	£ -		£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
<b>Total</b>	<b>£ 7,223</b>	<b>£ 7,223</b>	<b>£ 7,223</b>	<b>£ 7,223</b>	<b>£ 7,223</b>	<b>£ 7,223</b>	<b>£ 4,323</b>	<b>£ 4,323</b>	<b>£ 7,223</b>	<b>£ 7,223</b>	<b>£ 7,223</b>	<b>£ 7,223</b>	<b>£80,876</b>
<b>Expenditure</b>													
Wages	£ 2,596	£ 2,596	£ 2,596	£ 1,905	£ 1,997	£ 1,997	£ 2,487	£ 1,997	£ 1,997	£ 1,997	£ 1,997	£ 1,997	£26,159
Gas	£ 800	£ 800	£ 800	£ 700	£ 500	£ 400	£ 400	£ 300	£ 400	£ 700	£ 700	£ 800	£ 7,300
Electricity	£ 300	£ 300	£ 300	£ 300	£ 300	£ 300	£ 200	£ 200	£ 300	£ 250	£ 300	£ 300	£ 3,350
Telecoms	£ 60	£ 60	£ 60	£ 116	£ 116	£ 116	£ 116	£ 116	£ 116	£ 116	£ 116	£ 116	£ 1,224
Office	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100	£ 1,200
Catering	£ 500	£ 500	£ 600	£ 500	£ 500	£ 500	£ 100	£ 100	£ 500	£ 500	£ 600	£ 500	£ 5,400
Publicity	£ -	£ -	£ -	£ -	£ 300	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 300
Cleaning	£ 360	£ 360	£ 360	£ 70	£ 70	£ 70	£ 70	£ 70	£ 70	£ 70	£ 70	£ 70	£ 1,710
Insurance	£ -	£ -	£ -	£ -	£ 553	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 553
Sundries	£ 100	£ 100	£ 300	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100	£ 1,400
Accountants' Fees	£ -	£ -	£ -	£ -	£ -	£ -	£ 800	£ -	£ -	£ -	£ -	£ -	£ 800
	<b>£ 4,816</b>	<b>£ 4,816</b>	<b>£ 5,116</b>	<b>£ 3,791</b>	<b>£ 4,536</b>	<b>£ 3,583</b>	<b>£ 4,373</b>	<b>£ 2,983</b>	<b>£ 3,583</b>	<b>£ 3,833</b>	<b>£ 3,983</b>	<b>£ 3,983</b>	<b>£49,396</b>
Opening Balance	<b>£47,584</b>	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	<b>£47,584</b>

### Other related information

SEDG Resource – Break Even

SEDG Resource – Decide On A Bank Account

SEDG Resource – Profit & Loss

### Need help?

You can contact at us and arrange a call at: [sedg@tsdg.co.uk](mailto:sedg@tsdg.co.uk)