

# IB Business Management – Finance and Accounts

## Example Cash Flow Forecast

### EXAMPLE CASH FLOW FORECAST

**TABLE 1: CASH FLOW FORECAST FOR BURTON INC.® ALL FIGURES IN \$000**

	April	May	June	July
Opening balance	0	(1.5)	(2.5)	0
<b>Cash inflows</b>				
Owners' capital injection	28	0	0	0
Cash sales	6	8	12	9
Payments by debtors	0	2	2	3
<b>Total cash in</b>	<b>34</b>	<b>10</b>	<b>14</b>	<b>12</b>
<b>Cash outflows</b>				
Lease	18	0	0	0
Rent	2	2	2	2
Clothes purchases	6	4	3	4
Labour	3	3	4	3
Other costs	6.5	2	2.5	1.5
<b>Total cash out</b>	<b>35.5</b>	<b>11</b>	<b>11.5</b>	<b>10.5</b>
<b>Net cash flow</b>	<b>(1.5)</b>	<b>(1.0)</b>	<b>2.5</b>	<b>1.5</b>
Closing balance	(1.5)	(2.5)	0	1.5

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