

12-month cash flow statement

Cash flow objectives

Note: The cash flow statement and the income statement fundamentally deal with two different aspects of the same business activity.

The cash flow statement is based on cash receipts and payments between two consecutive balance sheets. The income statement reports the earnings of a company and the expenses incurred while generating that income. It is also known as a profit and loss statement.

As you compile your cash flow statement, keep in mind that you need to provide information based on cash generated or utilised by operating activities, investing activities and financing activities.

Before you begin completing your cash flow statement, refer back to your profit and loss projection. You have already completed a sales projection for the year. A cash flow statement assists you in determining when you can collect cash from your customers.

In terms of expenses, you need to predict when you will have to pay for those predicted expenses.

Some income and expenses are monthly. Others are quarterly or even semi-annual. Nevertheless, these must be recognized as monthly expenses.

The important thing is to be as realistic as you can, line by line. The payoff of a careful cash flow statement is that it will give you the ability to manage and forecast your working capital needs.

NOTE: You can change the categories in the left hand column as needed to suit your accounting system.

Enter Company Name Here							Fiscal Year Begins 2013						
	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total item EST
Cash on hand (start of month)													
CASH RECEIPTS													
Cash sales													
Collections													
Loans/other cash													
TOTAL CASH RECEIPTS													
Total cash available (before cash out)													
CASH PAID OUT													
Purchases (merchandise)													
Purchases (other)													
Purchases (other)													
Gross wages/salaries													
Payroll expenses													
Rent													
Communication systems													

Utilities													
Insurance													
Taxes													
Accounting and legal													
Travel expenses													
Advertising													
Supplies													
Repairs and maintenance													
Outside services													
Interest													
Other expenses (specify)													
Other													
Other													
Other													
SUB-TOTAL													
Loan principal payment													
Capital purchase													
Capital purchase													
Bond													
Owner's withdrawal													
TOTAL CASH PAID OUT													
Cash Position (end of month)													

Essential operating data is not part of your cash model.

However, it is a good way to track items that have a heavy impact on your cash projections.

ESSENTIAL OPERATING INFORMATION (non cash flow data)													
Sales volumes (rand value)													
Accounts receivable													
Bad debt (end of month)													
Inventory on hand													
Accounts payable													
Depreciation													