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AN EXAMPLE CASH FLOW FORECAST

3.3 WORKING CAPITAL

Table 1: Cash Flow Forecast for Burton Inc.					
All figures in \$000		April	May	June	July
Cash inflows					
Owners' capital injection		28	0	0	0
Cash sales		6	8	12	9
Payments by debtors		0	2	2	3
Total cash in		34	10	14	12
Cash outflows					
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
Total cash out		35.5	11	11.5	10.5
Net cash flow	Net monthly cash flow	(1.5)	(1)	2.5	1.5
	Opening balance	0	(1.5)	(2.5)	0
	Closing balance	(1.5)	(2.5)	0	1.5