

Mortimer



**ENTERPRISE (YEAR 10)**  
**RETRIEVAL - WEEK SIX**

# Enterprise year 10 - Cash flow revisited.

## Cash flow - Halliday & Mason – Alarm clocks of the future

Oliver has the following forecasts and consequently wants to complete a cash flow statement for the months of Jan – June 2021

- Sales revenue £8,000 each month apart from March when it is £15,000
- Loan is £5,000 in Jan
- Opening balance is 1,000
- Wages are 10,000 every month apart from June when they are £12000
- Loan repayments are £300 every month
- Bills are £500 every month
- Rent is £200 every month
- Advertising is £1000 every month
- New equipment is £2000 in May



	Jan	Feb	Mar	Apr	May	June
<b>Inflows</b>						
Sales	8000					
loan	5000	0	0	0	0	0
Total Inflows	13000					
<b>Outflows</b>						
Wages	10000					12000
Loan repayments	300					
Bills	500					
Rent	200					
Advertising	1000					
New equipment	0	0	0	0		0
Total Outflow	12000					
NMCF	1000					
Opening Balance	1000	2000				
Closing Balance	2000					

# Enterprise year 10 Cash flow answers.

## Cash flow - Halliday & Mason – Alarm clocks of the future

Oliver has the following forecasts and consequently wants to complete a cash flow statement for the months of Jan – June 2021

- Sales revenue £8,000 each month apart from March when it is £15,000
- Loan is £5,000 in Jan
- Opening balance is 1,000
- Wages are 10,000 every month apart from June when they are £12,000
- Loan repayments are £300 every month
- Bills are £500 every month
- Rent is £200 every month
- Advertising is £1,000 every month
- New equipment is £2,000 in May



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	Jan	Feb	Mar	Apr	May	June
<b>Inflows</b>						
Sales	8000	8000	15000	8000	8000	8000
loan	5000	0	0	0	0	0
<b>Total Inflows</b>	13000	8000	15000	8000	8000	8000
<b>Outflows</b>						
Wages	10000	10000	10000	10000	10000	12000
Loan repayments	300	300	300	300	300	300
Bills	500	500	500	500	500	500
Rent	200	200	200	200	200	200
Advertising	1000	1000	1000	1000	1000	1000
New equipment	0	0	0	0	2000	0
<b>Total Outflow</b>	12000	12000	12000	12000	14000	14000
NMCF	1000	(4000)	3000	(4000)	(6000)	(6000)
Opening Balance	1000	2000	(2000)	1000	(3000)	(9000)
Closing Balance	2000	(2000)	1000	(3000)	(9000)	(15000)

# Enterprise year 10 – Finance your business idea for Shield's market.



## Complete/revisit the following for your chosen business:

- **Equipment / Costs:** What will you need to buy to start your business?
- What running costs will you need to spend to run your business every month?
- How much will each one be?
- The Market stall will cost £20 a week and we will assume you will be charged a month based on 4 weeks a month.
- Identified what else you will need to buy – how many you will need to buy – which shops / websites you will use (use print screen for this) and total up how much costs will be for each month.
- Create a table with start up and running costs for your business.
- Create a table for fixed costs and variable costs for your business.
- Complete a 6 month cash flow beginning in November 2020 for your business

## Complete the key terms:

- A start up cost is something you only pay for \_\_\_\_\_ or not very \_\_\_\_\_.
- A running cost is something you \_\_\_\_\_ have to pay for to help you run your business.
- A fixed cost always \_\_\_\_\_ the same regardless of how much you sell.
- A variable cost \_\_\_\_\_ depending on how much you sell e.g. the more you sell, the more your variable cost will be.

An example of this could be \_\_\_\_\_

changes      stays raw materials  
often      constantly      once

