

# 12-Month Cash Flow Forecast Template

A ready-to-use cash flow forecast for UK small businesses — with instructions.

## How to Use This Template

A cash flow forecast shows the money you expect to come in and go out of your business each month. It helps you spot potential shortfalls before they happen and plan accordingly.

## Step 1 — Enter Your Opening Balance

This is the amount in your business bank account at the start of the forecast period.

## Step 2 — Enter Monthly Income

- Sales revenue (invoiced amounts you expect to receive)
- Other income (grants, loans, asset sales)
- VAT reclaimed (if applicable)

### Step 3 — Enter Monthly Expenditure

- Wages and salaries (including employer NIC)
- Rent and rates
- Utilities (gas, electric, broadband)
- Software subscriptions
- Marketing and advertising
- Professional fees (accountant, solicitor)
- Stock and materials
- Loan repayments
- VAT payments to HMRC
- Corporation Tax / Self Assessment payments
- Other overheads

## Step 4 — Calculate Net Cash Flow

Net Cash Flow = Total Income – Total Expenditure for each month.

## Step 5 — Calculate Closing Balance

Closing Balance = Opening Balance + Net Cash Flow. This becomes next month's opening balance.

## Cash Flow Forecast — Template Structure

[illegible]

| EXPENDITURE            |          |          |          |          |          |          |          |          |          |          |          |          |
|------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Wages & Salaries       | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        |
| Rent & Rates           | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        |
| Utilities              | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        |
| Software               | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        |
| Marketing              | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        |
| Other Costs            | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        |
| Total Expenditure      | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        |
| <b>NET CASH FLOW</b>   | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> |
| Opening Balance        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        | £        |
| <b>CLOSING BALANCE</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> | <b>£</b> |

## Tips for Accurate Forecasting

- Use actual bank statements to populate historical months
- Be conservative with income estimates — it's better to be pleasantly surprised
- Include seasonal variations (e.g. quieter months, Christmas spend)
- Review and update your forecast monthly against actuals
- Share with your accountant or bank manager when applying for finance
- Include a 'worst case' scenario column to stress-test your business