

33 CASH FLOW FOR 12 MONTH OVERVIEW



1h 15m



SMALL GROUP

DESCRIPTION

Maintaining an accurate overview of your financial resources for the next twelve months is one important tool for effective resource management. This information can support internal decision-making by team members or a board of directors. It is integral for planning new activities and increasing sustainability.



PREPARATION

- Those persons who are familiar with the finances of the organization should be invited and present at the workshop.
- Have financial documents on hand showing the organization's funds.
- Have documents on hand showing monthly expenses for all activities and administration.
- Have documents on hand showing how much cash the organization can expect to receive from donors or earned income in the next 12 months.



MATERIALS

- Writing Material
- Calculator
- Moderation Cards



TOOLS

- **Worksheet:**
Cash Flow (19)



SUMMIT



OUTLOOK



FINANCIAL MODEL


STEP 1

IN PLENUM:

Start by brainstorming as a group about the following questions (write all answers on different colored moderation cards):

- How much money, or cash on hand, does your organization currently have? Where did this money come from?
- What donations does your organization currently receive? Write the names of each donor and the amount they donate.
- What future donations will your organization receive in the next 12 months? Write the name of each expected donor, the amount they will donate, and which month they will donate in.
- If your organization earns money on its own, write the names of your products and services and how much income they typically bring in each month.
- What are your organization's current expenses? Write the average cost of each expense per month.
 - Salaries? Taxes? Rent? Office Material? Utilities?
 - Program and activity costs? Write the cost of each activity/program separately. **[45 MIN]**

STEP 2

Use **Cash Flow (19)**  to get an overview of your finances. Take some time to understand the table and the line items. You will see that there is a column and row for each of the items which you previously wrote on the moderation cards. Use the moderation cards to fill in the table. **[15 MIN]**

STEP 3

Once the table is completely filled in, it's time to get out the calculator.

- First calculate the total sum of all the income you will receive in the next 12 months plus the current amount of cash you have.
- Second, calculate the sum of all the total expenses you expect to have in the next 12 months.
- Last subtract your total expenses from your total income plus your current cash on hand.
- If the ending sum is positive, congratulations! You have enough resources for the next 12 months. If this number is negative, complete **Pathcard: Path of the Golden Cat (07)** to find ways to secure more funding. **[15 MIN]**



FOLLOW UP

This table should be updated each month with the actual data of income and expenses so that your organization will be able to continuously see whether it has enough funds for the year.