

E-Bay Designer



Nicky is a young fashion designer. Nicky lives in a small flat in south London. She currently does not have enough money to open a shop. She works from home designing and making her own clothes. Each month she buys the materials to make her clothes from a local shop. She sells the clothes she makes on E-Bay. She also has a part time job working at Top Shop.

Use the following information to design a cash flow forecast for Nicky.

1. At the start of May she has just £20 in her bank account.
2. Nicky get paid £150 a month from her part time job at Top Shop.
3. Her rent each month is £200.
4. Her Broadband internet connection costs Nicky £10 a month.
5. In May, she spends £50 on materials to make clothes, she sells them on eBay for £150.
6. Again, in June, she spends £50 on materials, this month however, she only sells the clothes for £100.
7. In July Nicky's sewing machine breaks. She has to buy a new one. This costs, £50.
8. In July, August and September, Nicky spends £75 a month on materials.
9. In July she receives £150 from her sales on eBay, In August £200, and in September £175
10. Finally in October, Nicky does not make many clothes, she spends just £25 on materials, selling the clothes for £50.

| | MAY | JUNE | JULY | AUG | SEPT | OCT | TOTAL |
|-------------------------------|-----|------|------|-----|------|-----|-------|
| OPENING BALANCE | 20 | | | | | | |
| INCOME / RECEIPTS | | | | | | | |
| Top Shop | | | | | | | |
| eBay Sales | | | | | | | |
| TOTAL RECEIPTS | | | | | | | |
| EXPENDITURE / PAYMENTS | | | | | | | |
| Rent | | | | | | | |
| Broadband | | | | | | | |
| Materials | | | | | | | |
| Sewing Machine | | | | | | | |
| TOTAL PAYMENTS | | | | | | | |
| MONTHLY NET CASH FLOW | | | | | | | |
| CLOSING BALANCE | | | | | | | |