



ENTREPRENEURSHIP AND BUSINESS MANAGEMENT

LEVEL 4

MODULE 8

TOPIC: CASH FLOW BUDGET

QUESTION 4

4.1 Use the information below to draw up the cash flow budget of Fishy Fingers for the next THREE months. At the beginning of January they had a favourable bank balance of R15 000.

The bank approved a loan of R3000 that was granted in February 2017. Use the attached ANSWER SHEET (ADDENDUM D) to answer the question.

MONTHS	ESTIMATED SALES	ESTIMATED PURCHASES
JANUARY	R10 000	R5 000
FEBRUARY	R14 000	R6 000
MARCH	R14 500	R6 500

Other information

1. A new motorcycle was bought in January. A deposit of R9 000 was paid and monthly payments thereafter are R550 for two years.
2. The average expenses per month are:
 - Wages R2 400
 - Rent R2 500
 - Telephone R 450
 - Electricity R 300
 - Fuel R 600
 - Loan repayment (first payment March 2017) R 300
3. 30% of all sales are on credit. Customers pay 30 days later.
4. All purchases are paid in cash
5. In February, an old computer is sold for R1 200 cash. [32]

4.2 Complete a SWOT analysis for Fishy Fingers' business and GIVE at least ONE Example for each component. (4x2) [8]