

Management Accounts for Quarter 1 (2008)

Explanations for variances

It was agreed that variances from the forecast outside of a certain level should be explained to the trustees. No formal limit was set for the amount, of course trustees can question those variances for which they would like further explanation. As a guide I have simply identified those on which I can comment. The forecast track accruals for utilities and communications and as far as I am aware only this years rates payment has resulted in a notable prepayment.

Month 1

Income from month 1 is usually lower than the average, this is due to the holiday down time, this year we did much better than last year so I think its an acceptable variance which can be explained against the average income which was forecasted.

Insurance is paid in 10 installments, so the forecasted payment was not due.

There was less trading purchases than forecast but extra payments listed in sub-contractors.

Month 2

Increase in income which came about due some new clients/funding.
The first instalment against the payment plan
Increase in VAT matches increased trading against the earlier forecast.
Surplus from month 2 carried forward to month 3

Month 3

Increased expenditure against previous months increased income.

Overview going forward

Green light going forward, no worrying trends or unforeseen expenditure, variances are not large enough to require further action at the present time.

Discuss next quarter income

Discuss next quarter expenditure