

# Guide to preparing cashflow forecast

## Key Points

- A cashflow forecast is required to be submitted with all Applications to the Residential Activation Fund (RAF/the Fund).
- Applicants may submit their own current cashflow forecast or complete the template provided with the application form.
- If using the Applicant's own cashflow, ensure it demonstrates the anticipated project cashflow as detailed under 'How to prepare' below and as indicated in the available template.
- Information provided in the cashflow forecast must reflect the identified project costings and project dates included in the Application.
- Information provided will be considered in assessing the suitability of the Project for funding.
- The cashflow forecast provided will be used in negotiating the Funding Agreement and managing payments from the Fund if the Application is successful.

## How to prepare

- The cashflow forecast should show the project funding from all sources and expenditure on a month-by-month basis from project start until project completion.
- Identify all financial contributions – e.g. Applicant, RAF funding sought and any third-party contributions.
- It is anticipated approved RAF funding will be paid out as follows:
  - 5% upfront upon execution of Funding Agreement
  - 80% in arrears during term of construction (see below)
  - 15% in arrears on project completion.
- During term of construction, RAF funding contributions are to be tied to the completion of key milestones (as such they are not regular monthly or quarterly payments).
- Funding from all sources and expenditure in the month it is expected to be received or incurred.
- Ensure all amounts exclude GST.
- Ensure total project expenditure and revenue align with the Application and cost breakdown.
- Explain any assumptions used to calculate the cashflow.
- Use the example below as a guide.

## Example

Project Cashflow Forecast					
Particulars	Month	Month	Month	Month	Total
Opening Balance					
<b>Project funding from all sources</b>					
Fund contribution					
Applicant contribution					
Third-party contribution					
<b>Funding Subtotal</b>					
<b>Less expenditure</b>					
e.g project management costs					
e.g site works					
e.g. construction-related labour costs					
e.g. construction materials					
<b>Expenditure subtotal</b>					
Net Cash In/Out					
<b>Closing Balance</b>					