

## Finance Report to April Board : March 2023 Figures.

The number of hours with UMs increased to over 850 in February which means the income from care increased to £20,375 - over £20,000 for the first time. Office costs were up to £9,000 per month. This was mainly the extra £1,000 on marketing, and an increase in on-call costs as both Danielle and Tracy were away, so we needed to pay for the mid-week on-call work they normally absorb. The non-worked contracted hours cost £750 - as we have spare capacity of 118 hours per week.

The loss was £3,225, but the cash flow out was high at to £12,241. On further investigation with Clare it turns out about £3,000 of this was HMRC which should have been paid last month, £1K in advance rent , and £1K on marketing. But still high at around £7,000.

### Results for February as follows:

Care contact hours invoiced: 856 hours

Income: £20,237

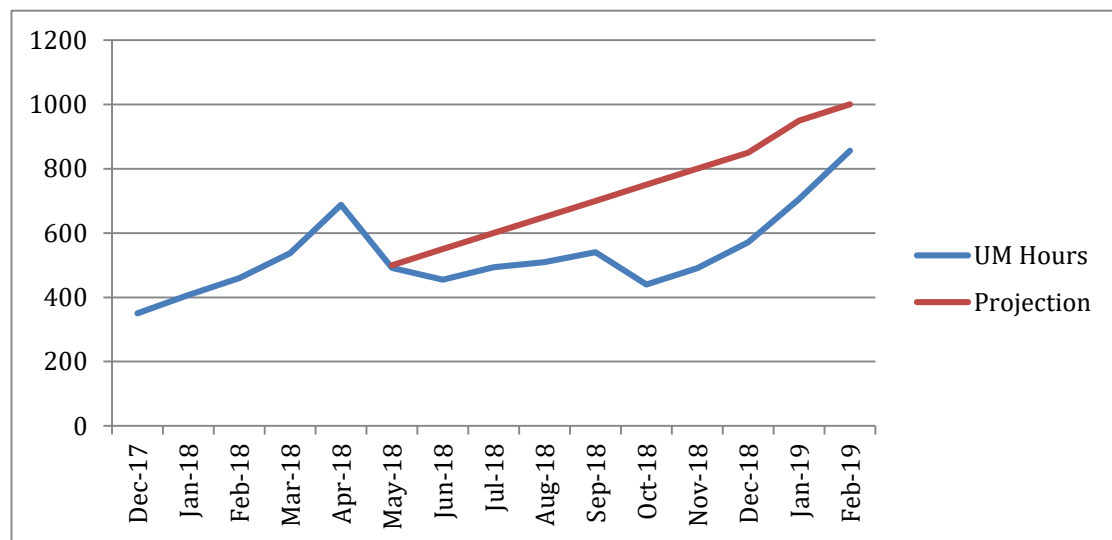
Care generated £ 5,856 after direct costs.

Office costs : £9,081

The loss for the month : £3,225

Cash flow (out) : £12,241

### Tracking Contact hours with UMs



Currently £27,187 in the bank, with £9,082 awaiting payment to us.

Jon Walker  
April 13<sup>th</sup> 2023

## What to make of the figures ?

There are two important trends :

- Hours with UMs are increasing and thus income . Last month's figure of £20,000 income was very encouraging. The business is moving in the right direction.
- Money in the bank is still decreasing and has dipped below £20,000. On going losses (although decreasing) will mean we run out of money this year.

It's possible that , if we continue to grow at the rate we've seen over the last few weeks, the losses will drop and the £35,000 in the bank will be enough to see us through to break even.

We will also need to see the effect of the price rises, which start next month. As long as we don't lose some of our UMs ( and Danielle reports people are not unhappy) then this will improve our finances.

However, it's also possible that we cannot grow as quickly as required, that the price rises make little difference, and thus the money in the bank eventually runs out.

Suggestions :

1. We cannot continue until the money runs out. At some point we must decide on a figure for cash in the bank which will trigger the start of a process to close the business honourably, so that our staff and UMs are treated as well as is possible in the circumstances.
2. Consider raising some more money - perhaps as loans to the business - to give us a little more time to reach break-even.
3. Continue to focus on business development to find ways of a) increasing income and b) minimising costs.
4. Consider out-of-the-box options like merging with another coop.

In summary , in my opinion, the possibility that we don't survive needs to be taken seriously and we must have systems in place to deal with it.