



business, financial and accounting advice

Why you should benefit from utilising a part-time FD?

Consider these questions:

How well do you “think” your business is doing financially? Is “think” a more accurate word than “know”? Do you really “know” how profitable you areor do you “guess” how much you are making? Do you want to “know”?

What are the KPIs for your business (key performance indicators) – new business, sales, gross margin, debtor days, stock levels, cash flows etc. ? How many of these can you/do you monitor on a daily/weekly/monthly basis?

Did you set targets for your business this year for turnover, profit and cash generation? If you didn't set a budget how do you know if you are meeting, exceeding or falling short of your expectations?

What is your break-even point? How much turnover do you need simply to pay all the bills?

Do you know how much your business can afford to pay you this year? How does this compare to what you want it to pay you ? Salary? Dividends? Bonuses?

Do you wish your bookkeeper could give you more assistance than just maintaining your records?

How often do you wish you could brainstorm a business idea with someone who will really seek to challenge you about the opportunity, benefit, risk, and cost? Do you have the internal resources to model the possible financial outcomes from a business opportunity?

How often has your external accountant/auditor said “If you had asked me at the time!!”

Do you worry about whether what you are doing presents a risk of HMRC coming in and fining you for VAT or PAYE or other tax failures?

Does your accounts team have performance targets?

Do you know how much of an overdraft you might need over the next six months? Does a cash flow projection model exist?

Do you know how much corporation tax you are going to have to pay in a few months' time?

Could your company prepare its own statutory accounts? Sometimes your auditors will prefer you to do this.



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When you visit your bank manager, would you like to have someone with you who can talk authoritatively about your financial figures and how accurate they are?

Do you panic when your bank manager says he wants to see some figures and projections?

Can you get advice on the tax, accounting and cash flow consequences of a new item of capital expenditure or a new lease without resorting to an external advisor?

Have you been presented with a financial document that you simply can't understand yet need to make a key decision on?

These types of questions do not need attention every day. You don't need a full-time financial director to answer them and you probably cannot justify the cost of one. But the opportunity to have access to someone who will regularly spend one day or a couple of half days a month working with you and your accounts team may be invaluable. Typical work will include:

- **Overseeing your accounts team and reviewing their efficiency and priorities**
- **Reviewing financial controls and processes**
- **Preparing useful and regular management information for you to USE to make decision about how you run your business**
- **Strategic brainstorming about current issues, future plans and developments**
- **Preparing budgets, cash flow and financial forecasts and monitoring performance against them**
- **Evaluating new ideas, projects and opportunities – cash, marketplace, profit and tax**
- **Remuneration planning**
- **Helping to evolve the financial aspects of your business to ensure they keep pace with your business's growth**
- **Giving confidence to your bank that the business has good financial controls and that management know what they are doing**
- **Preparing annual accounts**

JONATHAN MANN IS A CHARTERED ACCOUNTANT AND BUSINESS ADVISOR. HE HAS SPENT 13 YEARS OF HIS CAREER AS A PARTNER IN TWO MAJOR UK ACCOUNTING FIRMS, AND NOW FOCUSES ON PROVIDING CONSULTANCY SERVICES TO SMEs ON FINANCIAL, BUSINESS, ACCOUNTING AND TAX MATTERS FROM HIS BASE IN SOUTH HERTS. JONATHAN CAN BE CONTACTED AT jonathan@jonathanmann.biz