





### F.A.B. at Finance!

(Financially Awesome in Business)

:- Know your Numbers in Challenging Times

**Presented by Andi Lonnen** 



#### **Meet Andi!**





- Fully qualified accountant (FCCA)
- Experienced to Commercial Finance Director level
- International trainer & conference speaker
- Author: Be Fabulous at Finance, Intro to FBP & cycle touring books!
- Chaired: various ACCA networks
- Articles published: Financial Director, FT Adviser, Business Money, AAT, etc.
- CEO, Finance Training Academy & Finance Business Partner (FBP)
  Academy

#### F.A.B. at Finance!

#### As a leader:

- Know which numbers to focus on
- > Recognise why cash is King & why it differs from profit
- ➤ What is working capital & liquidity? Why does it matter?
- ➤ Ensure your Finance team are focusing on the right things this is not business as usual!



# Focus on Cash: Cash is King



## **Improving your Cash Position**

- Debtors
- Creditors
- Stock/inventory
- Bank / Treasury
- Debt
- Equity
- Govt schemes defer VAT/tax, grants, loans, furlough, etc.



## Other Ideas to Improve Cash

- Adapting existing products/services for this situation
- New products/services
- Can anything be delivered online or through different channels?
- Shorter / cheaper version of existing products/services

This is the time to be creative!



### **Cash vs Profit**



#### **Cash vs Profit**



P&L				
	M1	M2	M3	Q1
Sales	£10,000			£10,000
Less: Costs	-£4,000			-£4,000
Pre-Tax Profit	£6,000	£0	£0	£6,000

### **Cash vs Profit**



Cash in the Bank				
	M1	M2	M3	Q1
Sales			£10,000	£10,000
Less: Costs	-£3,000	-£1,000		-£4,000
Cash in the Bank	-£3,000	-£4,000	£6,000	£6,000

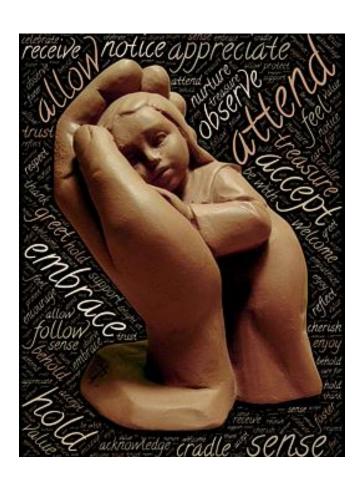
# **Working Capital & Liquidity**



#### **Focus of Finance Teams**



# **Help your Finance Teams**



#### What we've covered

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- Know which numbers to focus on
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- ➤ What is working capital & liquidity? Why does it matter?
- ➤ Ensure your Finance team are focusing on the right things this is not business as usual!



# If you've enjoyed & benefitted from today...

"Very engaging session - pitched at the right level and started some genuine conversations about better financial management within the company." Emma, APMG International

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