

Financial Management

Presented by Andy Gifford



Meet Andy!

- Qualified accountant (FCCA)
- Experienced Finance Director, Managing Director & Treasurer
- International trainer & speaker
- Elected member of ACCA Corporate Sector Network
- Treasury Dragon on Supply Chain Forum
- Supporting start-up's & performance improvement
- FTA Trainer 😊





Aims of this masterclass:

- Confidence & competence with key financials
- Drivers
- Future forecasting
- Action!
- Communicate 😊



Confidence



Competence

5 Magic Questions:

- What?
- Why?
- Impact?
- To be done?
- Wider options?





Identify





Profit & Loss → Revenue - Costs

Balance Sheet → Assets = Liabilities + Equity

Cash Flow → Closing cash – Opening cash

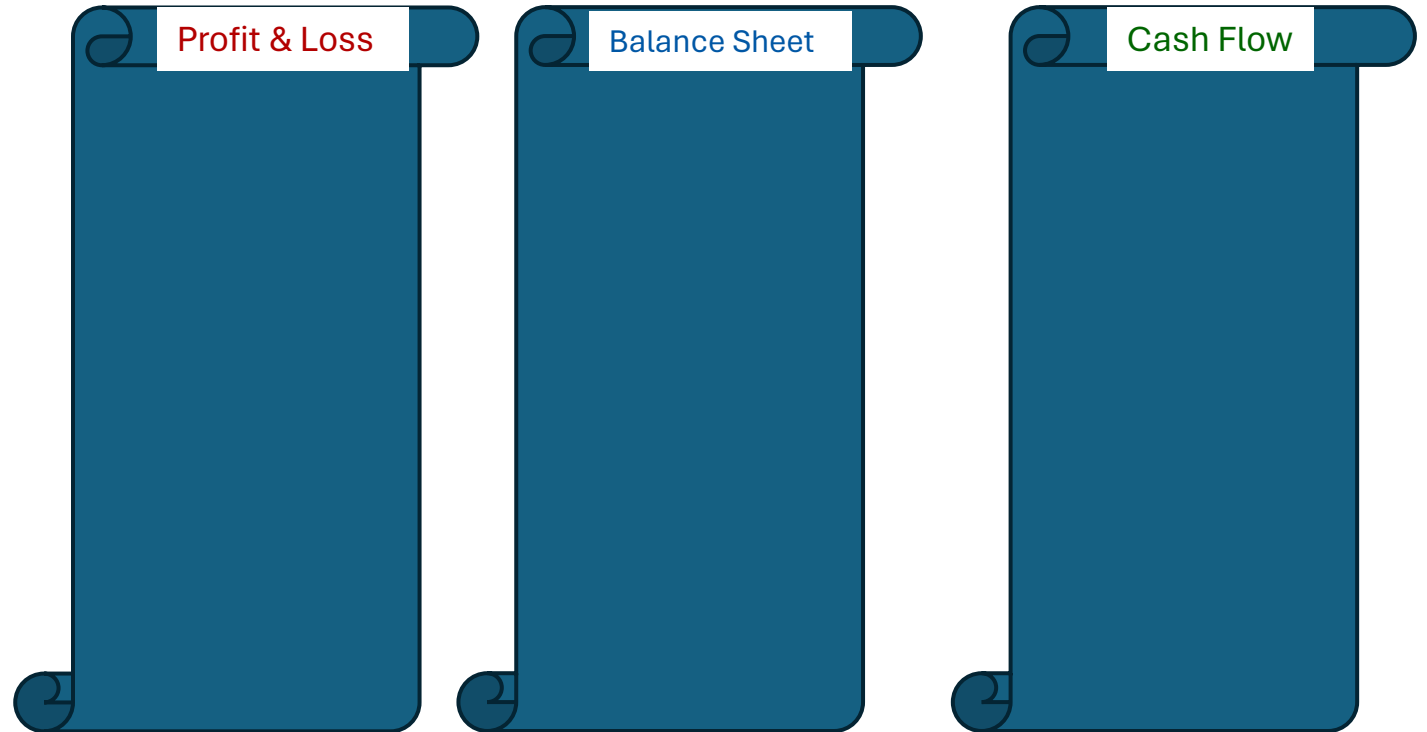


Cash Flow	
Profit	10,800
Depreciation	3,200
Capex	(3,000)
WC Assets	(5,900)
WC Liabilities	(2,000)
Financing	(3,200)
Cash Movement	(100)

Balance Sheet		ooo's
Long Term Assets	28,500	28,700
Current Assets		
Inventory	25,000	22,900
Trade Receivables	66,600	62,700
Other debtors	4,500	4,600
Cash-in-bank	500	600
	96,600	90,800
Current Liabilities		
Trade Payables	18,000	21,000
Short term debt	3,200	3,000
Overdraft	6,700	7,300
Other creditors	20,700	19,300
	48,600	50,600
Net Current Assets	48,000	40,200
Non-current Liabilities		
Debt	29,400	32,600
Net Assets	47,100	36,300
Share Capital	15,000	15,000
Retained Profit	32,100	21,300
Total Equity	47,100	36,300

P&L	Current Yr	Prior Year
Sales	384,000	392,000
CoGs	(156,000)	(159,000)
Gross Profit	228,000	233,000
	59%	59%
SG&A costs	(126,000)	(128,000)
Staff costs	(83,000)	(81,000)
Depreciation	(3,200)	(3,400)
	(212,200)	(212,400)
Operating Profit	15,800	20,600
Finance costs	(5,000)	(5,000)
Net Profit	10,800	15,600

What are you
responsible
for?



Measure



Measures

- Absolute
- Trends
- Targets
- Variances





Control

Drivers

Revenue - Costs



Assets = Liabilities + Equity



Closing cash – Opening cash





Forecast



Future

Past

Scenarios

Future





Action



Direct / Indirect

Invest

Divest

Spend

Align

Save



Communicate

- What
- Why
- Impact
- To be done
- Wider options



Road Map

Identify



What



Why



Impact



Action



Tell





What we've covered:

- Confidence & competence with key financials
- Drivers
- Future forecasting
- Action!
- Communicate 😊



Final Questions /
comments?

**

Thank you!

Stay in touch!

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