



Professional Accountants
& Tax Advisers

Virtual Finance Director

Your finances in safe hands



Why most business owners are unhappy

When you set up your business you probably did it for these reasons:

- **Freedom:** to work when, how and where you wanted
- **Control:** over your life to do the things that made you happy and spend time with your loved ones
- **Money:** to enable you to do the above without worrying

But now you're in business, you're far from achieving any of the above!

You're the MD of your business but what you do day-to-day is far from the strategic input you should be spending your time on.

Instead you're spending your time:

- fighting fires,
- recruiting and managing staff,
- dealing with customer complaints,
- managing cash flow,
- trying to make sense of your finances,
- trying to win new business,
- and the list goes on!

Most businesses fail or don't achieve their potential because they don't have a handle on the numbers.



Profitability is key to any business' success. Cash is key to every business' survival.

Monitoring both profitability and cash is therefore the difference between success and failure.

You were not trained in finance yet you are trying to manage and oversee the finances of your business alone. You might be making profit but have no cash. Or you could have cash in the account and think you're doing well but actually making no profit.

Too many business owners think they can run their business just from seeing what their bank account is doing but that is the cause of so many failures. There's a reason it takes years to qualify as an accountant and understand double entry bookkeeping!

If you are serious about growing your business and ensuring your future financial sustainability, you need a Finance Director or equivalent on board.

The problem...

When a business gets to a certain size and can afford to, they can hire a finance director. The role of a finance director is critical in ensuring the financial sustainability and future of a business. It's why every large business will have an FD or CFO that sits on the board of Directors.

The problem is, for small businesses, they simply cannot afford a full or even part-time FD. According to payscale.com, the average base salary of an FD in the UK is £71,633 (in London it's £108,534) and this is before any bonuses, benefits, pensions etc are added in.

Clearly this is out of reach for most small businesses and a huge financial commitment.

However it's exactly these small businesses that need access to this level of finance input the MOST! That's where we can help.

“Too many business owners think they can run their business just from seeing what their bank account is doing but that is the cause of so many failures”

The solution – *a Virtual FD*

We provide a bespoke Virtual FD service to small businesses at often, less than the cost of a junior staff member.

Don't let the word 'virtual' put you off. It may be techy sounding but it's our service is very much based around the human element – and giving you access to our team of experienced Finance professionals who have managed the entire finance function for other businesses like yours.

So what benefits can a Virtual FD bring to you?

Perhaps the main benefit is the comfort of being able to hand responsibility of managing your finance function to someone else to let you concentrate on what you're good at and growing your business.

It's essentially a combination of a sounding board, business coach and strategic

financial expert partnering up with you to help you achieve your business objectives. Other benefits include:

- **Synchronisation of your financial data with your business objectives** to ensure you receive useful management information to help you make better decisions
- **Provision of real time management information** with analysis in a timely manner
- **Strategic financial input** on growing your business
- **Powerful introductions** with real impact
- **Having finance staff report** to someone who can hold them to account

- **An efficiently run finance system** using the latest tech to save you money
- **Assistance with helping you obtain finance** to grow your business
- **Helping you to build** a profitable and sustainable risk
- **Managing financial risk** in your business that may otherwise catch you unaware

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Virtual FD **vs** Employed FD

If you are considering employing an FD on a full or part time basis, here are some aspects to consider against the Virtual FD offering.

Recruitment

It's hard to find any staff let alone highly skilled staff that will have a huge impact on your business. It will take time to find the right person not to mention the recruitment fees that would be payable.

Cost

The average based salary of an FD is between £70,000 and £110,000 before national insurance, bonuses, pension and other benefits expected by a candidate at that level.

Access

If you hire someone part time then how will you manage when something needs to be done on the days that they are not with you. Same applies for holiday cover.

Flexibility

Once you employ someone, it's difficult to change hours or days. With a Virtual FD its completely flexible – you can increase or decrease your package depending on the need in your business.

Industry standard / best practice

With an employed FD the skill set is limited to the individual. With our offering you have the benefit of a wider skill set across a firm with experience across sectors and up to date knowledge on technological advancements that can be of benefit to you.

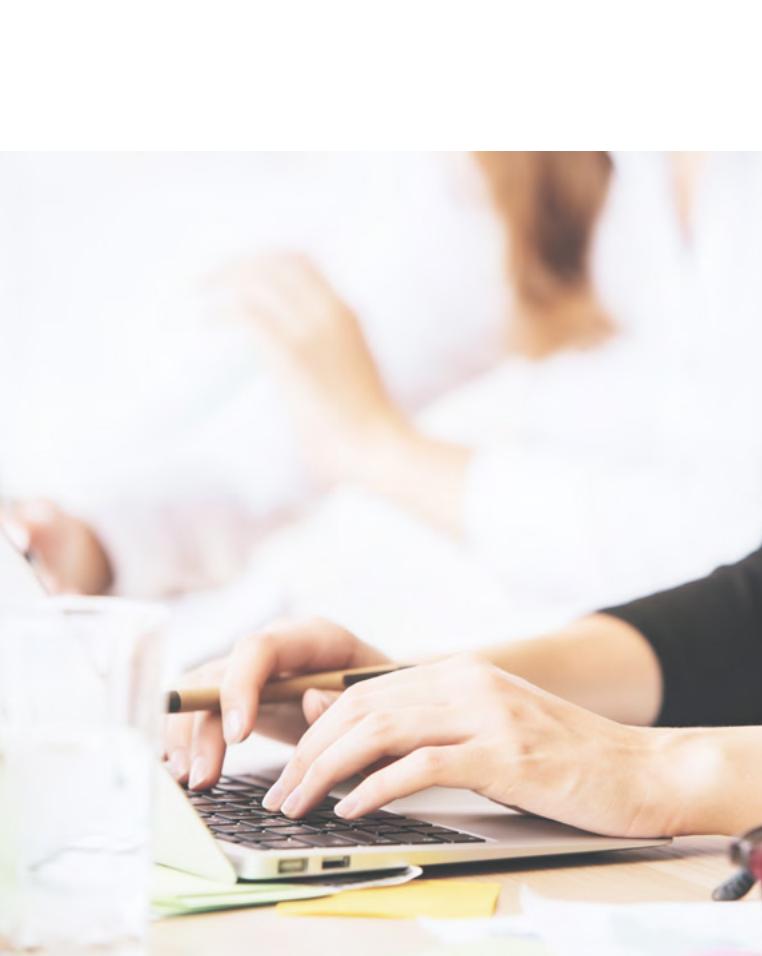
What is your investment?

Every business is unique. Your objectives and requirements will be different to another business owner's. You will be at a different stage in your business compared to the another.

So, we provide you with a range of options so you can choose the package that best meets with your needs.

For each of those packages we give you a fixed price so you can budget and plan. And each of these packages can be tailored so you get what you want.

In other words you're in complete control and can build the Virtual FD package that best meets your needs and budget.



Your options at a glance

Whatever the stage of your business, you will find one of our Virtual FD packages to suit your needs. The table below summarises what is included within each of our Virtual FD service packages. To help you identify the best option for you here is a quick overview:

Growth FD – This is the best option for ambitious business owners who are on a growth strategy to build and scale their business. Here we work closely with you in all aspects of the business' financial systems and processes, building financial projections, helping you to achieve your growth targets and providing regular management reporting from which you can make better decisions.

Reliance FD – This is the best option for business owners who may have some financial staff in house or are in consolidation phase but require FD input to streamline systems, provide regular management reporting and be on hand to guide you on all financial matters.

Comfort FD – This option is for those business owners who are comfortable with managing their financial function by and large but require some oversight to provide comfort.

Your options in detail

	Growth FD	Reliance FD	Comfort FD
The essential things you need to be compliant	●	●	●
Dedicated financial director contact	●	●	●
Overview and support to your internal finance staff	●	●	●
Health check on existing finance function systems & processes	●	●	●
Full management reporting	●	●	●
Unlimited email and telephone support	●	●	●
Implement suggestions from review to generate efficiencies	●	●	○
Cost control: Expense monitoring, analysis and advice	●	●	○
Credit control review and improvement	●	●	○
What-if analysis and financial projections to aid decision making	●	●	○
Cash flow forecasting set up and monitoring	●	●	○
Review of industry specific apps and implementation	●	●	○
Risk management	●	●	○
Dashboard to track relevant financial and non-financial KPi's	●	○	○
Strategic planning to set goals and monitoring	●	○	○
Monthly accountability programme and support	●	○	○

Your options in detail

	Growth FD	Reliance FD	Comfort FD
Raising finance and investor reporting	●	○	○
Exit strategy development and formulation	●	○	○
Non-exec FD role assumed for third party credibility	●	○	○
Monthly payment of our fees making it easier for you to budget	●	●	●

Note: the price of this service is fully deductible for tax purposes, which means that HMRC will refund you a portion of this cost subject to the rate of corporation tax you pay. Also note that there is no employer's national insurance as there would be for an employed FD (saving 13.8%)

Also there is no minimum contract. If you are not getting value from the service, you can stop it at any time giving you complete control and flexibility.

Your options in detail – how you benefit

For a small fixed monthly investment, you will benefit from the following:

Dedicated financial director contact

You will have direct access to an experienced financial director that you can contact at any time who will work closely with you. It will just be like having an FD on your team. This means you have one point of contact for all your queries. They will be supported by other members of our team so you will always be able to get through to someone and receive a prompt reply.

Overview and support to your internal finance staff

It's hard to manage staff – let alone staff that are engaged in an activity that is not your forte. We will provide support to your in-house finance team for any queries they may have so they don't get frustrated and can be as productive and efficient as possible.

Health check on existing finance function systems & processes

We will perform a health check on your existing finance function systems and processes to see where any inefficiencies exist and provide recommendations on improvements to save time and money.

Full management reporting

Creating real time management reports as to how the business is doing is crucial in helping you to make better business decisions. We will ensure that your finance function is set up to give you the reporting you need as regular as you need it so you always have a pulse on how your business is performing. More importantly we will accompany the reports with our commentary and analysis to help you make sense of the numbers.

Unlimited email and telephone support

You can call upon your dedicated finance director contact at any time by email or phone without extra charge or worrying about the cost. If there is anything that is required outside the agreed the scope of services with you, we would always notify you in advance and provide a quote prior to proceeding. You will never receive a surprise bill from us.

Implement suggestions from review to generate efficiencies

We will work with you and your team to implement any suggestions that arise from our financial health check. This may include things like improving your payment procedures or invoicing processes through automation to free up time and reduce the risk of errors together with getting cash in faster. For example, we can help you automate the processing of all your purchase invoices and receipts so you don't have to pay the cost of hiring someone to do this for you.

Cost control: Expense monitoring, analysis and advice

It's very easy to lose control of costs when you are trying to grow a business. As you hire more people you will have employees that will be making expense claims. It is important to keep a handle on costs and have processes in place that keep costs in check whilst alerting you to any anomalies to manage your risk.

Credit control review and improvement

Many businesses suffer from cash flow due to poor invoicing and cash collection procedures. We will perform a review of your credit control procedures and help you implement strategies to get cash into your account faster. This might be through automating credit control, implementing direct debit or helping you to get payment up front.

What-if analysis and financial projections to aid decision making

You want to add a new hire to your team or invest in a product / service to help you take your business to the next level. However, can you afford to do so? What impact will it have on your financials? Are you taking into account all associated costs? We can help build projections to model the impact of incurring costs or investment and taking into account the time before the investment starts to bear fruit. Giving you different scenarios based on 'what-if' questions will greatly aid your decision making and manage risk.

Cash flow forecasting set up and monitoring

Cash is vital to the survival of any business. Monitoring cash flow is crucial in ensuring that you are to sustain the business during periods where trade may be down or where you need to invest to grow. Too often, future liabilities such as PAYE, VAT and corporation tax are forgotten when trying to manage cash just be looking at the bank balance.

We will help you build, monitor and update your cash flow forecast so it becomes a real live forecast that gives you clear visibility over future cash balance and requirements.

Review of industry specific apps and implementation

There are over 1000 apps in the cloud accounting eco-system! And growing. We will research and make recommendations on apps that can integrate into your cloud accounting software that can generate efficiencies for you and therefore save time and money. Some of these may be industry specific to your sector and others more generally around business processes.

Risk management

Managing risk is critical to ensuring business survival. We will identify the key financial risks in your business and assist you in mitigating that risk so you don't lose money. For example, if you are onboarding a new customer and concerned about their ability to pay, we can run a credit check for you on your behalf.

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We will perform a review of your credit control procedures and help you implement strategies to get cash into your account faster.

Dashboard to track relevant financial and non-financial KPi's

Looking at data in management reports is helpful. However combining that with key performance indicators that are specific to helping you achieve the growth targets of your company is even more useful. Our motto is 'anything that is watched and measured, improves'. Having a dashboard with your financial and non-financial KPi's in one place and tracking them will help you and your team achieve your goals.

Strategic planning to set goals and monitoring

We will have a strategic planning session with you to understand your short, medium and long term goals and work with you to implement a series of targets to help you work towards achieving them.

Monthly accountability programme and support

One of the keys to success is taking action. You need to do the things necessary to move you towards your goals. Unfortunately this is harder than it sounds. The day to day running of a business often gets in the way.

Having an external personal holding you accountable helps you to get the right things done. We will schedule a monthly video call or meeting with you to help you work through your strategic action plan and provide help and support. This external support will make it much more likely you achieve your personal and business goals.

Raising finance and investor reporting

Depending on your growth plans you may need to raise finance or restructure existing finance. We will make representations on your behalf to our wide network of financiers to help you get the finance you need to sustain and grow your business.

Any financier will need management reports to ensure their investment is safeguarded. We will work with you to ensure that these are provided as required to maintain your credibility and credit line.

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Having a dashboard with your financial and non-financial KPi's in one place and tracking them will help you and your team achieve your goals.



Exit strategy development and formulation

If you are looking to scale your business and targeting an exit strategy, you need a plan to ensure you get maximum value for the time, money and energy you have put in to building your business. We will work with you to develop an exit strategy that maximises value. This could include looking at options such as MBO's and looking at tying in key employees via tax efficient employee share option schemes.

Non-exec FD role assumed for third party credibility

If you are accountable to other shareholders or investors or have taken on risk finance, you may be required to have a non exec FD on board. We can perform that role for no extra cost within this package to give you the credibility required and comfort to your financiers.

Managing a finance function these days is no mean feat. However technology has come a long way in automating many of the processes that used to be carried out by employed staff. Reviewing how you manage your finance function can save you time and potentially a lot of money.

A typical finance function set-up can be as follows – with examples of various app add-ons that help to automate and drive efficiencies.

A typical **modern** and **efficient** finance system could look like this:



Accounts Receivable	Bills and Expenses	Cashflow	Ecommerce
GoCardless	Expensify	float	stripe
CHASER	SOLD O	Fluidly	shopify
Invoice and Receipts	Management Reporting	Project and Time	Stock Management
ReceiptBank™	FUTRLI	Workflow MAX <small>a xero product</small>	UNLEASHED
AutoEntry	Fathom	xero	stock&buy

Note: the above is an example only and we would work with you to implement only the apps relevant and useful to you.