



“We took a client on board who had management accounts from another firm but could not make head nor tail of them. They really struggled for cash flow and had director’s loans that they struggled to clear down on time, causing them extra tax liabilities at year end (\$455). After spending some time together, we trained their admin staff to process the day to day purchase and sales invoices into Xero within their usual daily routines. Which therefore saved the client on outsourcing this. We started by ‘tidying up’ their chart of accounts to be what they needed to see and ensuring the cost of sales were relevant to each sales code. Giving a clear margin when reporting was due.

Management accounts were then presented to the client in person on a big screen where they can ask questions and really understand their numbers.

Having tidy reporting also allowed the client to base their staff’s commissions from the accounting system, rather than having separate calculations which has therefore saved them time.

From the management accounts provided, this really helped them plan a clear route forwards and enabled us to cut costs that were not needed in the business. We also introduced management accounts in a visualisation format, which enabled the client to easily see where their main costs are from charts and images.

This led the client on to be able to make practical decisions in line with their business. We introduced forecasting which enabled us to make decisions on future purchases and build out scenarios to show the impact on cash from the extra revenue but also the associated costs.

Over a 12 month period we saw the clients cash flow significantly improve to a positive healthy position, which allows the business owners the opportunity to grow and develop even further. We were also able to sensibly plan dividends with the shareholders to allow the directors loan to remain clear.”

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