

# Management accounts

Hello! This shows the steps involved when you have Management Accounts. This is a bit like having a virtual Finance Director and is useful for companies that are expanding, have investors, or want to keep a tight ship on exactly where you are at all times, in order to make decisions around the business faster.

It's sometimes helpful to be able to see what goes on in the background each month, since this is like doing a 'Year End accounts' but each month.

These are the tasks that we are busy getting on with (often in the background):

Each month or quarter (where possible by the 15th of the month):

- We review your Profit and Loss and Balance Sheet.
- We prepare & confirm what we call 'working papers' for each account on the balance sheet and profit and loss. This is a similar process to Year End accounts.
- We check for costs that you have paid for in a lump sum and spread this out accordingly to the correct month, eg. insurance or rates.
- Any costs you have paid for up front, we check and treat accordingly. This is based on accounting principles.
- We check the expenses and make sure they have been allocated to the correct account, eg move software to 'fixed assets - computer equipment'.
- We check with you on areas such as work in progress, stock etc.
- We ensure the correct income and expenses fall into the correct month.

Once we are happy with everything, we will estimate the tax bill for you and can advise if further dividends can be taken.

We check the Cash Flow and alert you of any concerns or substantial bills that may be coming up. If we make your payments, we check the balances for you.

We check the health of the business, key stats and highlight where you can make improvements. If we are aware of future plans, we can help further by giving you advice.

It is definitely worth having a chat with us about this as the type of data that would be useful to you will depend on your particular business.

We can also add your Excel workings or Google analytics into our calculations for any non financial stats you may have (e.g. how many projects you have in progress, number of products sold etc).

Data for your business, that is being interpreted by us, helps maintain strong financials and allows you to make business decisions quickly and efficiently. It gives you confidence to know they are super up to date and not months behind.

We use a tech reporting platform to produce awesome (easier to understand) data for you.

We run the Profit & Loss Report, Balance Sheet and any other reports you have requested and email them to you for you to review.

YES

Would you like a meeting to go through the Accounts?

NO

A meeting is arranged.

During the meeting we go through the information we have prepared and help you understand where the company stands.

We discuss with you your plans or advise you on what else needs to happen during the next period and beyond. This would also be in the final report.

We discuss tax savings, tax planning etc.

We talk about any strategy required to move the business in the direction you hope for.

We document the meeting and action any points made ready for the next month.

You will receive a follow up email and the final reports.

These are the tasks that we need you to do for us please:

If you do your own bookkeeping, we will need all data from the previous month reconciled ASAP to reflect accurate data.

Answer any queries we may have via email

You can decide whether to take this or not - as there are personal taxes to consider.

We will advise you on the taxes but essentially you will need to ensure you have the funds available in your accounts.

If you have concerns on cash flow - we can advise and help with funding and loan applications - for working capital or growth.

You check and confirm that you are happy with everything or email us with any queries. If there are areas you don't understand, please let us know and we will go over it with you.

If you have any queries at any point in the month, please contact us on [hello@soaring-falcon.co.uk](mailto:hello@soaring-falcon.co.uk)

Management Accounts are prioritised and so we will get back to you quickly.

Need to free up more of your time to focus on growing your business? We offer lots of additional business services, so please do get in touch with our team to discuss how we can help you balance the value of the service against the value of your time - so you can make a smart decision about which services to outsource.