



# Virtual Finance Office

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*Effective management of your business' finance function*



**Brooks**  
Finance & Business Experts



At Brooks, we are devoted to helping our clients grow their businesses and taking away the stress of their finances.

Our dedicated team is passionate about the high standards of service that we deliver to our clients. Unlike most accountancy firms, we're made it our mission to get to know you and your business to work with you to solve the problems and uncertainties that inevitably arise. Having us in your corner means you can rely on us to help you fulfil your dreams.

- ✓ Helping you make more money
- ✓ Free up more time
- ✓ Giving you complete peace of mind that your business finances are in expert hands



## Financial Management - Is this a problem for your business?

When you set up your business, things were relatively simple. No employees, hardly any transactions, no one to answer to.

Then you started to grow and things changed. You had to hire people, trust that they knew what they were doing and rely on them for advice on areas that were not your forte.

### **One of those areas was finance.**

However, you find it difficult to employ the right people at a level you can afford to give you the advice and financial management you require.

As a result, you try and get by with what you have and it all gets a bit overwhelming. You don't have as close a grip on your finances as you would like and little help around you.

Even if you can afford to employ finance staff they will only have limited experience, so you're unsure whether they are actually running your finance function efficiently and making use of technology to streamline the processes.

You know you need to systemise and use technology better but you're not sure how and where to start.

Your business has grown in size yet you cannot afford to hire a Finance Director as the going rate is in excess of £75,000.

Even Financial Controller salaries are no less than £45,000 plus tax and benefits.



## The consequence

The result is that you sail along not really knowing whether your business could be doing better, trying to manage your finances yourself without any assistance from real financial experts.

### **That takes time and energy away from doing what you're good at.**

Meeting customers, generating enquiries, driving your business forward.

You worry about meeting financial obligations like taxes as you don't have real-time cash flow forecasts to refer to.

Your staff are content to continue the old ways of working as they are not aware of how things could be done smarter or more efficiently. It is not in their interest to save you time!

You're not sure whether you are profit-making until after the year-end when your accountant prepares the accounts as you don't get accurate management accounts.

### **All a little too late by then.**

Your business is not giving you the financial return you hoped for when you set up your business.

You don't have financial systems in place that you feel confident in.

You don't have a business plan or KPI's to measure performance so that you can build the business of your dreams.

In short, you feel alone...

## The problem

When a business gets to a certain size and can afford to, they start to hire finance staff to take care of the increased finance requirements of the business.

The problem is, for small businesses, they simply cannot afford to hire the right level of finance support they need.

**"Your staff in finance only have limited experience and you're unsure whether they are actually running the finance function of your business efficiently."**





According to indeed.com the average salaries for the following roles are:

**Accounts payable clerk:** £22,535

**Accounts receivable clerk:** £23,861

**Bookkeeper:** £22,996

**Senior accountant:** £33,932

**Financial Controller:** £54,829

**Finance Director:** £82,439

To employ all of the above would cost a whopping £240,592! And these are before bonuses, benefits, pension contributions and employer's national insurance of 13.8%!

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!

Granted, as a small business, you wouldn't need to employ all of the above roles on a full time basis.

However, you do need the expertise of each of these roles at some level. The problem is you can't employ 46% of an accounts payable clerk, 35% of an accounts receivable clerk, 35% of a financial controller, 10% of a financial director etc. You get the gist.

So you end up employing one or two people with some finance experience which either means:

**1. You end up with highly skilled people covering and doing low skilled work**

ie. Financial Controllers doing accounts payable and bookkeeping

**2. You have gaps in your finance function because the people you employ do not have the skill set required**

ie. Bookkeeper not being able to do what a finance director would.

That's where we can help.

## The solution

Imagine you had someone to fully implement, systemise and manage the finance function of your business so that:

- ✓ You don't need to worry about your financial management anymore
- ✓ You'd have access to bookkeepers, as well as FC and FD level support at a fraction of the cost of employing them full or part time
- ✓ If you already have in house staff, they would have access to training and support from qualified professionals
- ✓ You would save time and money by having access to the latest technology to streamline your processes

- ✓ You would get insights into the financials of your business to help you make better, meaningful and timely decisions on moving your business forward
- ✓ You would have access to real-time management information that was accurate and gave you access to all possible financing options for growth
- ✓ You could scale your business up knowing that your finance function was in good hands and could scale with you
- ✓ You would have access to a trusted advisor who understands your business

**Cue, the Virtual Finance Office.**





## The Virtual Finance Office

We provide a bespoke Virtual Finance Office service to small and medium sized businesses at often, less than the cost of a full-time junior staff member.

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

We can provide the full finance function from bookkeeper to FD and anything in between or complement your existing team with the elements that are missing.

## What does a typical finance function look like?

The traditional 'finance function' would have had the following elements/departments:

### **Accounts receivable**

responsible for invoicing and collecting cash from customers

### **Accounts payable**

responsible for paying suppliers and employees

### **Financial reporting and control**

responsible for implementing the systems into which the data is entered and extracted in the form of management accounts for analysis

### **Working capital management**

responsible for managing cash flow and setting up systems for stock management

### **Forecasting and budgeting**

responsible for setting up budgeting and variance analysis between actual and budget

### **Strategic and financial planning**

responsible for giving meaning to the figures, tracking KPI's and managing the business' financial risk

### **Tax and compliance**

responsible for compliance with tax and regulatory bodies like HMRC and Companies House



***Don't let the word 'virtual' put you off. It may be techy sounding but our service is very much based around the human element.***



Large companies would have a whole team of people to make up the business' finance function covering each of these areas - from accounts payable and receivable staff to financial controllers and CFO's.

Smaller businesses would typically only have a limited number of people to handle all of the above functions if any at all - sometimes it's just the owner together with non-finance professionals that try and get by.

Although small businesses don't need a whole team of people to cover all of the above, they do need cover in all of the above finance function areas to some extent.

The problem is, it's not normally within reach of most small businesses to get the optimum level of cover in each of the finance function areas that they need.

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***We can provide the full finance function from bookkeeper to FD and anything in between or complement your existing team with elements that are missing.***



## So what benefits can a **Virtual Finance Office** bring to you?

Fundamentally, our VFO offering can give you cover in all of the above fundamental finance function areas in line with your business needs and at an investment that your business can afford.

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

Technology these days has made it possible for firms like ours to provide a full finance function offering to our entrepreneurial clients.

It's essentially a combination of a full finance team, business coach and strategic financial expert partnering up with you to help you achieve your business objectives.

Other benefits include:

### **Removing the hassle**

of bookkeeping and ensuring it's done regularly and accurately so you don't miss out on tax reliefs and all eligible VAT paid

### **Synchronise financial data with business objectives**

to ensure you receive useful management information to help you make better decisions

### **Provide real-time management information**

with analysis in a timely manner

### **Strategic financial input**

on growing your business

### **Access to the latest technology**

to streamline your operations and save you time

### **Have finance staff report**

to someone who can hold them to account

### **Assistance with helping you obtain finance**

to grow your business

### **Helping you build a profitable and sustainable business**

by charting out a plan and measuring KPI's

### **Managing financial risk in your business**

that may otherwise catch you unawares

## So what is your investment?

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

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

We do this by working collaboratively with you to create a proposal for the services in line with your current circumstances and requirements. We will do this live with you using our pricing software so you are in control of what level of integration, service and management you would like from us.

We will always give you a fixed price so you can budget and plan. As your circumstances change, for example, you have more transactions or require more regular management reports, then we can carry out a fee review to adjust your monthly investment.

Similarly, if you no longer need an element of our service or your transactions reduce, then your investment will reduce accordingly.

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

It allows you to scale up the service as you grow and scale down if you retract. In other words, it's fully flexible.

Contrast that with having to employ finance professionals whether or not you fully need them and you will see the savings you can achieve.





## How do we deliver this?

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.

Technology enables us to fully deliver and manage your finance function completely remotely, although we can combine this with on-site visits as required for training purposes.

You can tailor how much on-site contact you would like from us when you are selecting your options and packages.

An example of a modern and efficient finance function using available technology that helps to automate and drive efficiencies can be seen here.





## Your options in detail - *how you benefit*

For a small fixed monthly investment, you can benefit from the following, depending on the package and options chosen

### **Review and streamline existing finance function system and 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.

### **Document capture system and process**

We will review how documents flow through your current finance processes in order to streamline as much as possible, so you only keep what you need and use technology to scan documents to save time on manual data entry - and reduce human errors that

can result in financial loss. You will also be surprised how much space you can get back in your office when you go paperless!



## Accounts receivable review and management

Many businesses suffer from cash flow issues, 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 upfront using payment processing services like Stripe or Paypal.

## 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.

## Accounts payable review and management

We can manage your payments function or review your existing processes and set up and provide advice on generating efficiencies, improving controls and saving you time and money. If you pay employee expenses then we can establish and implement systems for you to keep track of expense claims, ensure the relevant authorisations are in place and create a seamless process for claims.

## Bank feeds system set up and timely reconciliations

We can undertake the bank and credit card reconciliations for you or if you are doing this in-house, then we can provide processes to undertake it as efficiently as possible across all bank and credit card accounts. Reconciliations are essential to ensuring that the financial data in your accounting system is accurate so that you know at any point in time who owes you what and what you owe to others.

## 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 regularly 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.



***You can call upon your dedicated finance director contact at any time by email or phone without extra charge or worrying about the cost!***

### **Dedicated financial director contact**

You will have direct access to an experienced finance director that you can contact at any time who will work closely with you. It will be just 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.

### **Unlimited email and telephone support**

You can call upon your dedicated client manager 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 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.

### **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.

### **Financial projections and custom reports 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? 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 take 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 risks.





## **Working capital / cash flow management 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 by 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 balances and requirements.

## **Review of industry-specific apps and implementation**

There are over 1,000 apps in the cloud accounting ecosystem! And growing. We will research and make recommendations on apps that integrate into your cloud accounting software that generate efficiencies for you and therefore save you time and money.

## **Financial 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're onboarding a new customer and concerned about their ability to pay, we can run a credit check for you on your behalf.

## **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 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 person holding you accountable helps you to get the right things done. We will schedule a monthly video call or meeting to help you work through your strategic action plan and provide help and support. This external support will make it much more likely for you to 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.

### 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 into building your business. We will work with you to develop an exit strategy that maximises value.

### In Summary...

**Whatever level of support you need for your business finances, we have the solution.**

**If you're excited by any of our solutions, then book a meeting now to discuss your requirements.**

**If you're still not sure that this is the right solution for your business, then book a meeting anyway and we'll talk you through the best options for you.**

**Simply visit our website and click on any of the Book a call buttons - [www.brooks-accountants.co.uk](http://www.brooks-accountants.co.uk)**



**“This is one investment your business simply has to make!**

**We use all of Brooks' services, from bookkeeping to Finance Director and we couldn't have grown our business without their invaluable support.**

**Ian Richardson,  
Co-founder & CEO  
Schudio**



*Delivering award winning, cost effective  
accounting solutions to ambitious businesses*



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