

🕒 ADVISORY

Management reporting

Monthly and quarterly figures, forecasts and KPIs that show where you are heading, not just where you have been.

Why annual accounts are not enough

Statutory accounts can be filed up to nine months after the year end. By then, the oldest transaction in them is 21 months old. They satisfy the law, but they are too late to run a business on.

Management accounts are produced monthly or quarterly, usually within 10 to 15 working days of the period end. They show what is happening now, while there is still time to act.

What a good monthly pack contains

SECTION	WHAT IT TELLS YOU
Profit and loss	Sales, gross margin and overheads against budget and last year
Balance sheet	What the business owns and owes, including tax due
Cash flow forecast	Cash for the next 13 weeks, and when it will be tightest
KPI dashboard	The five to eight measures that drive your results
Debtors and creditors	Who owes you, who you owe, and how long for
Commentary	The three things that matter this month, and what to do about them

A monthly reporting timetable

WORKING DAYS	WHAT HAPPENS
1 to 5	Bookkeeping completed; bank, sales and purchase ledgers reconciled
6 to 8	Adjustments for accruals, prepayments, stock and work in progress
9 to 10	Pack produced, with KPIs and commentary
11 to 15	Review meeting; actions agreed and forecast updated

At a glance

21 months

age of the oldest figure in your filed accounts

10 days

a good target to close each month

13 weeks

the cash forecast horizon that catches problems early

Your numbers should answer

- Can we afford this hire or investment?
- When will cash be tightest?
- Which customers and products really make money?
- Are we on track for the year?
- How much tax will we owe, and when?

Choosing the right KPIs

Good KPIs are few, measurable and within your control. Examples by sector:

- **All businesses:** gross margin, debtor days, cash headroom, revenue per employee
- **Professional services:** utilisation, lock-up (work in progress plus debtors), fee rates
- **E-commerce:** average order value, conversion rate, returns, stock turn
- **Dental practices:** chair utilisation, treatment plan conversion, associate costs
- **Construction and manufacturing:** order book, contract margins, work in progress

Budgets and forecasts

TOOL	HORIZON	WHAT IT IS FOR
Annual budget	12 months	Sets targets for sales, margins and costs, agreed before the year starts
Rolling forecast	12 to 18 months, updated quarterly	Shows where the year will actually land as circumstances change
13-week cash flow	Weekly, rolling	Gives early warning of cash pinch points, VAT and tax payments
Scenario model	As needed	Tests decisions such as a new hire, price rise, contract or loan

How we deliver it

- 01 Agree** the KPIs, format and timetable that suit your business.
- 02 Tidy** the bookkeeping, so the numbers are reliable month to month.
- 03 Produce** the pack monthly or quarterly, with commentary.
- 04 Review** it with you, and re-forecast each quarter.

Is your reporting working?

- ☐ You know last month's profit by the middle of this month
- ☐ You can see cash at least three months ahead
- ☐ You compare actual results with a budget
- ☐ You know gross margin by product, service or job
- ☐ You know your debtor days
- ☐ Board or family meetings are run on the numbers

PLANNING POINT

A forecast is only useful if it is kept up to date. Re-forecast every quarter, and whenever something significant changes, such as winning or losing a major customer.

TALK TO A PARTNER

Know where the business is heading

We produce clear monthly or quarterly reporting, forecasts and KPIs, and talk them through with you. You deal directly with Doug Murphy or Stephen Thompson, not a rotating account team.

[Book a discovery call →](#)

PHONE 0161 835 2080

EMAIL client@mtmllp.co.uk

MANCHESTER 3rd Floor, 82 King Street
Manchester M2 4WQ

WILMSLOW Cresta House, 42 Water Lane
Wilmslow SK9 5AL