

Virtual Finance Director

(VFD Pro)

VFD Pro Report Guide

(Performance Analysis)



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Performance Analysis Report

Purpose

The Performance Analysis report highlights key performance issues across both P&L and Balance Sheet as well as highlighting potential 'quick win' opportunities through the opportunity exception analysis. Every transaction within the accounts has been analysed to identify areas of both opportunity and risk that exist within a business.

This report should form the basis of a quarterly in-depth review of business performance with your client, identify the steps that need to be taken to address any issues highlighted and track performance of actions taken in previous reviews. A new report is generated every time the reporting month is changed for a company and the data is synchronised.

The most recent month used in the report is the accounting date entered in your VFD portal and the categorisation of the P&L and Balance Sheet is bespoke to the individual client's chart of accounts. Therefore, the nominals included in the categories can change from client to client.

The report is presented in 7 sections:

Executive Summary – High level overview of business performance focusing on the impact movements in KPIs have had on profitability.

Revenue Analysis – Revenue performance is analysed from a transactions/average spend, as well as a customer perspective, to provide clarity on the reasons for any movement.

Margin Analysis – Understand the impact movements in the component parts of cost of sales has on the overall gross margin.

Overheads Analysis – Understand the impact on profit of movements in key overhead lines.

Profit Analysis – High level overview of profit performance focusing on the impact movements in KPIs have had on profitability.

Forecast Extrapolation – Performance over the past 6 months is projected forward to provide a high level view of potential sales and profit over the next 12 months if recent trends continue.

Balance Sheet Analysis – Analyse how the financial health of the business has changed and what the drivers are of this movement.

Opportunities Identified – The Virtual Finance Director uses programmed AI to identify opportunities to take action that will impact business performance, if any are present they will be displayed here.

Branding

VFD Pro reports are white labelled to reflect your logo and corporate colour scheme throughout.

Primary Colour – Used for all title headers and is the first colour used on all graphs/charts

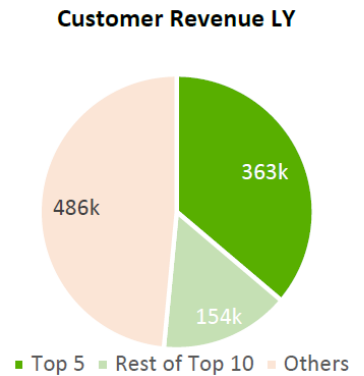
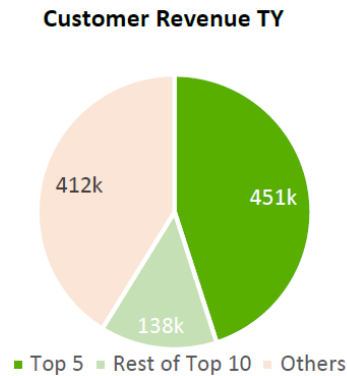
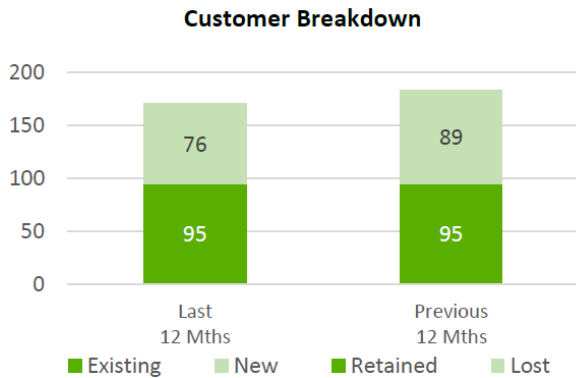
Secondary Colour – Used to provide the contrasting colour to the primary colour on all graphs/charts

Tertiary Colour – Used where a third colour is required on specific graphs/charts

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Revenue Analysis (continued)

The revenue section then analyses the performance of the customer base over the past 12 months. The column chart shows the total number of customers invoices have been raised against in the past 12 months broken down into Existing (those customers who had an invoice raised against them in the previous 12 months) and New (those customers who did not have an invoice raised against them in the previous 12 months).



The risk present within the revenue base is also analysed in this section. The pie charts show the revenue derived from the top 5 most valuable customers, the rest of the top 10 and everyone else. This is then compared to the previous 12 months to attempt to highlight whether that risk is increasing or decreasing.

The top 10 customers this year (ranked by sales value) are then identified and performance, both in absolute terms, and as a proportion of overall revenue is analysed.

<i>Top 10 Customers Last 12 Mths</i>	TY	%	LY	%	Var £	Var %
Company 00772	225.6k	22.5%	134.5k	13.4%	▶ 91.2k	67.8%
Company 00396	90.4k	9.0%				
Company 00932	46.6k	4.7%	11.0k	1.1%	▶ 35.7k	325.0%
Company 00372	45.1k	4.5%	59.4k	5.9%	▶ (14.3k)	(24.1%)
Company 00472	43.1k	4.3%	33.7k	3.4%	▶ 9.3k	27.6%
Company 00555	37.3k	3.7%	45.3k	4.5%	▶ (8.0k)	(17.6%)
Company 00663	37.2k	3.7%	66.0k	6.6%	▶ (28.8k)	(43.7%)
Company 00717	22.7k	2.3%	18.1k	1.8%	▶ 4.6k	25.5%
Company 00841	21.7k	2.2%	34.4k	3.4%	▶ (12.7k)	(36.9%)
Company 00970	19.3k	1.9%	12.5k	1.2%	▶ 6.9k	55.0%
Top 10 Clients	589k	59%	415k	41%	▶ 174k	42%
The Rest	412k	41%	588k	59%	▶ (176k)	(30%)
Total	1,001k	100%	1,003k	100%	▶ (2k)	(0%)

As well as the identification of the top 10 customers, the customers who have generated the largest decrease in revenue are also listed. This section is just as important as it could highlight specific issues that are causing avoidable customer attrition.

Every client should be encouraged to take steps to identify and address the causes of customer attrition, because long term growth is much more dramatic in businesses that take steps to improve customer retention than those that focus on new client acquisition alone.

Please get in touch to see details of the full report.

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