



Planning & Forecasting

Learning from past performance to improve future outcomes.

Presented by:

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Objectives of Todays Presentation



1. General information – Not advice

2. Provide a general framework to build upon

3. Provide you with something to think about to improve your business

4. We won't be delving deeply into the financial side of things today

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The Basic Process

Group accounting

(107,305)

35,13

(72,174

(72,074

1. Determine what you want to achieve

- 2. Establish a starting position
- 3. Map your route and metrics
- 4. Check in on your milestones

5. Do it all again - regularly 🛌

		account	ing
Trading Income Statement			
ANTAS Dep	artur	res	
DESTINATION	SCHED	BOARD	GATE
FILTHY RICH	CANCE		
SYDNEY	1600	1540	
BRISBANE	1605	1545	1
\$200K PR0FIT	1610	1540	2
CAIRNS	1610	1540	2
CANBERRA	1610	1550	
BANKRUPTCY	CANCE	BLLED	
PASSIVE INCOME	1625	1555	2
BUSINESS SALE	1630	1610	
ADELAIDE	1630	1610	
SECOND INCOME	1635	1605	2
Paid Up Capital Retained Earnings/(Losses)			(407.5

Retained Earnings

Total Equity

Current Year Earnings

Total Retained Earnings

Profit/(Loss) before Taxation

What do you Want to Achieve?

1. Wealth - is usually always #1

2. Income

3. Lifestyle

4. Exit Strategy

5. Some Observations







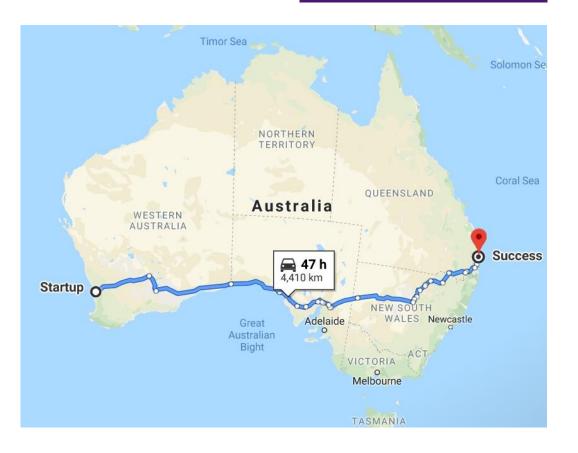
Image by 3dman_eu on Pixabay

Map Your Route and Metrics

Scounting

- What do you Need Sales to be?
 How will you achieve that?
- 2. What are our Costs? How will you manage them?
- 3. How Much Capital do you Have Access to How much do you need and how?

4. What Additional Plant & Equipment is Needed
Cost and Funding?
Premises?



Key Performance Indicators

Strategic (The What)

Operational (The How)



S pecific **Increase wholesale sales**

easureable by 20%

chievable

ealistic

imeframe by 31 December 2019

1. Make 10 Cold calls a Week * Conversion is important

2. Attend 2 Trade Fairs a Year * Which Ones, When?

3. Do a brochure drop

* When, where?

Remember: There are only ever 2 causes of any variance.

- 1. We didn't do what we planned; or
- 2. We did what we planned but the result was different.

One Page Business Plan - Abridged



Jenny's Chocolates

Business Plan

For the 2019 Calendar Year

Vision	Strategic Objective (The What)	Operational Objective (The How)	WHO	WHEN	SUCCESS METRIC		
Grow the Business	1. Increase Wholesale Sales by 20% by 31 December 2019	1.1 Make 10 cold calls a week1.2 Attend 2 Trade Fairs by 31 December1.3 Do a brochure drop	Me Me John	Tuesday afternoon April, September March	1 New customers a week (50 per year) Brand awareness* 10 New customers/Shop Promotion		
	2. Establish New Shop to be opened 6th May 2019	2.1 Open new shop in May 2019 2.2 Organise new staff/training in shop	Me Me	Open 6 May 2019 30 April 2019	Meeting the opening day Brand awareness*		



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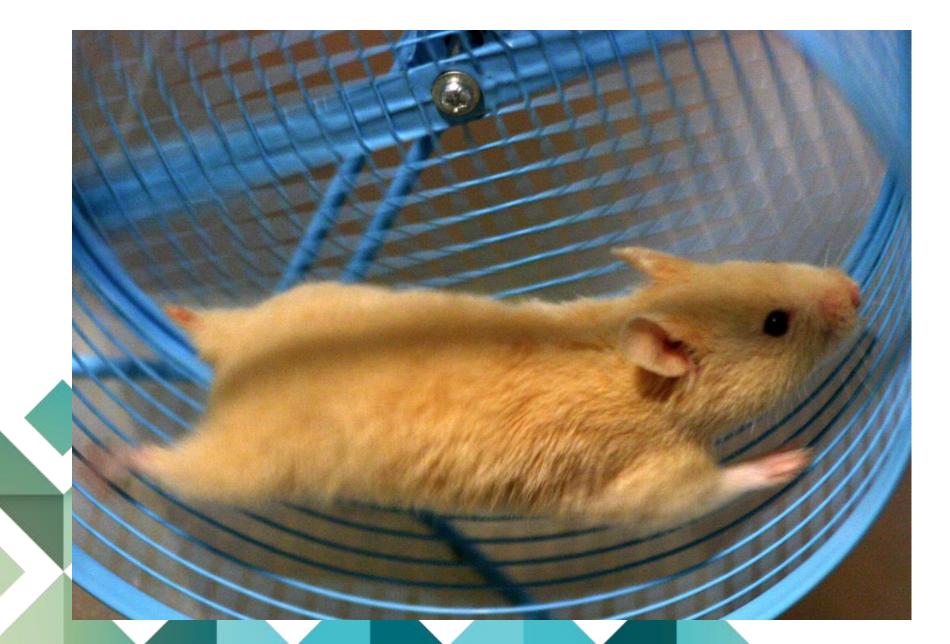
Bevan Pierce

Overlay Your Financials - Simplified

Front & LOSS Jenn Profite & LOSS For the encythe endediate areymber 2019 **9**COUNTING

	Jan 19	Feb 19	Ma _l Fpg th	e Apponth e	endrad 36 Do	eççem kəgər 20	D1901 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Total
Income	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Total
Income	\$30,465		\$37,664	\$54,898	\$44,527	\$35,987	\$45,560	\$33,174	\$49,041	\$33,314	\$58,287	. , .	550,000
Sales ^{Other Income}	\$30, ^{\$} 46 ⁵⁰⁰	\$58,4, 7 80	\$3 \$ 16590	\$5\$4,898	\$\$4; 5 29	\$3 ¹ 5,987	\$45,880	\$\$133,174	^{\$} \$\$\$9,841	^{\$1} \$50,314	\$1\$98,287	^{, \$1,} \$68,60	6 ^{\$18} \$ 55 0,000
Other Hicome	\$3 <u>4</u> 965	\$59,978	\$39,164	\$56,398	\$46,927	\$37,4870	\$47,060	\$34 ₈ 674 ₀₀					568,000 _{8,000}
Total Income Cost of Sales	\$31,965 [%]		\$39,164	\$56,398	\$46,027	\$37, <mark>7</mark> %7	\$47 ⁸ ,060	\$34,674	\$50,541	\$34,814			
Purchases & Consumables	\$ 16,756	11% \$32,163	\$ 20,715	10% \$ 30,194	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	\$ 19,793 ⁷ %	\$ 25,058 [%] \$	5 18,246 ^{6%}	26,973 ^{9%}	18,323 ^{6%}	32,058 ^{11%}	37,733 12%	, 302,500
Commissions Purchases & Consumables Freight	\$878 \$ 16,756	\$ 32,1 <mark>\$833</mark> \$585	\$221 \$ 20,7157	\$479 \$ 30, <u>194</u> \$549	\$487 \$ 24,490 \$445	\$1,079 \$19,793 \$360	\$1.854 \$25.058 \$456	\$313 \$ 18,246 \$332	\$638 \$26,973 \$490	\$772 \$18,323 \$333	\$1,016 \$ <u>32</u> 058 \$583	\$2,140 \$_37,733 \$686	\$10,711 \$302,500 \$5,500
Commisšions	\$81,182	\$1,418	\$ 221 \$ 598	\$1,028	\$ <u>487</u> \$933	\$1 , 439	\$2 ,3 10 ⁴	\$6 45 ¹³	\$1,1 28 638	\$1,10 ^{\$772}	\$1,599 ^{,016}	\$ \$2,826 ,14	\$16,2 ^{\$10,711}
Freight Cost of Sales	\$17,938	\$33,581	\$2 ^{\$1,3} 773	\$3 ^{\$} ,221	\$25,422	\$21,232 ⁰	\$27, 367 6	\$18,890 ³²	\$28,1 0 1 ⁹⁰	\$19,42 ⁸³³³	'\$33,65≯ ⁵⁸³	\$40,560 ⁰⁰³	
	\$1,182 \$14,027	\$1,418 \$26,397	\$598 <u>\$17,851</u> \$21,313 46%	\$1,028 \$25,177	\$933 \$20,605	\$1,439 \$16,255	\$2,310 \$19,692	\$18,890 \$645 \$1 <u>5,784</u>	\$1,128 \$22,441	\$1,105 \$15,386	\$1,599 \$26,130) \$2,82 \$29.546 \$	
Tota l Cost of Sales	\$14,027 \$17,938 44%	\$33,581 44%	\$21,313 46%	\$31,221 45%	\$933 \$20,605 \$25,422 45%	<u>\$21,232</u> 43%	\$27,367	<u>\$18,890</u> 46%	*28,101	\$19,428 44%	\$33,65	<u>42,0,56</u>	0 \$318,711
Grossegyotiperating Expenses	\$14,027	\$26,397	\$17,851	\$25,177	\$20,605	\$16,255	\$19,692	\$15,784	\$22,441	\$15,386	\$26,130	\$29,54	6 \$249,289
Accounting & Consulting Fees	4\$% 55	4\$4 \$65	\$6 %5	\$4585	\$ 45%	\$ 436%	\$4 452%	\$4 \$\$6%	\$45 \$4%	\$45 \$44%	\$455 44 %	6 \$455 42 9	% \$5,454 44%
Less Opperating Expensestion - Genera	l \$1,571	\$1,711	\$1,925	\$1,704	\$2,262	\$1,842	\$2,313	\$2,772	\$2,484	\$2,948	\$2,938	\$3,445	\$27,914
Accountingd& CoonSodating Fees	\$455	\$455	\$455	\$\$,4500	\$455	\$455	\$455	\$455	\$5,6\$0 55	\$455	\$458	5 \$45	5\$10,10\$55,454
Adverti sIngc&uPropropio n - General	\$1,571	\$1,711	\$ \$,19<u>2</u>5 0	\$1,704	\$2,262	\$1,842	\$2,313	\$2,772	\$2,484	\$2,948	\$2,938	\$3,44	5\$1,4\$5207,914
BankBanksFees	\$2 \$2 646	\$ 268 8	\$\$0022	\$267	\$355	\$ \$28 9	\$ \$6 &3	\$4 \$4 545	\$3 \$ 3 9 0	\$46 \$ 462			0 \$4,37 \$ 4,378
MotoMotenticHeheckeenses	\$3 \$3 54	\$ 386 6	\$ \$4334 4	\$385	\$ 510	\$ \$ 41,66	\$ \$322	\$6 \$6 25	\$5 \$ \$60	\$66\$5665		3 \$777 _{\$77}	7 \$6,29\$6,299
Office	\$4 5 0 00	\$ 4 6400	\$ \$ ##600	\$400	\$400	\$\$4400	\$ \$900	\$4 \$4 00	\$4 \$ 2400	\$40 \$ 400	\$40 \$ 40) \$400 _{\$40}	0 \$4,80\$4,800
Subscriptions ansee Fees	\$2 ზე 00	\$ <u>\$</u> 600	\$ \$ 600	\$200	\$2 00	\$ \$2 90	\$ 3 200	\$ 2\$2 00	\$2 \$2 00	\$20\$200	\$20\$200) \$200 _{\$20}	0 \$2,40 \$2,400
Insurance Shop Rent	\$110	\$110	\$110	\$110	\$380	\$380	\$1, 200	\$1,200 \$380	\$1,2 9 380	\$1,200 \$380	\$1,20Q ₃₈₀	ຸ\$1,200 _{¢ 3 8}	0 ^{\$7,20} \$3,480
Telephone & Internet	\$3 ^{\$10}	\$350°	\$\$50°	\$350	\$380	\$380 \$450	\$380 \$450	\$380 \$450	\$380 \$450	\$380 \$450	\$380 AE	\ \$380 _{€ 4 E}	0 ^{\$3,48} ,000
Telephone & Internet Wages Cost	\$350	\$350 \$134	\$350 \$87	\$350 \$796	\$450 \$646	\$450 \$572	\$450 \$661	\$450 \$481	\$450 \$711	\$450 \$483	\$845	5 \$\$\$	5 ^{\$5,000} \$6,430
Light, Power, Heating Superannuation Wages Cost					\$142 \$61	\$115 \$50	\$145 \$63	\$174 \$46	\$156 \$711 \$7	\$185 \$483 \$483	\$184 \$845 \$8	\$ 216 \$9	C1 217
VVOrkcover	\$7 \$70 \$1	\$13 \$134 \$1 \$13	\$8 \$87 \$1 \$8	\$76 \$796 \$88 \$76	\$142 \$61 \$646 \$6 \$61	\$115 \$50 \$522 \$50 \$50	\$145 \$63 \$661 \$7 \$63	\$174 \$48 \$481 \$46 \$46	\$711 \$68 \$7	\$483 \$5	~~~	\$ 995 \$1	0 \$6,430 \$64
Interest Paid Workcover	\$7							\$46	\$68		\$80		+ -
Interest Paid General	\$1 \$15	<mark>\$1</mark> \$15	\$1 \$15	\$8 \$15	\$6 \$15	<mark>\$5</mark> \$15	\$7 \$15	<mark>\$5</mark> \$15		<mark>\$5</mark> \$15	-		
Interest Paid Paid General	\$16 _{\$15}	\$169 ₅	\$1§P5	\$1\$68	\$ \$ \$69	\$160	\$1 <u>6</u> 0	\$ \$ 160	\$ <u></u> 160	\$1 ^{\$} 160	\$1\$ ^{\$160}) _{\$15} \$16	0 _{\$18} \$1,920
Total Interest Paid - Loan	\$135 ₆₀	\$15750	\$1750	\$1755	\$175	\$\$175	\$475	\$1 \$ 175	\$1 \$175	_{\$16} \$175	\$16 §17	5 _{\$160} \$17	5 _{\$1.92} \$2,100
Total Ropel rlating Storpeidses	\$3,9 \$9 75	\$4, 20137 5	\$5, 897 55	\$9\$425	\$6,072	\$ 5 1 25 8	\$71,785 2	\$1775 97	\$1137,52 35	\$ \$8 5053	\$1 \$75 ,440		8 \$2,1 \$)6 8,997
Oper and Operating Expenses	\$10\$08839	\$225,49 :9 3	\$1 \$5989 6	\$ 199,7432	\$\$4,663	\$ f0 2956	\$7.2,360	\$ 7\$7 99787	\$13 £9<u>5</u>06	\$8, \$57 3333	\$8 \$1410 ,69() \$9, \$<u>3</u>0, 20	§ 88 \$P70 ,292
Operating Profit	\$10,088	\$22,193	\$11,955	\$15,752	\$14,563	<mark>\$10</mark> ,956	\$12,360	\$7,987	\$9,206	\$7,333	\$17,690	\$20,208 \$	5160,292

Then do it Again, and Again, and....





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Summary – Key Takeaways

- Budgeting is about behaviour and control to achieve the outcomes you desire.
- There are only 2 reasons for any variance.
- History can guide your future projections.Understand your drivers of revenue and cost
- Be flexible, be willing to change , and learn from every review.
 Today is tomorrows history.
- If your results are not what you wanted, change what you do.
- Do it again, and again, and again, and

Business is Tough – Be prepared, be open to advice, and be prepared to work bloody hard!



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