

## Personal Improvement Plan: David Blue – Finance Manager

Starting date: 26<sup>th</sup> January 2022

Finish: 25<sup>th</sup> April 2022

Objective	How to improve on this area	Measurement of improvement	Timeframe
<p>Increase the value of communication with stakeholders</p>	<p>You have a wide range of stakeholders to manage as a Finance Manager.</p> <p>Operate on in an open way, sharing <u>relevant</u> financial information proactively with your key stakeholders.</p> <p>Improve the clarity and construction of your messaging, especially for material financial news.</p> <p>Add your opinion (based in analysis) to the information you are providing and focus on providing suggested actions to help the business improve its results.</p>	<p>Stakeholders report a positive improvement in:</p> <ul style="list-style-type: none"> <li>• Relevant information they are receiving</li> <li>• Improve the clarity of messaging</li> <li>• Increased focus on suggested actions to be taken to drive improvements</li> </ul> <p>Your reporting and communication results in positive actions being taken that result in improved profitability and cash generation</p>	<p>Immediate and throughout</p>

<p>Balance Sheet Reconciliations</p>	<p>To ensure that all balance sheet accounts showing on the Trial Balance with transaction value of greater than £1,000 are reconciled each month</p> <p>Undertaking reconciliations on all the balance sheet accounts create confidence in the P&amp;L results and reduces surprises.</p>	<p>All balance sheet accounts are reconciled.</p> <p>Any differences from the reconciliation are understood and a plan of action created.</p> <p>Execute the plan of action within the timeframes set.</p> <p>Spot checks or reviews confirm the quality and completeness of the reconciliations.</p>	<p>25<sup>th</sup> February</p> <p>And then by day 15 of each month</p>
<p>Improve Stock Management &amp; financial impact</p>	<p>Improve your knowledge of how to account for and <b>manage</b> stock in a business.</p> <p>Ensure random spot checks are carried out on a weekly basis</p> <ul style="list-style-type: none"> <li>• Physical to ERP</li> <li>• ERP to physical</li> </ul> <p>Use the stock ageing report to identify “at risk” stock on a monthly basis</p> <p>Review the unit cost price within the ERP system on monthly basis.</p> <p>Ensure that all stock receipts are entered into the ERP system within 24 hours of arrival (Help Operations Manager train and manage store team)</p> <p>Ensure all product shipping is capture on the ERP system within 24 hours of dispatch.</p>	<p>The stock balance is accurate, and the postings reflect the units and value of the stock that we own.</p> <p>Stock counts (quarterly) demonstrate that the stock is:</p> <ol style="list-style-type: none"> <li>1. Physically in the location shown on the ERP (98%+)</li> <li>2. Number of Units held in correct across all stock lines (98%+)</li> <li>3. Stock valuation is accurate to within 1%</li> </ol> <p>Any obsolete stock is fully provided for and there are no unplanned impacts to the P&amp;L of greater than £5,000 (i.e. where we did not have prior visibility of issues)</p>	<p>Improvement with each month end</p>

<p>Double entry &amp; Journal posting</p>	<p>Improve your knowledge and confidence in double entry and drive a reduction in posting errors.</p> <p>Your aim is to ensure that the financial statements replicate reality as closely as possible using accounting rules.</p> <p>Increase the number of journals you post personally into the ERP system</p>	<p>The appropriateness of nominal codes entries increases, producing cleaner, higher quality accounts (particularly the balance sheet)</p> <p>Reduce incorrect postings to less than 1% in number terms and below £500 in value terms (monthly basis)</p> <p>The journal log shows at least 20 journals (or 40 journal lines) posted by you personally each month</p>	<p>Immediate</p>
<p>Hitting Month End reporting timetable consistently</p>	<p>Month end to be closed by 6pm on working day 6, each month</p> <p>The value of financial information decreases with time therefore providing fast and accurate financial information is important to aid decision making.</p> <p>Ensure that all month end preparation work is finished before day 1.</p> <p>Ensure the draft P&amp;L is ready by day 5 for review by the Financial Controller</p>	<p>The month end timetable targets are hit consistently each month and month end is closed by 6pm on working day 6.</p> <p>[Occasionally exceptional circumstances do arise that delay month end completion. If any such circumstances happen, the Finance Director will sign off an extension in writing]</p>	<p>6pm Working Day 6, each month</p>
<p>Update our Revenue Recognition policy</p>	<p>Undertake a full review of the Revenue Recognition policy following recent changes in the FRS</p>	<p>An updated policy is produced, fully written up and distributed to the Finance and Management Teams</p> <p>The Financial Controller and Finance Director have signed this policy off.</p>	<p>15<sup>th</sup> March</p>

<p>Cashflow updated and circulated</p>	<p>Ensure that the cashflow is updated monthly. A detailed forecast needs to cover the next three months, and a high level forecast the next three months (i.e. 6 months in total)</p> <p>There should be no significant surprises.</p> <p>There will be timing differences between the forecast and our actual cash balances. These should not exceed 20% of the cash balance.</p>	<p>The cashflow is regularly circulated to the relevant stakeholders by the 15<sup>th</sup> of each month.</p> <p>The cashflow variances is less than 20% (between period closing balance and bank account)</p>	<p>Monthly</p>
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Signed

David Blue

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Sarah White (Line Manager)

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