



spotlight
reporting

Why we exist?

- To empower the best accountants to be trusted advisors and to earn new fees.
- To help transform a traditional, complacent industry into something incredible.
- To stimulate the conversations that lead to better outcomes for SME's everywhere.

Introduction to Spotlight

- Spotlight has offices in the New Zealand, Australia, UK, USA and Canada.
- Used by over 2,000+ accounting firms worldwide.
- Helping accountants make the shift into advisory in a way that generates revenue.
- Do more value added services, increase advisory fees, advisory focused, customer focused.



 **spotlight**
reporting



Richard Francis

CEO & Co-founder,
Spotlight Reporting



Danelle Whaanga

Global Customer
Success Manager,
Spotlight Reporting



Naomi De Kock

Customer Success
Specialist, NZ



Johannes Schlecter

Senior Account
Manager, NZ

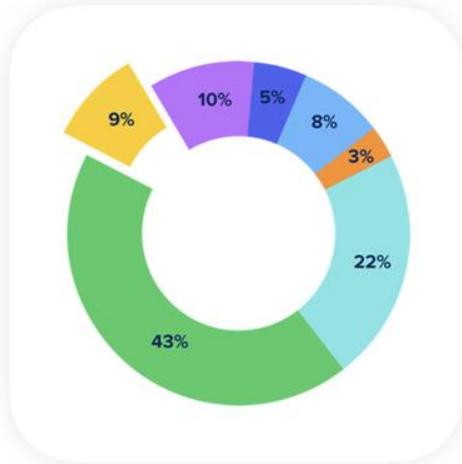


Ethan Spadino

Customer Success
Administrator, NZ

Typical Accounting Revenue Streams

Without Spotlight Reporting



With Spotlight Reporting



- Business Advisory
- SMSF
- Management Consulting
- Financial Planning
- Insolvency
- Audit
- Tax & Compliance

“Business Planning and Strategy for Growth” - No. 1 service that SMEs wanted from their accountants.

NAB Professional Insights Report

How Spotlight can underpin your advisory Toolkit



Agenda

- 4 tools available for breadth of servicing
- How other firms are using these in the market
- Realising Value & Monetising your services
- Where to next?

Four Powerful Products

Reporting

Comprehensive advanced reports, including consolidation, visuals and KPI's.

Forecasting

Three-way forecasting, consolidated forecasting, budgeting and scenarios.

Dashboard

Fully customisable dashboards.

Multi

Benchmarking, ranking and KPI's for franchises.



Best Practice Mindset

What are you looking to achieve

VS

What do you want from an accountant

Can you afford NOT to know the impact of your business decisions before you make them.

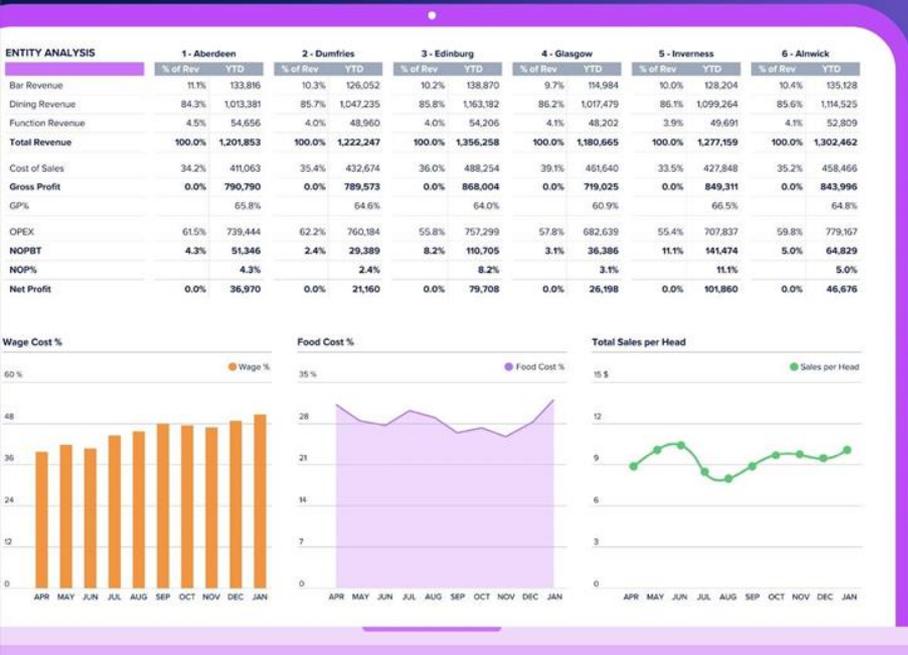


**Helping protect livelihoods, family
wealth and well-being.**



**How Much Revenue is
*Under the Surface?***

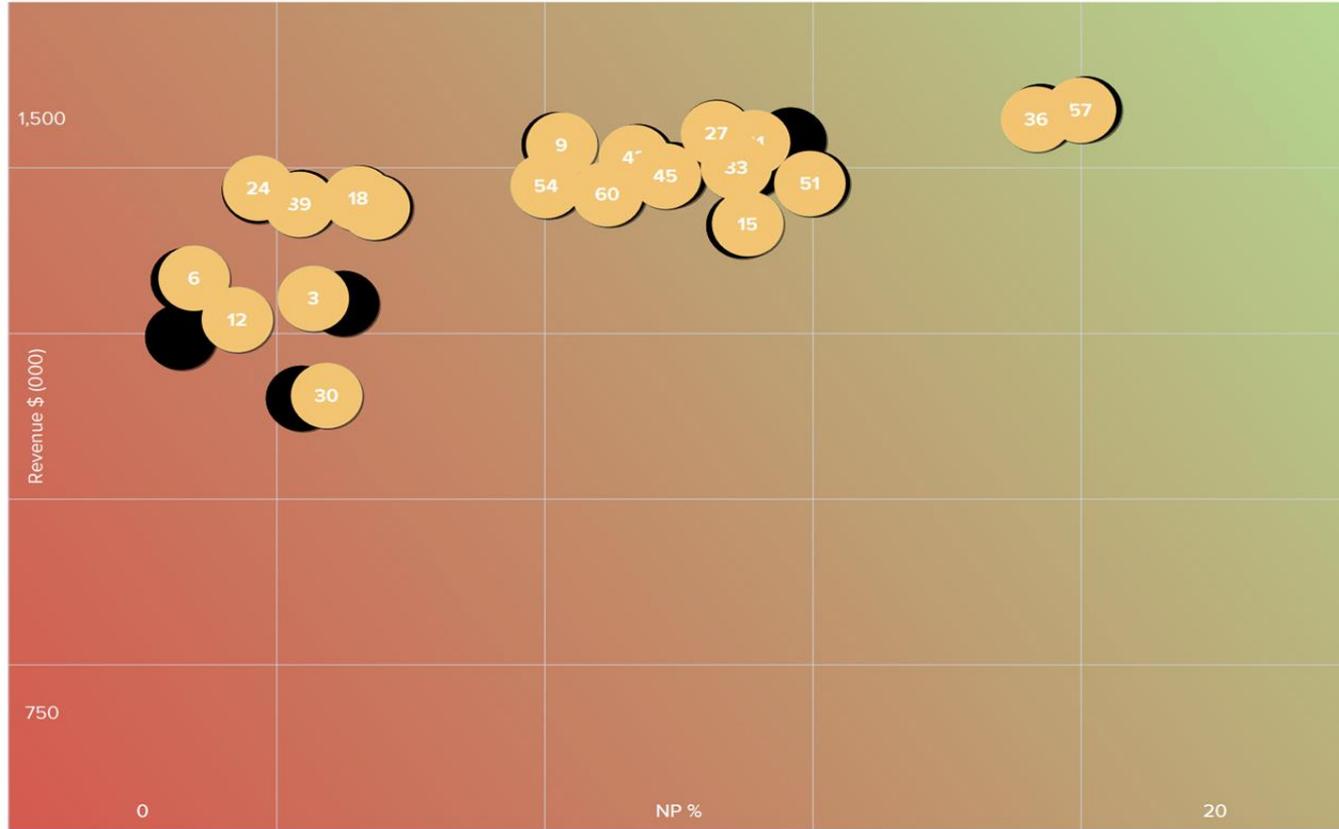
Multi



For franchises, not-for-profits and industry specialists. Multi allows you to aggregate, rank and benchmark. It is a specialist tool that takes the drudgery out of creating multi-entity reports where comparisons are key.

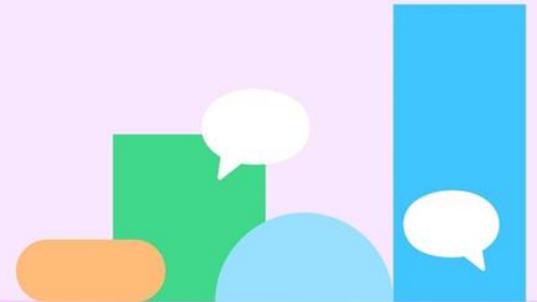
- Consolidated view of up to 500 organisations.
- Organisation ranking and KPIs.
- Anonymised rankings for sharing with Franchises and Branches.
- Exception reporting.
- Use drivers as the building blocks to forecast revenue, costs and the success of the business.
- Visual scorecard and chats galleries.

NET PROFIT / REVENUE SPREAD - Year to Date



Examples in the Market

- Visual Score Card replaced the monthly board pack for 55 childcare centres, \$600 per month
- “We can consolidate 420 entities, and I can do it in one morning from my kitchen table”
- We were able to save \$300,00 in audit fees, and \$60,000 in contractors just by switching to Spotlight.



Dashboard

Dashboard provides an instant snapshot of business performance to enable you to focus on what really matters. A great entry level experience.

- A wide selection of simple displays and charts.
- Quick and easy to use drag-and-drop dashboard creation.
- Get a holistic view of performance with financial and non-financial KPI reporting.
- One page dashboards with three customisable layout options for clear focus.
- Use our non-financial integrations for a full 360 degree view of a business.



Examples in the Market

- Dashboards with GST returns
- Year End Compliance pack
- \$50 - \$250 per meeting
- Advisory training tool - think beyond the numbers



Reporting

Reporting is a powerful management reporting tool designed to help clients or business make informed decisions to achieve better business outcomes.

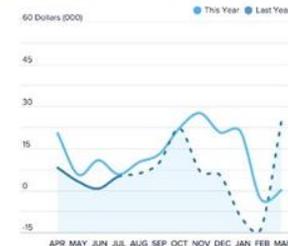
- Save time and effort by seamlessly consolidating up to 75 clients organisations with multiple currencies.
- Extensive chart gallery with templating, customisation and white-labelling options.
- Drive action, share insight without action plan and pre-populating executive summary.
- Use our cash waterfall chart to visualise your cash-ins & outs, and monitor liquidity.
- Share more by adding any external content into a report.

	YTD			Actual vs Orig Budget		Actual vs Last Year		Jul 18 Plus Last 3 Months				Forward Projection Full Year		
	Actual	Budget	Variance	Last Year	Variance %	Jul 18	Jun 18	May 18	Apr 18	YTD	Budget	Total 18/19		
Product Revenue	42,813	42,123	690	45,663	-5.2%	10,133	10,356	11,622	10,702	42,813	81,299	124,082		
Project Revenue	341,144	347,381	-6,237	351,738	-3.0%	85,866	78,831	84,478	91,969	341,144	797,146			
Support Revenue	15,305	16,252	-947	13,711	11.6%	3,624	3,296	4,862	3,523	15,305	33,863	49,168		
Total Revenue	399,262	405,756	-6,494	411,112	-2.9%	99,623	92,483	100,962	106,194	399,262	912,278			
Total Cost of Sales	144,970	157,334	-12,364	142,444	1.8%	37,321	31,727	35,890	40,032	144,970	350,825	495,795		
Gross Profit	254,292	248,422	5,870	268,668	-5.4%	62,302	60,756	65,072	66,162	254,292	561,453	815,745		
GPI%	63.7%	61.2%		65.4%	-1.7%	62.5%	65.7%	64.5%	62.3%	63.7%	61.5%	62.2%		
OPEX	236,766	241,253	-4,487	225,826	4.8%	57,161	59,954	61,706	57,945	236,766	508,989	745,755		
Total OPEX	236,766	241,253	-4,487	225,826	4.8%	57,161	59,954	61,706	57,945	236,766	508,989	745,755		
Net Profit	17,526	7,169	10,357	42,842	-59.1%	5,141	802	3,366	8,217	17,526	52,464	69,990		

REVENUE - This Year vs Last Year



NET OPERATING PROFIT - This Year vs Last Year



REVENUE AND OPERATING PROFIT TRENDS - Last 18 Months



Strategy

Assignee: Richard

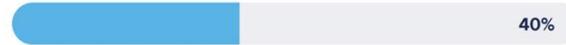


Due: Mar 21

- 2021 strategy based on feedback from board
- Finalise and publish the draft strategy
- Share draft strategy with board

Sales

Assignee: David



Due: Apr 21

- Sales analysis - Q4
- Hire new sales manager ready for Q1 2021

Marketing

Assignee: Stephen



Due: Apr 21

- Review and select marketing agency
- Hire in-house designer
- Marketing campaign for Q1 2021

Finance

Assignee: Julie



Due: Feb 21

- 2021 Forecast
- Creditor reduction proposal
- Finalise new entertainment and expenditure policies
- Meet with tax office case manager

Highlights

1. General Overview

The business maintains a steady pace each month.

2. Particular Highlight

To address staff efficiency and output quality concerns, management have invested in new design software. Maximising ROI is crucial to maintain competitive in your market.

3. Revenue

The Revenue for Jan 2021 was \$114,223, compared to \$113,679 last month. This represents an increase of \$544, or 0.48%.

4. Gross Profit

The Gross Profit for Jan 2021 was \$77,425, compared to \$79,293 last month. This represents a decrease of \$1,868, or 2.36%.
This isn't to be taken for granted - demand is expected to decrease throughout Q4.

5. Profit

The Net Profit for the year to date is \$117,199, compared to \$17,601 in the Budget. This represents an increase of \$99,598, or 565.87%.
Predicted overheads and maintenance costs did not occur which were factored into the original budget for Q3.

6. Bank

The Bank for Jan 2021 was \$318,307, compared to \$286,307 last month. This represents an increase of \$32,000, or 11.18%.
Well done on maintaining a solid cash position throughout Q3. The current cash position is enough to cover direct and overhead expenses until demand picks up again.

Observations

1. Market Conditions

The market has improved this past quarter - and remained stable. The focus is on recovery from the slow demand and solidifying our position.

2. Projections

New software will increase staff efficiency and quality of output. Therefore, it's imperative you start discussing sales and marketing strategies to increase demand and therefore, contracts to assign staff to.

3. CAPEX

CAPEX freeze still in effect, main focus on creditor reduction.

Recommendations for Action

1. Revenue

Revenue is maintaining vs budget. It's recommended the sales team focus on closing any warm contracts to keep revenue above budget.

2. Profit

Profits maintain a lead on budget.

To maintain increased profit margins, it's crucial that staff engagement in migrating to the new Creative Design Software is monitored. Managers please take responsibility for supporting staff and scheduling relevant training.

3. People

New sales manager expected to fill current gap in team. Expected efficiencies minimise the need for any new staff.

4. Strategic

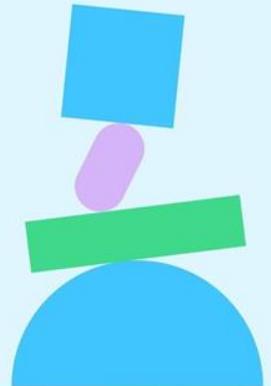
Franchise discussions are underway. To maximise franchise sale price - it's recommended that new processes are cemented and efficiency measured before launching franchisee opportunity.

5. Systems

Training and engagement is vital to maximising ROI on new software investment. It's recommended that management staff take responsibility of ensuring all staff complete relevant training and successfully migrate existing client base to the new software by next quarter.

Examples in the Market

- “Offering such in-depth insights into our client’s businesses has allowed us to increase fees on average by 400%”
- “Within two months of adopting Spotlight Reporting we earned an additional \$115k in revenue”
- “In the last 12 months we have picked up 15 new clients in our Management Reporting service at \$595 per month!” ($\$595 \text{ p m} \times 12 \text{ mths} \times 15 \text{ clients} = \107k in new annual revenue.)



Forecasting



Great budgeting and cash flow forecasting can mean the difference between business success and failure. Forecasting is an 'all-in-one' budget creator, three-way forecasting and scenario builder.

- Easily import your Budget data or start from scratch.
- Full 3-way forecasting with flexible rules and great outputs ideals for the Bank and Board.
- Add loan amortisation and dynamic rules for a more timely and accurate client forecast.
- Plot and plan for the future by selecting or creating 'what if?' scenarios.
- Use drivers as the building blocks to forecast revenue, costs and the success of the business.
- Our tax schedules improve the accuracy when forecasting the payment of different tax types.



Task Manager

Create or edit drivers that can be used in your forecast or scenarios.

[Manage Drivers](#)[Edit 2016](#)

You are using a manually entered budget.

[▶ Watch the tutorial](#)[Edit Danelles Forecast](#)

Create a full 3-way forecast with the flexibility to import, choose or create your base data.

[▶ Watch the tutorial](#)[Edit or Create Scenario](#) ▾

Run additional forecast scenarios for your organisation: growth, expense reduction, or create your own scenario.

[▶ Watch the tutorial](#)[Spotlight Help](#) ▾

The three keys to good cashflow



Cashflow
Collection



Cashflow
Management



Cashflow
Forecasting

What Services Matter?

- Budgeting - what will come in and go out in the 'new normal' world
- Cashflow Forecasting - ditto, but when will it come in/go out
- Pricing and Dept(or) Management - ditto, but how to quantify and collect
- Scenario Planning - The Good, The Bad and The Ugly
- Tax Planning - Factoring in data from above and Gov announcements
- Compliance and relief planning - Incl. Gov packages and options
- Strategy/mentoring - Simple, pragmatic goals, accountability

Examples in the Market

- “We went from 10 hours each time to prepare an Excel forecast (where we would focus on the numbers and checking they balanced) down to just 3 hours using Spotlight Forecasting - and we can look at the bigger picture as we know the data is good. That gives us more time to focus on the client, and what the forecast is actually telling them!”
- “Thought I should let you know the other day, we used Spotlight to do a bank projection and within 3 hours we had the bank approve over \$1m in financing”
- “In a nutshell, the client was declined funding to purchase the business they desired. We did a Spotlight Forecast and this enabled us to secure finance for purchasing the business, and we are now working closely with them to ensure they achieve their goals.”



In one year,
half of our subscribers
experience **10-50% Advisory Fee
growth.**



Monetizing Advisory / VCFO Services

Top Revenue Generating Features in 2020

- Standard Advisory Report
- Consolidated Report (and now forecasts)
- Cash flow Forecasts

Typical Revenue Generated via Advisory

- Dashboards: Free – \$200 /MN
- Reporting: \$500 – \$5,000 /MN
- Forecasting: \$1,500 – \$15,000 / Report

Success Factors in Advisory Growth

Upfront Investment

- Identify internal champions (2) and customers (2-3)
- Establish standardized templates, not just custom
- Timeline (3-6 months) that focus on ROI and beyond

Collaborative Relationship (Spotlight)

- Work to establish vision, roadmap, KPIs
- Masterclass training: foundational templates, QA, bespoke focus
- Best practices to avoid pitfalls



A Challenge!

- Will you embrace the opportunity and **advise**?
- Who are the **two clients** you should approach first?
- What **service options** make most sense?
- Will you **act now** or follow later... maybe?

Get a copy of *Transform! eBook*

This is the guide to help you add value and be the trusted advisor in good and bad times.

Email: transform@spotlightreporting.com



Get started today

Spotlight Reporting offers reliable and flexible reporting and forecasting options backed by a responsive customer success team. Take a look and judge for yourself.



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Specialist



Spotlight Certification



Transform in Action



Tailored Training



Partner Success
Centre

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Ask our team
for a demo!

