



What if...

Imagine a business...

Sales	£1,000,000
Margin	15%
Overheads	£100,000
Valuation	3 x profit before tax

Last year's results:	
Sales	1,000,000
Cost of sales	850,000
Gross profit	150,000
Overheads	100,000
Profit before tax	50,000

Valuation	150,000
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What if...	Sales increase by 10%	Margin increases to 20%	Both happen together
Sales	1,100,000	1,000,000	1,100,000
Cost of sales	935,000	800,000	880,000
Gross profit	165,000	200,000	220,000

Both happen together and the business is now worth 4 times profits	
	1,100,000
	880,000
	220,000

Overheads	100,000	100,000	100,000
Profit before tax	65,000	100,000	120,000

	100,000
	120,000

Valuation	195,000	300,000	360,000
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	480,000
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Increase in annual profits	15,000	50,000	70,000
Increase in value	45,000	150,000	210,000

	70,000
	330,000

If this was your business...

- ❓ Can you accurately measure performance to give you the starting point?
- ❓ Can you measure sales and profit by client?
- ❓ Can you measure sales and profit by service or product?
- ❓ Do you know what changes to make to increase your margins and how to ensure the changes are effective?
- ❓ Do you have a realistic valuation of your business and do you know how to increase its value?
- ❓ Are you being helped to see your business this way and to increase its value as a result?

We help many businesses to increase their profitability and value by identifying and changing the drivers that make a difference.

If you would like to find out how we can help you, please call Michael Austin on 020 7384 6800