Financial Management Reporting

HiFlex Physio

Overall financial management for the organisation is completed in Head Office. Each centre is given a budget quarterly with recommendations for expenditure which they must complete

Frequency and Mode	Frequency and Mode	Type
Daily reporting	Daily financial reporting sheet	Report
Weekly reporting to HO and reverse	Weekly financial reporting sheet	Report
Monthly reporting to HO and reverse	Monthly financial reporting sheet	Report
Quarterly reporting to HO and reverse	Quarterly financial reporting sheet	Report
Bi-annual reporting to HO and reverse	Bi-annual financial reporting sheet	Report
Annual reporting to HO and reverse	Annual financial reporting sheet	Report

- Bi-Annual conferences for Centre Mgr and Assistant Mgr
- Quarterly conferences for Centre Mgr and Assistant Mgr
- Weekly team meetings in Cairns and HO
- Monthly teleconferences for all staff in all centres
- Annual General Meeting - Management
- Annual Team Building Day- All staff

When reporting on budget and expenditure, financial report must contain the following:

Profit and Loss Statement

When preparing a profit and loss statement the following must be considered:

- Indicate sales for each period covered by your profit and loss statement.

  You can break down the income into sub-sections to show income from different sources if you wish.
- Indicate total sales for the period
- Indicate the total cost of direct expenses:

  Direct expenses would include, but is not limited to the following:

  - Fitness equipment directly required to provide service to customers (E.g. treadmill, stationary bike, yoga mats, kettle bells, etc.)
  - Raw materials to produce products (E.g. protein poweder, whey protein, flavourings, etc.)

- Itemise operating expenses for each quarter. This includes all expenses other than direct cost of sales
- Compute for the following:

    - Total operating expense
    - Profit before tax and interest
    - Profit before tax and interest =Total Sales – (Total cost of Sales + Total OperatingExpense)
    - Corporate taxes ; Corporate taxes is 30% of Profit before Interest and taxes
    - Net Profit

Variance Report

When preparing a variance report the following information must be considered:

- **Period covered by variance report** – Dates covered must be in line with the types of reports outlined int eh table above.
- **Types of expenses** – report must include ALL expenses recorded throughout the indicated period.
- **Proposed Expenses** – proposed expenses must be in line with budget plan or financial plan set out of the indicated period.
- **Actual expenses** – actual expenses (paid and incurred) must be recorded for each type of expense identified in the budget or financial plan.
- **Variance**- variance must be expressed in both dollars and in percentage
- **Favourability of variance** -. The acceptable variance is -10% or above. All other variance beyond this will be considered unfavourable.
- **Explanation** – Each variance over -10% must be accompanied by a brief explanation that outlines the following:

    - Explanation of why variance went overbudget
    - Summary of action items to address variance.