

## *Financial training For non financial staff*



*The financial training specialists*

### **Charging everything (Budgeting, Profit)**

My last few blogs were about managing costs, so I let's look at managing income as well.

I laughed at a colleague recently who found something she should have billed months ago, but forgot. "How can you forget to invoice?" I asked.

She had the last laugh when the same thing happened to me a few weeks later . . .

We've almost all had an experience when we haven't been charged for everything we've bought, and I reckon most businesses have holes in their sales systems. I would estimate that about 1% probably slips through the net in many businesses, due to holes in our own internal systems.

But is 1% enough to bother about? An amount that small won't make enough difference, even if we can plug the hole.

Let's take Ocado as an example. We've all seen their green vans delivering. In 2018 they had sales of £1.5bn, and made a paper thin profit of £7m on that. But if 1% of their sales had slipped through the net, that's £15m of lost revenue, which is £15m of lost profit.

That's worth bothering about!