



Bridging the SME Finance Maturity Gap

Why £1M–£10M Turnover Businesses Outgrow Bookkeeping (And How to Fix It Without a £100k+ FC Headcount)

As an SME scales past £1M in turnover, its operational complexity increases exponentially. However, many business owners rely on the same financial structure they used when generating £200k. This creates a structural bottleneck known as the **Finance Maturity Gap**.

Understanding the 3 Stages of SME Financial Maturity

Stage 1: Basic Compliance & Bookkeeping

- **Focus:** Historical record-keeping, VAT returns, basic payroll, and invoice processing.
- **Limitations:** Reactive, backward-looking, and provides zero visibility into future cash runways or profit margins by service line.

Stage 2: Operational Control & Governance (The "Maturity Gap")

- **Focus:** Rolling cash flow forecasting, tight working capital management, clean trial balances, month-end reconciliations, and board-level reporting.
- **The Reality:** Most £1M–£10M businesses desperately need Stage 2 control, but try to force their Stage 1 bookkeeper to execute it, or rely on their external accountant to clean up the mess at year-end.

Stage 3: Strategic Corporate Finance & Growth

- **Focus:** M&A, complex capital raising, cross-border restructuring, and exit planning.
- **Requirement:** Full-time CFO (~£120k–£180k+ package).



The Real Cost of Staying Stuck in the Gap

When a business lacks dedicated internal operational control, friction builds up across the entire organisation:

- **Eroded Practice Margins:** External accountancy firms waste senior advisory hours correcting messy ledgers, uncleared suspense accounts, and un-reconciled trial balances.
- **Blended Margin Decay:** Business leaders make key hiring or capital expenditure decisions based on top-line revenue rather than true contribution margins.
- **Reactive Cash Management:** Managing cash via bank account balances rather than a live 13-week rolling runway model leads to emergency capital calls or missed supplier terms.

The Solution: Fractional Back-Office Oversight

Hiring a full-time Financial Controller at £70k–£90k (plus NI, pension, and overheads) rarely makes economic sense for a £2M business.

Butler Strategia fills this exact void by embedding hands-on financial governance on a flexible, day-rate basis:

- **Audit-Ready Ledgers:** We clear backlogs and enforce month-end discipline, handing pristine working papers to your external accountancy firm.
- **Rolling Cash Flow Models:** We design, implement, and maintain forward-looking runway models so leadership always knows their cash position 13 weeks out.
- **Operational Integration:** We establish purchasing authorisation limits, monitor aged ledgers, and streamline internal reporting processes.

