ATEK ACCOUNTING GUIDE

Building the Financial Engine Behind Innovation

Your guide to accounting, KPIs and strategic growth for technology start-ups and scale-ups

atek

Clarity for Creators and Innovators

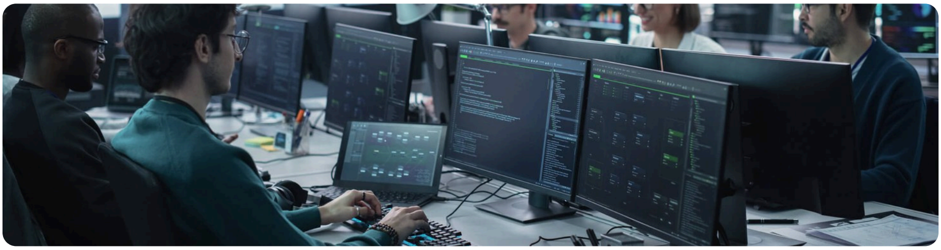
atek-accounting.co.uk

“Founders shouldn’t view investment in their finance function merely as investor compliance — it’s an opportunity to run a better business.”

Atek
Clarity for Creators and Innovators

Why Tech Needs a Different Accounting Approach

The technology ecosystem spans enterprise software and SaaS providers, digital agencies and system integrators — many now building on AI. Novel business models bring accounting challenges traditional sectors don't have.



REVENUE RECOGNITION

Subscription contracts are often paid upfront but must be recognised as earned across each accounting period — not when the cash lands.

SCALING & FUNDRAISING

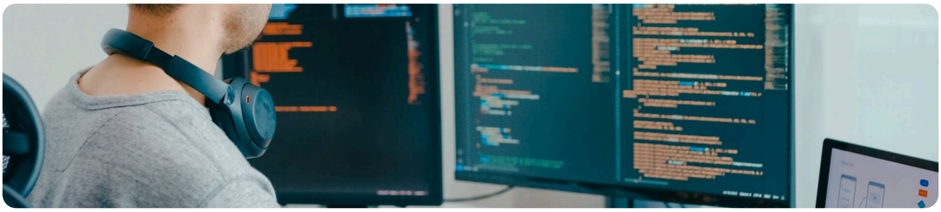
Investor capital deployed at speed makes reliable processes and accurate forecasting fundamental to survival, not optional.

WHAT FOUNDERS TELL US

- Overwhelmed by investors, customers and staff, with little time left for growth
- No clear view of financial position, project profitability or forecasts
- Concerned a product or client project won't deliver the returns predicted
- Unsure which projects are most profitable, and where to focus new business
- Anxious about holding enough cash to meet payroll and other obligations

Develop Meaningful KPIs

KPIs relevant to your sector give you a clear dashboard of what's working. For SaaS businesses especially, the right metrics are essential to understanding business health — and to attracting investment.



THE METRICS THAT MATTER

Annual / Monthly Recurring Revenue (ARR, MRR)
The value of subscription revenue normalised over a year or month — a clear picture of predictable income.

Churn Rate
Customer attrition, split into *logo churn* (customers lost) and *revenue churn* (value lost). The two can differ sharply if larger clients leave.

Customer Lifetime Value (LTV)
Total economic value a customer brings across the whole relationship — crucial for judging the return on acquisition spend.

3:1
HEALTHY LTV:CAC RATIO

CAC
SALES & MARKETING COST PER NEW CUSTOMER

Track these alongside **average annual contract value** and **CAC payback period** — how quickly customer revenue recovers the cost of winning them.

Cash Burn, Runway and Cost Structure

Many tech companies scale rapidly, investing external capital in product and marketing to reach critical mass — funded by venture capital, angel investors, private equity or debt.

CASH BURN

The rate at which the company spends its capital reserves, usually measured monthly.

CASH RUNWAY

How long current capital lasts at that burn rate — essential for planning fundraising timelines.

Cost Structures

Tech companies carry far higher fixed costs than traditional businesses — typically SG&A and technology development rather than conventional cost of sales. Understanding that shape is vital to reaching profitability as you scale.

Operational Metrics

- Departmental costs measured against specific revenue lines
- Development staff productivity and utilisation rates
- Project lifetime, actual and elapsed, from kick-off to delivery
- Gross margin by product or service line

atek

Clarity for Creators and Innovators

**Most accountants speak the language of business.
We speak the language of technology too.**

You want to spend your time developing your product, delivering your services and supporting customers — not wrestling with accounting complexity. We work with founders, CEOs and managing directors across tech, the creative industries and the performing arts.

Our Services for Tech Companies

- ✓ Financial reports, cashflow forecasts and management accounts
- ✓ Accounts, tax returns, VAT and payroll — with accurate revenue recognition
- ✓ R&D tax credits, capital allowances, grants, and EIS/SEIS advice
- ✓ Financial models and business plans built to attract funding
- ✓ Fractional Finance Director support and meaningful management reporting
- ✓ Preparing your finances for scaling, further investment rounds or exit

Not sure where to start? Whether you're pre-revenue or scaling rapidly, getting your financial infrastructure right now pays dividends throughout the journey.

GET IN TOUCH

Ready to Build Your Financial Engine?

Whether you’re pre-revenue or scaling fast, our team can review your finance function, build the reporting you need and give you the numbers to grow on — so you can get back to building the product.

happytohelp@atek-accounting.co.uk

Clarity for Creators and Innovators

SURREY

Locke King House
2 Balfour Road
Weybridge, Surrey, KT13 8HD
Tel: 01932 880519

LONDON

36 Soho Square
London, W1D 3QY
Tel: 020 3405 4013

atek

atek-accounting.co.uk