Financial Communications@Relations

FC@FR are a form of Public Relations which helps in marketing financial services, building a relation with financial audiences. Companies that are listed in the stock exchange or market need to communicate with individuals or organisations, they need to send reports on their activities and their performance. A financial relations consultant helps building brand awareness of the company within the financial sector and with media in general. The publics here are investors, media houses and opinion creators.
The stock exchange has two sets of individuals, one comprising of the investors who invest money and the company that needs money from the investors. Companies sell shares and bonds to other companies or individuals to raise capital to increase growth of the organisation, to return capital to original investors and to increase salaries or provide incentives for employees. The stock market basically helps companies to grow by raising the capital.
Financial Communication Relations

Similar to other forms of PR, a financial company has its own publics, they are mainly institutional investors, analysts, media, trade press and internet news services.

Institutional investors comprises of shareholders who have and had purchased stocks and prospective shareholders. Investment banks lend money to organisations, so that they can start a company, usually in a business plan the organisation has a separate area which deals with financial costs that would be incurred while operating an organisation. Financial or investment analysts help investors to understand the risks involved while buying shares or stocks from an organisation. They basically help in analysing financial trends and potential problems with companies.
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Media relations involve contacting business newspapers and magazines; national and regional publications explain the stock market. Magazines have in-depth articles about organisations, the profits and losses they have incurred or new sectors-products or services they have made. They are basically opinion leaders. Trade press and Internet news services help organisations in a similar way as the media; they help in disseminating information related to the organisation.
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FC@FR is very important for companies, they need to inform the various publics about changes in the organisation. An organisation needs to inform its investors about profits and losses, this is usually done through annual reports OR external newsletters. These newsletters act as a form of communication between the company and its investors.
Why annual report important?

Annual reports provide a number of people with information about the financial status of an organization. Investors, management and employees review annual reports to gain insight into a company's operation.

✓ Significance - When someone is thinking about purchasing the stock of a corporation he will read the annual report. This report will reveal if the company is improving or declining financially. Current information is compared with information from the previous year.
Why annual report important?

✓ Features - The CEO or president of a company will provide a broad overview that helps provide insight about future plans. An annual report will let you know what the strategic plans are for the company.

✓ Considerations - An annual report includes a balance sheet that provides an in-depth look at the assets that a company owes versus its outstanding debts. If current liabilities exceed the assets then company is insolvent and could be facing financial difficulty.
Why annual report important?

 ✓ Warning - You can review the cash flow statement to see if the company has more cash coming in than it has going out. A company must manage its cash properly to be successful.

 ✓ Function - Investors review the annual report to see if they are receiving an adequate return on the money they have invested.

 ✓ Sales/Expenses - The annual report can give you information about sales and expenses. You can determine if the company was able to reduce its expenses and increase sales.