

THE BUSINESS GODPARENT

SPRING 2022 | Issue 14



RED SOFA INTERVIEW

DOM MUSCAT, BUCKS BIZ

Dom talks about property and business development

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SOFTWARE

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SUPPORT YOUR NETWORK

It's a certain fact that things are tough in the world at the moment; bombs landing on innocent people, people struggling to buy food, and the list goes on. But as business owners, we must keep strong and keep our wits about us. Small businesses are the backbone of the UK, and the UK needs us. So let's do our bit in heading the challenges straight on. It's certainly not easy, so seeking support from your network is so important. The adage 'a problem shared is a problem halved' is one that I see daily.

I hope as you take a few minutes out to read this latest edition of the Business Godparent, you glean some tips and advice and know that the business community is there to support you.

ROGER EDDOWES
BUSINESS GODPARENT



SPRING STATEMENT ROUND-UP

The Chancellor presented his Spring Statement in March. In his speech, he provided an update on the economy and responded to the Office for Budget Responsibility forecasts.

The Spring Statement reaffirms fundamental taxation changes which will affect business and personal lives for the tax year 2022/23. In addition, he launched consultations on various aspects of the tax system together with updates on earlier consultations.

Key measures the Chancellor announced as part of the plan include:

- an increase to the National Insurance Primary Threshold for Class 1 NICs and the Lower Profits Limit for Class 4 NICs from 6 July 2022, aligning it with the equivalent income tax personal allowance which is set at £12,570 per annum
- from April 2022, self-employed individuals with profits between the Small Profits Threshold (SPT) and the Lower Profit Limit will not pay Class 2 NICs, while allowing individuals to be able to continue to build National Insurance credits
- the Employment Allowance will be increased by £1,000 from 6 April 2022 to £5,000, which will benefit around 495,000 businesses
- changes to R&D Tax Reliefs confirmed, taking effect on the 1st of April 2023, targeted at growing innovation within the UK.

The full detail on all the measures, some of which are subject to parliamentary approval, can be found [here](#):

And if you would like to know more about the changes to R&D Tax Reliefs, have a read of Roger's recent blog:

BIG WELCOME TO ALAN!

Alan has been in the accountancy profession for over thirty years. During that time, he has accumulated a vast wealth of experience of most business types and dealt with client entities both small and large. We welcome Alan to our Accounts Team where he will be undertaking tasks such as client bookkeeping, VAT returns, preparing accounts, and completing Construction Industry Scheme returns.

Outside work, Alan was recently appointed as a Trustee of the Wing Village Hall which allows him to use his business experience in the local community.

He enjoys walking his two spaniels and other hobbies include tropical fish keeping, military fine scale modelling and caring for an aged MG car. Alan is also ever hopeful of the reward of a harvest of tasty fresh produce from his allotment!



STRAVA CHALLENGE!

Do you go for a walk daily? Do you need a challenge to get you more active?

The Essendon challenge on Strava to walk 1 hour a day could be just what you need. Join in with members of our team to spur each other on and walk your way to the top of the leaderboard!

To get involved, simply download the Strava app, connect with Roger Eddowes, then he can invite you to join the challenge.



DOM MUSCAT ON THE RED SOFA



Interviewer: Hi Dom, are you able to give our viewers an insight into Bucks Biz?

Dom: Thank you for having me. Yes, Bucks Biz are a business centre owner and operator in the north and south of Milton Keynes.

What we do is, we will take a building, develop it into a business centre and create flexible office and industrial studio space that we would rent to a variety of customers. We currently have over 300 businesses that rent from us, ranging from a small beauty boutique to a large 60 person call centre and everything that you can imagine in between.

Interviewer: You used the term 'business centres' for growth potential. How do you back this up and what does this look like to a potential tenant with growth potential?

Dom: So with growth potential, that is the flexible license that we do. So basically, when you rent from us, we have short, rolling 90-day terms (longer terms if you want them). And what that means is that you can move into a small space, and as your business grows, you can then take a larger space because we build

and develop the centres ourselves. We can do this sometimes without even moving you. So we can take a wall out, knock through it, mix and match. I make that sound much easier than it actually is, but we can do that.

The other thing, especially now with the brave new covid world; you could find yourself wanting to have a hot desk and expand that hot desk scenario, have separate offices where you could incubate teams and things like that. And we're just catered for that.

Interviewer: You house many businesses - are there any common problems small businesses face and are you able to share any advice and guidance for these?

Dom: Well, I'm not saying it because you're accountants, but accounts is the biggest problem. I mean, what we find renting to 300 businesses currently, we move about 100 businesses in and out per year across our three sites in north and south Milton Keynes and the issues are always the same. A business is a business, whether it's a one-person sole trader or 10,000 person PLC. If you don't have a good grasp of figures, you're going to run into trouble eventually.

And the issue you have in today's market is with access to such easy finance. What I often see is somebody will move in, a medium-sized business which has been operating for a while, they win a big contract, and it's the old adage, turnover is vanity, profit is sanity.

So they win a half million-pound contract, they then start expanding, leasing Range Rovers, employ more staff, and then somebody like yourselves comes in and gives them a bit of financial advice and says, hey, you're turning over half a million, but your costs are half a million, and that's where you have the issue. So it's always keeping a grasp on finances is the issue we find with any business that rents from us.

Interviewer: I noticed on your website you offer licenses and not leases to your tenants. Are you able to enlighten us to the difference and the benefits that this can bring to new tenants?

TRENDS, TRAJECTORIES AND SUSTAINABLE TRUISMS. WHO'S LOOKING AT THIS KIND OF TREND FOR YOU?

A guest article from Tristan Allen, room44 Ltd

In the early 1980s, a gallon of petrol crossed the 70p price barrier and everyone thought the world would come to an end. Just a few short years later, crisps breached 10p a bag and the grocery trade predicted the end of independent convenience stores. In fact, new generations of shoppers didn't know any different, so they drove their cars and ate crisps regardless.

Since then, prices have risen, inventions have become innovations and we've all moved on - but the world can't sustain the consumption habits that have continued to worsen since the 80s.

It's a mega-trend that's easy to ignore.

Recent events have taken the environment off the front page but they will have a lasting impact on the way we live and do business. Trading outside the UK is difficult and costlier than it once was.

Fuel is more expensive than ever and sometimes not reliably available. The price of food is heading north. Interest rates are rising. Housing stock is in short supply and house prices have increased exponentially. The continual rise in electricity costs may mean your electric vehicle is turning out to be less economical than you thought it would be.

Trends are always readable. If you use someone to keep an eye on the world outside your business, it's possible to anticipate changes and see opportunity before others do.

The effects of macro factors reach deep into our pockets.

This isn't a dissertation on world affairs but consider this: the war in Ukraine looks set to run on. The short-term effect may not be easy to see for those of us lucky

enough to be distant from the fighting. But it's going to have an impact on everyone in the coming months, from shortages of wheat and sunflower oil to access to gas supplies and beyond.

There has never been a better time to have a really good look at the probable impact of the macro-trends that will affect what you do. As the saying goes, the best time to plant a tree was twenty years ago. The next best time is now – metaphorically and practically.

It's what room44 does.
helpme@room44.co.uk

ARE WE NORMAL?

A guest article from James Rowell, Advent Management

For many businesses coming out of lockdown in recent months the question has been "Are we back to normal now?"

In some sectors not much will have been so different over the last 2 years, food needed to be delivered to grocery stores, bins needed to be emptied, laundry needed to be washed. Maybe, those strict 'cleaning stations' have been brushed aside now that the virus has subsided.

However, for people returning to work – let's consider office-based organisations, it has become a bigger question for business owners to face up to.

Can the work still be done at home? Do we want everyone in the office? What do the staff think about it now? Was WFH only a 'work-around' during the pandemic or can it offer new opportunities – for the staff and for the business?

Talking recently to a professional business owner, they are still in the process of re-balancing the office/home working schedule. Whilst most of the team live within a 30-minute commute, some of these people wish to continue to work from home.

The obvious motivations are the ability to schedule work around domestic activities more easily, and the saving of time and money by not commuting.

On the other hand, some prefer the office, maybe because of its social interactions, and the ease of asking for advice 'over the desk' rather than more formally through emails. Another reason may be, that for different reasons working at home isn't ideal (space, family, work complexity). Which brings to light the obvious issue – how can people communicate easily, how can knowledge and experience be developed; especially when managing customer's issues, as is the case in this professional organisation?

This business has landed on a compromise – work 2 days per week in the office, and everyone comes to the office on Wednesday. This overcomes some of the issues of being 'a team' and offers the flexibility for people to manage their own work schedule.

In a different, much larger organisation (primarily information systems) – communication is even more complex. As reported to me – the simple case of just booking a time to have a team meeting takes far longer when staff are working remotely.

For business owners and managers there are other perspectives to consider – can work be done at home, how can we manage and communicate work scheduling? Now it's no longer an expedient issue, a 'have to work around', how can we guarantee the quality and security of the working environment and processes, and ensure new working practices are safe for the business, the staff and the customers?

Advent Management works with businesses to make their operational activities run more smoothly, working with you to develop processes that deliver consistent service for customers, and making them easier to use, more reliable and cost effective.

Contact james.rowell@adventmgt.com to talk through your process delivery.

WHY XLEDGER?

Essendon began using the Xledger accounting solution 10 years ago and has been in partnership ever since.

So what does Xledger provide?

- ✓ Scalable, mid-market accounting software to support business growth
- ✓ Real-time reporting for live, multidimensional insights into clients' financial position
- ✓ Complete visibility over workflows and approvals to provide customers with full control over data
- ✓ Common configuration across multiple clients for fast and cost-effective onboarding
- ✓ Automation of repetitive tasks to enable high volume management

Roger Eddowes explains:
"Mid-market organisations need sophisticated insight into their financial position and control over their finances, and small enterprise packages can't facilitate this."

Xledger allows us to take a step forward as accountants where we can analyse the information and turn this into advice. Essentially, Xledger has helped us achieve our goal of being a trusted advisor to our clients who is there on the other end of the phone."

MINDBENDERS

A RIGHT ROYAL JUBILEE QUIZ

As we celebrate the Platinum Jubilee of Queen Elizabeth II, challenge your knowledge with these quiz questions!



- 1) HOW MANY GRANDCHILDREN DOES THE QUEEN HAVE?
- 2) WHAT YEAR DID PRINCESS ELIZABETH MARRY THE DUKE OF EDINBURGH?
- 3) WHAT DOG BREED IS THE QUEEN FAMOUS FOR OWNING?
- 4) WHO WAS BRITAIN'S LONGEST-REIGNING MONARCH BEFORE QUEEN ELIZABETH II?
- 5) WHAT AGE WAS THE QUEEN WHEN SHE WAS CROWNED?
- 6) WHO WAS THE QUEEN'S PATERNAL GRANDFATHER?
- 7) NAME THE QUEEN'S CHILDREN
- 8) HOW MANY COUNTRIES ARE IN THE COMMONWEALTH?
- 9) WHAT DISH WAS CREATED AND THEN NAMED AFTER THE CORONATION OF THE QUEEN ELIZABETH II IN 1953?
- 10) HOW MANY BIRTHDAYS DOES THE QUEEN HAVE?

1) 8 grandchildren 2) 1947 3) Corgi 4) Queen Victoria (63 years, 216 days) 5) 27 6) King George V 7) Charles, Anne, Andrew, Edward 8) 54 9) Coronation Chicken 10) 2

Want to maximise the potential of your business? Contact the Business Godparent now to steer you in the right direction.

Call today on 01908 774320



The Business Godparent
is a publication of
Essendon Accounts & Tax