

GODPARENT



RED SOFA INTERVIEW

SARAH CANNING FRANKLINS SOLICITORS

Sarah Canning takes a seat on the Red Sofa to talk about Franklins and her work as a solicitor.

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ESSENDON'S TOP TEN

TOP TIPS ON STARTING A NEW BUSINESS

Find out how to pay less tax, including checking your tax code and many more top tips.

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LOOKING INTO 2020

Another decade begins and I am sure we're all wishing for some stability. But with the prospect of a US election, the continuing tariff war between the US and China, and the Brexit Transition Period, of course, I suspect it's going to be another volatile year. However, fear not, for as Business Godparents, the team at Essendon will be actively guiding clients through the choppy waters. And we mustn't forget that there will be a lot to celebrate too, including the Olympics in Japan, the completion of The Jeddah Tower in Saudi Arabia (which will be over a kilometre high!), and a space hotel addition to the International Space Centre. But if that all sounds pie in the sky, don't worry, because we'll still be concentrating on keeping you grounded throughout the year.

ROGER EDDOWES
BUSINESS GODPARENT

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WORRIED ABOUT 2020? DON'T, THERE'S GOING TO BE PLENTY TO MAKE YOU SMILE

Running a business in 2020 is going to present an interesting mix of challenges. With Brexit still to be resolved, not to mention other global issues such as climate change very much in the public mind. However, a review of looming trends also highlights the many opportunities that will be open to an innovative, energetic company. We approached four gurus on the subjects of the web, finance, innovation, and technology to find out what they thought 2020 would bring. This is what they said...

THE WEB – TERRY KENDHAMMER, BUBBLE CREATIVE

Balancing many factors is going to be key with regard to websites in 2020, with the user being the focus for all design, copy, imagery, video, and animation, to mention but a few. Here's how...

Simplified websites – Bold type, effective use of space, and micro-animations within an asymmetric layout, will all be ideal ways to focus on the user and control how they navigate through your site.

Voice activated engagement – With the popularity of Alexa and Siri etc. rapidly growing, new ways of utilising voice search beyond just commands at home, or creating texts and emails, are going to balloon in the coming months.

Mobile – Mobile users should always be one's first consideration. Year on year mobile searches continue to rise on the web. It's easier to scale up a design rather than down.

► **Animation and video** – These will continue to be a great way to enhance user experience. People want to be stimulated and intrigued when visiting a site.

Content – Content will still play a huge role in engaging a user. However, how they interact with a website is going to become more important. People are looking for a personal experience not a generalised one.

FINANCE – JOHN STUBBS,
JOHN E STUBBS CONSULTING LTD

With so much uncertainty still hanging around because of Brexit etc. we recommend that you focus on the 4 'C's. This way you'll be able to continue to make best use of your strengths whilst protecting against as of yet unknown challenges to come.

Cashless transactions; embrace them – The market is moving more and more to a cashless society. The proliferation of mobile banking, mobile pay and mobile apps is facilitating this. To ignore it could see you left behind.

Cybercrime; actively protect against it – Rising levels of cybercrime is making it a necessity for all businesses to take IT security and protection of data seriously. One hit can have a huge impact on a business.

Customer service; requires particular focus – The need for all businesses to become more customer centric will be ever more highlighted in 2020. Prioritise understanding what your target customers really want and make a point of encompassing what they value in your offering.

Consolidation in your market; expect it – We are likely to see more consolidation in all sectors as larger brands turn to work with smaller complimentary businesses.

INNOVATION – TRISTAN ALLEN,
ROOM 44

Inevitably, pressure's going to increase on companies to be more aware of their environmental footprint and social responsibilities. Recent IPCC statements that insist we must change behaviour by 2030 to avoid irreparable global damage are being largely ignored by corporations focusing on 2050 as their deadline for change. I therefore anticipate:

Greater consumer awareness of the issues – 2020 will see more direct action and improvements in retail behaviours and, importantly though, institutions will begin to see benefit in investing in 'green' alternatives to fossil fuels. This will mark a significant shift in institutional and equity investment attitudes and will pressure oil producers to shift their thinking from the growth strategies based on oil and gas extraction they currently have.

Digital will remain top dog when it comes to emerging technology – While facial recognition is being exploited by governments in a semi-subversive manner, including in the UK, growing public awareness will drive debate around what we are prepared to accept and where the law should curtail this activity.

Digital twinning will emerge further – As augmented reality develops, consumer-facing concepts will flourish like buying clothes online that fit well, or predicting what

health risks we face and the outcomes of treatment. Watch this space.

TECHNOLOGY – LIONEL NAIDOO,
DRAGON INFORMATION SYSTEMS

Technology continues to play a major role for businesses, aiding operational efficiency, boosting productivity and enhancing the customer experience. So we reckon you should watch out for the following:

Fifth generation mobile networks, 5G – 5G promises greater speed, reliability and increased capacity. It has the potential to aid an explosion in IoT (Internet of Things) smart devices, and this means everything from fridges to cars could soon be connected. While we don't yet know what the full benefit will be, the technology is revolutionary.

Hyper-automation – Most businesses use some form of automation to help streamline their systems and improve efficiency. Hyper-automation, however, takes things to a whole new level by using artificial intelligence (AI) and machine learning to produce sophisticated, data-driven, real-time processes.

Empowered edge – As more and more smart devices come online, one thing we are likely to see is a growth in devolved processing. Basically, this means power will be moved closer to the user, and away from a centralised cloud server. The term 'edge' refers to the end device people are using. The result being that we will all enjoy a smoother, faster digital experience.

bubble²

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DRAGON
INFORMATION SYSTEMS

ESSENDON FORESIGHT

Operating productively. Improving efficiency. Making the most of staff time. All great aspirations for a business to have. But if you manage projects, and are struggling to achieve just one of those, there is help to hand...

WorkflowMax. It's a fast growing, popular project management tool that's helping SMEs do just that... every day.

Acquired by Xero a few years ago, you'll be delighted to also learn that it integrates seamlessly with their accounting packages.

Ideally suited for businesses who charge out their time, users are able to track their projects, record their time on timesheets, create useful management reports, and then produce a sales invoice.

Workflow MAX | **xero**
a xero product

And there's an extra sparkle of magic, too, for all this will then appear in Xero. Picture life without that tedious management spreadsheet. Imagine what you could do with all that saved administrative time... and go have a look at WorkflowMax. We reckon it can be a game-changer for the right business.



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NEW STAFF MEMBER – JUSTINE RATLIFF

This quarter, we'd like to introduce you to Justine, one of our lean, mean, bookkeeping machines.

Justine worked in the packaging industry for 20 years, and her experience saw her develop a keen interest in production costs to the point where she eventually decided to work towards the AAT Diploma. Since qualifying, she has used her bookkeeping skills to help a broad mix of SMEs while working in practice, and we're delighted to have her as a member of our team.

In her spare time, Justine makes a mean flapjack and enjoys wearing herself out at a variety of gym classes. She dreams of one day retiring to a log cabin in the wilds of Montana surrounded by nature... But for the time being, at least, we're keeping her tethered to the wilds of Milton Keynes!



Interviewer: Tell us about Franklins and your work as a solicitor.

Sarah: Franklins Solicitors have two offices, in Northampton and Milton Keynes. We're a multidisciplinary firm, so we offer legal services to businesses and individuals. But we've got some exciting news! Later this month we'll be moving our corporate and business departments to new premises on Billing Road, Northampton.

As for me, I joined Franklins in 1992 and then qualified in 1994. I specialise in dispute work, which is also known as litigation, and I do this for both individuals and for businesses.

Interviewer: In over 20 years of dealing with disputes, how have things changed over time?

Sarah: They've changed a lot! Initially we would either negotiate or litigate a case, and often things went to court. In those days, court was very different. I can remember going into a smaller court many times, where a District Judge would hold hearings in chambers. One District Judge kept his pipe in his top drawer and throughout a hearing you'd get a puff of smoke sneaking out. If a hearing went on for too long, it would get really cloudy! That just wouldn't happen now.

But along with changes in court, legislation has changed as well. Following the implementation of the Civil Procedure Rules there's been much more emphasis on parties resolving disputes through mediation. This empowers parties to look at the options open to them and facilitates them making their own decisions rather than relying on a judge to do that.

Interviewer: If someone was deciding whether to litigate or mediate, what are the main differences?

Sarah: The biggest difference is who makes the final decision. In litigation, it's the judge. He'll hear evidence from both sides, read witness statements, and look at case law and legislation to make a decision. In mediation, however, it's both parties that make the final decision. It is a voluntary process, but it's really beneficial because they can utilise their business acumen to get an outcome that's desirable to both. In court, a judge is stuck with precedents and what court says. Mediation is also less costly because one can find a better solution, more quickly.

Interviewer: I know all your work is confidential, but can you give us any examples without naming names?

Sarah: A good example is a family business that needed an honest conversation. Sometimes it's about bringing people together who know and love each other but who struggle to communicate. Third party intervention can enable people to put forward their views and be heard.

I've also been in a room with a client who was in a difficult situation. We were facing his opposition and their solicitor. This solicitor was putting his case forward really well, and I knew that my client hadn't got the money to settle the dispute. If it went to court he would probably wind the company up and both parties would have lost. But as the other solicitor was talking, I could sense his client was uneasy. I therefore suggested that the lawyers should step out the room and let the clients speak alone. Within half an

hour, they'd discovered that they were both in financial difficulties. My client learnt that his opponent had a 2 week run on cash flow and wouldn't be able to pay his wage bills. The outcome was they agreed interim payments as part of a settlement agreement.

Interviewer: It sounds as though people deal with disputes differently, have you spotted any trends?

Sarah: Yes. One of the most common things is when we deal with a traumatic incident people tend to fall into certain categories. Some confront a situation, and are often seen as peace breakers who push to get only what they want. But some are collaborators, who are peace makers, who try to find a way forward for everybody. Then others just keep quiet, whilst bubbling with anxiety. If they could communicate, a lot of that worrying could be put aside.

Interviewer: What advice would you give to someone facing a dispute?

Sarah: The litigator in me would say keep all your evidence. But it's also important to pause and think about what the other person's thinking. The reality is if it goes to court the judge will hear what the other side will say, so don't wait to hear it. Step into their shoes and see it from their point of view. You'll get insight to what they'll say and argue. This will help you work out what you're going to say too. Plus keeping communication going will get a resolution much more quickly.

To view the full interview, scan the QR code above.



Have you missed any of our Red Sofa interviews? You can watch them all on our YouTube channel at:
The Business Godparent

ESSENDON'S TOP TIPS ON STARTING A NEW BUSINESS



- 1. Talk to an accountant!**
It's really important to set the business up in the right way from the start (e.g. as a sole trader or limited company), and also to be as tax efficient as possible. So get advice first. It can be expensive/difficult to fix afterwards.
- 2. Check your domain name / URL is available**
If you use a business name that's already being used for a web address elsewhere, this could result in legal action. Plus your website/email options may also be limited.
- 3. Do some research**
Carry out as much research as you can into your market, your competitors, and the demand for your offering. Talk to your potential customers and test your ideas.
- 4. Think about your premises**
Your spare room may be a great place to start, but if you want to hold meetings you may need space elsewhere. Consider a co-worker hub or shared office space. They're great for networking too.
- 5. Assess strategic partners**
Going it alone can be scary and isolating. Strategic partners, or a support network, can boost your motivation when you're flagging and offer support with your ideas. Why not think about joining the Essendon network 'EAT Breakfast'?
- 6. The IT side of things**
As well as needing hardware and software you need security. Your data must be secure and held in line with regulations to stop any hefty fines. It's worth considering applying for the Cyber Essentials certificate that we have obtained.
- 7. Brand your business**
A strong brand fosters loyalty and helps customers engage with your offering. It also provides the platform to extend your range in the future, so think about it carefully right from the start.
- 8. Funding**
Cash flow matters. Take advice from your accountant about whether you should borrow. We have access to funding brokers who can assist you.
- 9. Write a business plan**
It's something that will focus your thinking and help you with longer term objectives, estimates, and forecasts. But remember, it's not set in stone, and should always be evolving.
- 10. Make sure it's right for you**
Is your mind-set ready to start a business? Can you work the long hours? Can you take the pressure, accept failures, and still push on? Running a business can be very rewarding but it takes determination.

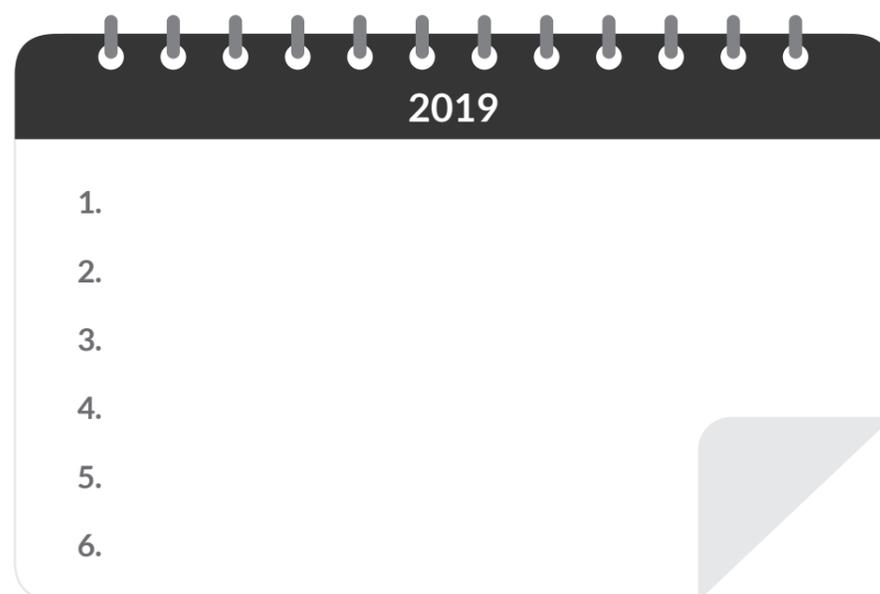
If you're starting-up, or just have an idea you're mulling over, please do come and have a chat with us. We're big fans of watching acorns grow into mighty oaks, and would love to help.

MINDBENDERS

WHERE DID 2019 GO?

Put these events in order based on when they occurred in 2019, with #1 being the first event and #6 being the most recent.

- The Duke and Duchess of Sussex welcomed a newborn baby
- South Africa won the Rugby World Cup in Japan
- The day we celebrated the 75th anniversary of liberating Normandy
- Hottest month of the year
- Boris Johnson became PM
- England won the Cricket World Cup



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

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ACCOUNTS & TAX

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