

IN ASSOCIATION WITH **accountingWEB**

THINK BIG: A NEW PERSPECTIVE ON ACCOUNTING SERVICES

SUPPORTED BY **sage**

THINK BIG ABOUT YOUR SERVICES

Service. It's the foundation stone on which your small accountancy practice is built. Your technical expertise and your understanding of financial compliance are why your small business clients come to you, after all.

But is compliance enough? Many business clients are looking for more in-depth business advice from their accountant. Could you offer a bigger, deeper service that's good for the client and more profitable for your practice?

Changing expectations of accountants

A small business's expectations of their accountant have changed in recent years. And that's down to two key things:

1. The emergence of cost-effective online accounting solutions, aimed at small and medium-sized businesses, means business owners expect more than just basic bookkeeping and compliance services.
2. Business owners are showing a growing desire for more personalised, tailored business advice from experts in the field – they don't want generic, one-size-fits-all accounting services.

The need to think big

So, how can your practice meet these changing needs of SMEs?

The key here is to think big. It's not about throwing away your existing services, but about building on them, evolving them and broadening their scope to meet the needs of the tech-savvy, data-hungry business owner.

With this in mind, we've highlighted five key service areas that form the bedrock of most smaller practices workload. And then we've shown you how to take that service to the next level – how to think big and evolve.

1. ACCOUNTING AND BOOKKEEPING

From – General accounting and bookkeeping services

To – Business planning and forecasting

From – General accounting and bookkeeping services

Financial record keeping is the bane of most business owners' lives. It's tedious and it takes time away from running their business. And that's why they come to you, their accountant, to get that bookkeeping done.

Dealing with hard-copy paperwork, boxes of receipts and spreadsheets full of figures can be time-consuming work. But it serves an extremely useful purpose: it gets your clients' data into your accounting software.

And data can be a starting point for thinking big.

To – Business planning and forecasting

SMEs want their record keeping done quickly so their numbers and balances are totally up to date – it's a vital element in their financial admin.

But once all this data is uploaded to your software, you're now sat on a goldmine of financial information – information that can help you offer incredibly meaningful business advice to your client.

5 ways to think big about business planning

- 1.** Review the overall financial health and performance of the client's business.
- 2.** Look for issues and offer meaningful financial solutions.
- 3.** Deliver regular monthly reports to help with planning decisions.
- 4.** Use benchmarking tools to find industry trends and help clients see how they're performing against the competition.
- 5.** Use software tools to forecast future profits and give a long-term view of growth.

2. ACCOUNTS AND FILING

From – Accounts production and VAT filing

To – Cash flow management and tax planning

From – Accounts production and VAT filing

Compliance is a key service for any accountant. SME clients want to know that their year-end accounts have been completed and filed and that all their VAT and tax returns have been done on time.

But running accounts once a year for your clients does little to improve how they actually manage their overall finances.

And with a huge stock of financial information sat in your software, you have the raw materials to start assisting clients with their financial management and tax efficiency.

To – Cash flow management and tax planning

What businesses need is ongoing, regular help with their financial management. And with your years of experience you're in a perfect position to bring real insight and offer truly valuable advice.

Keeping a close eye on clients' cash flow gives you a chance to advise them on invoicing, debtor tracking and their overall income pipeline. And an insightful overview of tax planning helps cut tax costs and boost overall profits.

5 ways to think big about cash flow and tax

- 1.** Run monthly cash flow and debtor reports to keep clients on top of these areas.
- 2.** Meet monthly or quarterly with clients, rather than annually, to talk through cash flow issues, underlying costs and take action before it's too late.
- 3.** Identify stumbling blocks preventing the client getting paid.
- 4.** Look at available tax reliefs and tax planning opportunities.
- 5.** Pull together an in-depth tax plan that aims to cut their tax spend.

3. PERSONAL TAX

From – Personal tax returns

To – Wealth management

From – Personal tax returns

A by-product of working with owner-managed businesses is that you often end up working on directors' personal tax returns, as well as those of the business.

Getting those personal tax returns completed can be a big part of your compliance workload. But those returns also present a great opportunity to have a more insightful conversation with directors, entrepreneurs and high-net-worth individuals.

To – Wealth management

Tax is just one element of an overall wealth management strategy. High earners will want to meet their tax compliance requirements, but they'll potentially also have investments, property portfolios and other funds which all need careful management.

You have an existing relationship with these high-net-worth individuals. So why not make more of this relationship and start offering a broader wealth management service to them?

5 ways to think big with wealth management

- 1.** Meet regularly with personal clients to discuss their investment plans.
- 2.** Look at ways to structure their tax so it's compliant but also efficient and future-proofed.
- 3.** Explore potential reliefs, such as Entrepreneur's Relief or the Enterprise Investment Scheme.
- 4.** Look at efficient pensions options and planning for succession and family provisions.
- 5.** Explore your network for IFAs and investment specialists you could partner with.

4. CORPORATION TAX

From – Corporation tax returns

To – Commercial and legal advice around compliance

From – Corporation tax returns

Business owners running an incorporated business know they have to pay corporation tax. And, as their accountant, they'll expect you to pull together the required figures, fill out the forms and file their return.

Is that really the end of the process, though? You've helped your client meet their corporate legal requirement to declare their profits, but there are plenty of other commercial areas where they could benefit from professional advice.

To – Commercial and legal advice around compliance

Sound financial and legal advice can have a huge impact for small businesses – it's not just a case of knowing the letter of the law.

Where you can add real value is by taking a strategic approach to their commercial activities across the whole year, not just at year-end.

5 ways to think big with commercial and legal advice

- 1.** Check whether clients can claim marginal relief on profits if they're below the threshold.
- 2.** Look into tax advice on areas such as the R&D Tax Credit, EU VAT legislation and import and export legal advice.
- 3.** For international businesses, consider rearranging their business structure or even headquartering in a more favourable tax jurisdiction.
- 4.** Consider whether there other commercial legal areas where your clients need advice, such as data protection or cyber security.
- 5.** Partner with a legal practice and offer a more rounded, full service to clients.

5. PAYROLL

From – Payroll administration

To – Human resources and pensions auto enrolment advice

From – Payroll administration

For many smaller businesses, it's not practical to run their own payroll. The complexity of the data, the time involved in administration and the need to meet their legal requirements all help to push SMEs to outsource this task to you, their accountant.

But actually running the basic payroll is, potentially, just a first step in a wider service.

To – Human resources and pensions auto enrolment advice

Once you're running the payroll for a client, you're also in a great position to start talking about other staff, HR and pensions-related services.

5 ways to think big with HR and pensions

- 1.** Check if clients have prepared for their pensions auto enrolment obligations yet.
- 2.** Help them review their employees to see who's eligible for auto enrolment and meet their staging dates.
- 3.** Partner with an IFA or investment specialist that can offer individual pensions advice to clients' staff.
- 4.** Look at providing advice on staff benefits, financial incentives and the most efficient ways to implement these.

Diversify into advice on other HR requirements, such as high-level training for finance staff or ways to drive financial performance.

6. EVOLVING YOUR PRACTICE

A new perspective on your services

Broadening your outlook opens your practice up to a whole variety of new client services. And that can mean longer-term engagements, improved client relationships and reliable revenue streams.

It's an evolution of your existing practice and a chance to build on the solid foundations of great client service that you're already delivering.

Key steps to beginning your evolution

Once you're running the payroll for a client, you're also in a great position to start talking about other staff, HR and pensions-related services.

- Consider moving to modern, cloud-based accounting software.
- Make the most of the data analysis, reporting and automation of this cloud software.
- Instead of just recording client data, start reviewing it and looking for the patterns.
- Run regular reports to highlight financial issues and offer solutions to the client.
- Take the strategic view of your clients' business and help them achieve long-term goals
- Diversify into business advice and coaching, based on your solid accounting foundations
- Think about partnering with other professionals such as law practices, IFAs or pensions specialists to offer a truly holistic business service to clients.

7. HOW SAGE CAN HELP

Sage offer professional support and advice for accountants and bookkeepers. Our comprehensive range of products and services were developed with accountants needs in mind and are trusted by over 40,000 UK accountants and bookkeepers.

We support accountants and bookkeeper by providing them with access to over 250 experts in tax, accounts production and practice software. We utilise our relationships with HMRC and FRC (Financial Reporting Council) to ensure all our products feature the latest compliance.

We have tailor-made offerings that put you in control and offer a range of software and flexible membership packages, or become an accredited partner so you can recommend and resell market-leading Sage products to your clients.

The great benefits you can expect:

- Cloud-based accounting solutions
- Up-to-date with the latest compliance including iXBRL & FRS102
- Award-winning customer support included

In addition, Sage support your clients with our range of accounting software is designed to meet the needs of start-ups, sole traders and small businesses. Sage have a wide range of accounting options to suit your practice and client's needs. These include desktop Sage 50 products or our online accounting product Sage One that allows your clients to invoice customers, analyses business performance and manage VAT, stock, budgets and more.

Take control of your practice and move online. To support your online growth, we are providing Sage One Accountant Edition users with 50x Sage One Cashbook and 10x Payroll 5 subscriptions free of charge*.

*Terms and conditions apply

ABOUT

Our vision is to be recognised as the most valuable supporter of small and medium sized companies by creating freedom for them to succeed. We provide small and medium sized organisations with a range of easy-to-use business management software and services - from accounting and payroll, to enterprise resource planning, customer relationship management and payments. Our customers receive continuous advice and support through our global network of local experts to help them solve their business problems, giving them the confidence to achieve their business ambitions.

ABOUT

AccountingWEB.co.uk is the largest independent online community for accounting and finance professionals in the UK - providing award-winning content and online engagement between members in a true community environment.

Accountants in Practice represent just under half of our visitors and we reach 75% of firms outside of the top 20.

Accountants in Business represent the remainder of our audience, typically working in smaller to mid-tier businesses.