

Bright Business Bulletin

2017
April



Put the spring into your step

This time of year is great!
The birds are twittering and the days are lengthening

Note from the editor

Welcome to Bright Business Bulletin the newsletter brought to you by Bevan Financial Management Ltd. The aim of the newsletter is to bring you interesting and relevant content on a monthly basis.

Speaking of (I hope) interesting and relevant content my book Bright Business Money is now available on Amazon, Kindle and the iBook store. It's all about helping business owners to master their finances so they can achieve the success they deserve.

Also a reminder that my app is available to download on Apple and Android - just search Fiona Bevan in the store.

Pooh quote of the month



Each month we look for inspiration from that great business guru, Winnie the Pooh.

Pooh made his mark in the 100 Acre Wood and achieved world domination through his clever

partnering of Disney (although my husband thinks he sold out!).

As a talker I have found this quote very useful:

"Drinking your milk and talking at the same time may result in your having to be patted on the back and dried for quite a long time afterwards."

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I have just been for a lovely walk in the spring sunshine and I have to say I feel good!

Many people use their renewed energy to do some spring cleaning. Suddenly streets are filled with car washing, lawn mowing and window cleaning activity.

As it is good to give our homes a bit of a spring clean and declutter, so it is good to regularly review our businesses to see what needs to be cleared out.

I come across plenty of businesses who spend cash on new filing cabinets, folders and storage space because they are being swamped with paperwork - invoices, payroll reports, government letters etc.

So what can you do to make sure you don't fill your offices unnecessarily with paperwork?

Firstly, check to see how long you need to keep specific government and tax related records. In most cases the limit is 6-7 years. Anything older than that can be properly disposed of.

There are great companies out there such as ShredIt who come to your premises and make sure that any papers are disposed of securely and completely.

Secondly, there are many systems these days which allow you to scan and save important documents in a properly organised, virtual filing system. This will allow you to save digital copies of any

documents and dispose of the hard copies.

The initial work to digitise past records may be a bit of a pain, but once over that first hurdle you should find it easy to digitise documents as they come into your offices.

Of course you will need to ensure that you have robust back up systems - but then you should have those in place anyway.

As part of the clear out process it is worthwhile checking that you are up to date with the statutory data protection requirements as they apply to your business.

Happy spring cleaning!



Michael's Minutes

If you find yourself getting stressed at work taking a 15-20 minute brisk walk around the block will help. You will return calmer and better equipped to deal with the issue causing your stress.



Ask Jenny



Jenny is our financial agony aunt and is here to answer your questions.

Bernard asks: "We are making very good profits but our bank balance does not seem to be as high as we would expect. What might be the reason for this?"

Jenny says: "There are several reasons why profits do not turn into cash in your bank account. The main three are:

1. Money owed to you by your customers. Sales you have made to your customers will impact on your profitability. However, unless you have converted the sales into cash, your bank balance will be lower than your sales would suggest.

2. Equipment you have purchased. If you have bought equipment (vehicles, plant and machinery, office equipment etc.) and paid for it with cash you will have a lower bank balance. Your profitability will not be reduced by the full amount of the purchase because your accountant will spread the cost over the months you will be using it (called depreciation). So, your profit might be reduced by 1/36 of the value of the purchase, whilst your bank will be reduced by the full amount.

3. Payments to you. Dividends and drawings are generally not shown as part of the profit and loss of a business. This means that any such payments will reduce the cash in your bank without necessarily reducing your profitability.

Other factors will include the impact of VAT and supplier payments, but these are the three key things to look out for."

Dates for your diary

Curious Conversations

Each month Curious Conversations is on the 2nd Monday of the month starting at 5.30pm. It is generally at Bordeaux Quay, Bristol although in certain months the venue changes - for example in August it is often in Julian's field! If you want to meet some excellent peeps who are genuinely interested in helping each other Curious Conversations is for you.

Back issues

If you have missed any prior issues of Bright Business Bulletin and wish to download a copy you can now do so from my website:
www.fionabevanfinancialmanagement.co.uk
Just click on the Bright Business Bulletin button.

Our community

Featured guide... Business Confidence

Sometimes it is useful to have a helping hand with business quandries facing you as a business owner, so I have provided a couple of guides on my website to help.

Don't worry that you will have to register on my site and will then be spammed with unwanted emails as a result. All you have to do is go on the site and download away.

This issue I would like to highlight business confidence as a business's confidence is key to its success.



A confident business does not have to apologise for its existence - it can just get on with providing a great product or service.

In an owner/managed business the level of business confidence conveyed is directly related to the confidence the owner has in themselves and their business proposition.

If this is an issue for you and your business perhaps this guide is for you - it also comes in the form of a Glastonbury FM interview for those who like pod casts.

www.fionabevanfinancialmanagement.co.uk

A special thanks to... Fiona Jones of Grant Jones Accountancy

Fiona is my lovely compliance and tax accountant and keeps me on the straight and narrow.

It is important to have someone who proactively helps with these issues as the tax landscape is continually changing as the Chancellor attempts to balance the books.

Just a reminder that from this month there will be a change to the threshold from which business owners will have to pay tax on their dividends. The threshold has gone down from £5000 to £2000.



This means that if you pay yourself just under the higher rate threshold, with a mixture of your £11k tax free allowance and the rest as dividends, you could be paying an extra £225 in tax - boo!!

www.grant-jonesaccountancy.com

Partner of the month - Ryan James, Playmaker

Ryan's approach is to link the power of marketing with effective sales to re-energise individuals, teams and companies. He aims to help clients reconnect with their customers, generate more opportunities and win more sales. He is a genuine good egg and is passionate about helping businesses generate more business. If your marketing is ineffective Ryan is your man. www.playmakermarketing.co.uk