

# Bright Business Bulletin

2020  
February



## Are you planning to do better?

Are you hoping that 2020 will be a better year for your business than 2019?

### 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.

The fab and knowledgeable Trevor Lever and I have just published a sales and marketing book for consultants called Catfood which is also on Amazon.

### Pooh quote of the month



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

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!).

This is a reminder that for our businesses to grow we must get out there!:

"You can't stay in your corner of the Forest waiting for others to come to you. You have to go to them sometimes."

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**Most of us are** - and January is the time when we resolve that it will happen. But do you know what better is? And what does 'better' mean anyway? Do you have a plan? And now that it is February have you already forgotten your resolution to make changes?

**Many business owners**, especially if they are a sole trader, struggle to even know whether they are doing well or not.

**The reasons** for this are as follows:

**Firstly**, many business owners do not have a plan for their business. This means that, even if they have up to date profitability figures in front of them, they don't know if the figures are good or bad. It is only by having a robust plan, covering several years and based on your own goals, that you can judge whether your business will meet your goals, or not.

**A business which** does not meet the owners' goals is not doing well - however much profit it might be making.

**Secondly**, many business owners do not have up-to-date financial information. This means that even if they know their goals they have no idea if they are meeting them.

**Some business owners** keep a pretty close eye on sales/turnover but leave the rest to sort itself out. However, sales are just part of the picture. If you don't control your costs or your cashflow, your business will struggle.

**Thirdly**, it is vital to know who's definition

of 'doing well' is important. For me, the only measure which is meaningful is YOURS. I see business owners struggling to match someone else's ideal, rather than their own.

**Finally**, if you don't know whether or not you are doing well, the chances are your view will via to one extreme or the other. You will either believe you are doing far better than you are, or you will believe you are doing far worse.

**The first delusion** will probably mean you come across quite unexpected problems with cash flow. The second will leave you feeling disillusioned and demotivated.

**So, do yourself a favour** and make sure you have a robust business plan, which you are updating with current financial figures.

**That way** you will know for sure if you are doing well - and you will know if this year is 'better', following your definition of the word, than last year.



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## Michael's Minutes

February is often a dull, dank month but can have some glorious, sunny days. If you work for yourself give yourself permission to build a brisk walk into your day to make the most of them.



## Ask Jenny



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

**Catherine asks:** "My business is very busy all the time but, after I have paid all my business bills, I don't have enough left to pay myself the salary I need".

**Jenny says:** "The problem you have is that you are not charging enough. Many small business owners price their products and services too cheaply because it is easier to sell cheap.

**However,** businesses can only survive if they can match the profit they earn with the owners need to fund their personal lifestyle.

**Pricing more** effectively means looking at your customer base and asking if yourself if your current customers can, and will, pay more for your product or service. If so, put your prices up! But make sure you explain to your customers why you need to do so and are on board.

**If your current** customers will not pay more you need to re-think your business. This may mean moving your offer to higher value products or services in a considered way.

**Or it may mean,** offering the same product or service but to a different customer base i.e. one which values what you do and are prepared to spend more money on it.

**Whatever the outcome** of your re-think, doing nothing is not an option.

**To find out more** about pricing you can download free written and audio guides from [fionabevanfinancialmanagement.co.uk/guides.php](http://fionabevanfinancialmanagement.co.uk/guides.php)."

## Dates for your diary

### Metwalking

This relatively new form of networking with walking is a great way to meet new people whilst getting some exercise. The groups are informal (with even dogs joining in) but professional and meet each month - and FREE. You can choose to join the Bristol or Somerset Metwalkers - or both! - generally on a Wednesday morning. For exact dates and more information go to: [www.metwalking.co.uk](http://www.metwalking.co.uk)

## 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](http://www.fionabevanfinancialmanagement.co.uk) Just click on the Bright Business Bulletin button.

# Our community

## Special Feature... Your guide to pricing

**With the** new year it is a good time to review your pricing - especially if, like Catherine, you are finding it difficult to make your business as profitable as you need.

**However,** pricing is an art as well as a science and is particularly difficult to review objectively if you are in the service sector.

**To price effectively** you must have a good overview of your finances so you know the minimum you need to charge to make money.



**You also need** to understand what your competitors are doing so you can make sure you are pricing competitively (but make sure you are comparing like with like).

**Confidence** plays a big role in pricing effectively. This is because the main reason service businesses do not get the fees they deserve is down to the business owner's difficulty in asking for them.

**There's a lot to** think about but help is at hand if you need it. I have a free guide (and podcast) you can download from my website - see the ask Jenny column for details.

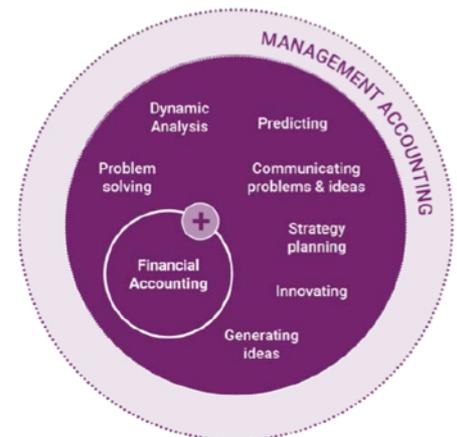
## Partner of the month - Clive Hall-Tomkin

Clive does all the accounting bits I don't touch - tax, compliance, audit and company secretarial. He does a great job for clients because he is interested in them and their business. I know I can rely on Clive to give my clients sound advice to keep them on the straight and narrow (as you would expect from any Chartered accountant), in a way which is fun and interesting (which you expect but don't always get from other Chartered accountants). [clive@maxwellsaccountants.co.uk](mailto:clive@maxwellsaccountants.co.uk).

## Special thank you to... Marianne Curphey

**I was asked** Marianne Curphey to talk about my professional journey for an article she was writing on career paths that are available in accountancy.

**We talked** about why I chose the CIMA qualification and what the experience of studying for the qualification was like.



**The article** was for AAT Powerup the careers advice section in AAT.

**In talking** to Marianne, and plotting the course of my journey to where I am now, I was reminded of all I have achieved over the years. It was a thought provoking exercise and I am glad I agreed to the interview.