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Achieving Dailygreatness

Lyndelle Palmer-Clarke, the founder and CEO
of Dailygreatness shares the secrets to her success.

 **Haines
Watts**

"Without passion
you don't have
energy – without
energy you
have nothing."

Warren Buffet, CEO of Berkshire Hathaway



"We were impressed by
the tenacity, creativity
and resilience that
allowed these business
leaders to not just
navigate but drive change
in times of adversity."

Michael Davidson
Group managing partner



Welcome

As we slowly emerge from a challenging period back towards some normalcy, many of our clients and colleagues reflect on lessons learned and practical next steps. Thanks to a very successful start of the vaccination rollout we are cautiously optimistic and look forward to seeing many aspects of social and economic life returning back to normal in line with the UK's staged re-opening plan. And while videoconferencing and flexible working arrangements are likely to stay, it will be great to meet with people back at the office again!

During the pandemic many businesses were forced to focus purely on survival and often had to re-think their operational set-up, their cost structures and revenue streams. Many emerged stronger, leaner, more agile and with a fresh outlook. As business advisors and accountants we too had to evolve and adapt to help our clients through these challenges. But that's what we strive for: to make a real difference when our customers need us the most and to succeed together.

In this issue of the One Magazine we are discussing how best to benefit from last months much anticipated budget, now that the dust has settled. The Chancellor's investment-led recovery plan offered various benefits to owner-managed businesses and we caught up with our experts to chew some of the details. Apart from decoding the actual small print of the budget, we also discuss why now might be a good time for a commercial audit of your business and how to adapt plans for an orderly exit from a business.

In addition, we spoke to some of our own clients and their personal drivers and motivations during and post lockdown. We were impressed by the tenacity, creativity and resilience that allowed these business leaders to not just navigate but drive change in times of adversity. We also learned a few interesting things about 'home bars' and 'playful parenting' in the process. Both clients are now part of our #FriendsofHainesWatts affiliate network.

Another highlight of this edition is our socially distanced working lunch with international speaker and best-selling author Damian Hughes. Damian works with many leading athletes and is the brain behind the 'High Performance' podcast series. His insights into how our mindset affects our performance and how that applies to all aspects of life, including work and parenting are fascinating.

The rest of the magazine is packed with some helpful tips for some much needed relaxation and re-charging. And while you browse, please remember that we are always here for you - in person, on the phone or Zoom to listen, act as a sounding board and offer practical advice and support.

Michael Davidson
Group managing partner

Haines Watts

CONTENTS

- 4 **ONE OPINION**
Leading with purpose.
- 7 **ONE OPINION**
SMEs... Heart of this year's Budget.
- 8 **ONE OPINION**
Power of good relationships in business.
- 10 **ONE OPINION**
Exit signs.
- 12 **ONE SUCCESS**
Tech thoughts...
- 14 **ONE STORY**
Let the hard work be-gin!
- 20 **ONE OPINION**
Unlock trapped cash.
- 22 **ONE STORY**
A Virtual Lunch.
- 25 **ONE OPINION**
Inspiration station.
- 26 **ONE OPINION**
How an audit can add real value to a business.
- 28 **ONE OPINION**
Haines Watts news.
- 30 **ONE OPINION**
City spotlight... On Edinburgh.
- 31 **ONE OPINION**
One more thing.



After a challenging year of many plot twists, we sat down with our board of directors to take a deep breath and reflect.

Leading with Purpose



Michael Davidson

The best pieces of advice we've ever been given...

We caught up with our board of directors – made up of Michael Davidson, Donna Bulmer, Darren Holdway, Stephen Lucey and Andrew Bodkin – to reflect on the past 12 months and discuss how best to move forward together; from what gets them out of bed in the morning, the most common misconceptions about accountants and the best advice they have ever been given...

Haines Watts works predominantly with owner-managed businesses across various sectors. What is it about that audience that you find the most rewarding?

Haines Watts has had a strong entrepreneurial spirit woven into each cycle of our growth, which underpins our DNA and clients know that we've got their back. It's exciting working with owner managers, real decision-makers; the people at the sharp end of their business and being able to make a real difference to the success of their business. While we are an international firm, our structure and local direction means that we embrace change and adapt quickly, just like our clients. Our people,

structure and experience mean we offer a unique breadth of knowledge whilst still having strong local connections, too – we honestly don't think there's anyone like us.

Our client's problems become our problems, they're never just a number to us – we really care about the success of the businesses we work with and as a lot of our regional partners are business owners themselves, they can really empathise and advise on a peer level.

Why have you chosen Haines Watts for your career – and why does it still matter?

We all had different reasons for joining the accountancy profession, some of us fell into it while others had parents or family working in the sector and our profession has taken us all over the world. We all agree though that what drew us to Haines Watts specifically was the opportunity to work with real people and to make a tangible and meaningful impact. It's always about connecting with our clients, hearing their journey and taking the time to truly understand them.

With that in mind, were you ever tempted to join the Big Four?

As a team we are everything the Big Four aren't.



Donna Bulmer

You must have heard some interesting misconceptions about accountants over the years...

That we're boring! Anyone who has been on a Haines Watts strategy retreat knows that isn't the case. The industry has changed so much, accountancy isn't just grey people sitting around crunching numbers anymore. We're more visible these days and people can see the impact we have day to day which is helping – rather than relying on the American TV version of accountants that just shows us as the 'geeky-guy-who-doesn't-have-a-girlfriend'.

There's always the obvious 'you have to be great at maths' misconception – we have calculators and computers for that these days; in reality it's about being great at building relationships and problem-solving.

Did you know saying you are an accountant is now cool? What do you think this means for young people thinking about choosing accountancy as a career?

It's a great thing that it's starting to lose its dreary reputation. Some of our kids are now



Darren Holdway

considering it as a career, which they always said they would never do!

To young people that are considering entering the sector, we say: 'go for it'. It's an exciting time to be in the profession. The term 'accountancy' itself is quite outdated now – historically it was about preparing company accounts and their profit and so on, but if you think about it as working with business owners, talking, building relationships with them, and eventually giving them advice the prospect suddenly becomes a lot more exciting, challenging and rewarding.

After the year we've had, what is your biggest goal as a board in 2021?

Ultimately our goal is to get our teams back together, smiling, healthy and happy. Working apart has meant that we have missed the connection with each other and the chances to learn from our colleagues. We're working hard to find the right blend of working from home and getting back to the office to give us all the benefits of being together while still taking time for ourselves.

One of our main goals for 2021 is to invest more heavily in technology, leverage our data and make



Stephen Lucey

our client experience more consistent nationally. This year we have much more momentum behind us to move into the advisory space and we need clear, real-time data to allow us to do this.

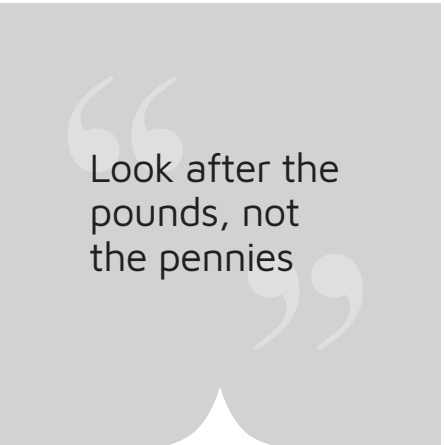
Do you think it's important to have a diverse range of thought on the board? How do you approach challenging each other when needed?

Having a wide range of backgrounds and experiences on our board is essential – it gives us a wider perspective and the ability to make more informed decisions. It's not about statistics or ticking a box. It's about having a business that includes and represents people from all backgrounds.

Most of us have come from pretty humble beginnings and we want to continue to create an environment where talent can flourish, whatever your position. Our biggest challenge is convincing members of the BAME community that the profession is a welcoming place for them. If we don't have a diverse workforce, we are missing out on fantastic talent and important voices. There are challenges because even talking about the subject can be difficult to do and we



Andrew Bodkin



“Dress for the job you want, not the job you have.”

need to engage in the right way – it is not about quotas or perceptions. It’s about having a truly inclusive business that nurtures people from all backgrounds.

Conflict isn’t a negative word and we all approach it pretty positively, it’s essential to be able to have open and candid conversations with each other to be able to evolve. Cementing our relationship by getting to know each other outside of work has helped too, it means we respect and trust each other and that means conflict never becomes confrontational. Ultimately, we understand that everyone has the best interest of the business at heart.

What traits do you admire in each other?

We’re all individuals and very much straight-talking people and we all have our own strengths that we bring to the table in different ways. From patience, precision and attention to detail to big ideas and vision – we are always learning from each other and our differences, that’s what makes us such a strong team. We would stagnate if we were all the same.

We all value trust and honesty as a team and that comes from being able to be ourselves in our roles and with each other.

What makes you to get up in the morning?

The people we work with – whether that’s our clients or our teams. We all still work with

a handful of clients, but we also work on the business, which gives us the chance to influence and grow the business and create a legacy that we can be proud of – that’s something really special.

We all have our own morning rituals that get us ready for the day, whether that is a quick session in the gym (though a Zoom workout has had to do recently), a coffee with the news or boxing off emails before the day starts, having a routine keeps you focused and starts your day right.

How do you think the evolution of technology will affect the industry?

It’s only going to benefit the industry, it will change the structure of firms and make our outputs much more impactful. We are already becoming much more advisory, and this will continue to be the case as we have more tech and data at our fingertips. As more young people come though the sector who are much more tech savvy, accountancy professionals will move much more into being translators and interpreters, meaning we can really challenge, and problem solve what the information is telling us.

What is the biggest lesson you have learnt in your career?

We’ve all learnt through making mistakes and found that failure can be a strength as long as you learn from it. We’ve collectively learnt to be brave. You get far with thinking positively and often it is much more important to make a decision and move forward than to labour over nuances.

It’s also important to stand in the shoes of the other person and really listen to what they are saying to you, we have two eyes, two ears and only one mouth which says it all really!

Haines Watts has invested a lot in building a strong company culture – why is that important to you?

It’s vital; a business can’t thrive when everyone doesn’t understand the why behind what they are doing. For us, culture is the starting point,

we have to live and breathe it every day and encourage our teams to do the same. Our culture is what we have in common, our values help build and maintain strong teams, people work best and happiest when they are part of a culture that they can relate to and feel proud of – the challenge is how we communicate our values and attract clients and people that are aligned to how we think and feel.

Tell us something that would surprise people about you as a group?

We’re not all incredibly outgoing and cold-blooded business people, we can be quite sensitive and introverted. Not naming names but one of us did take up tap dancing aged 12 to help with their football skills and we also have a descendant of the founders of Galway, a city in the Republic of Ireland, round the table!

If you could be in a room with four businesspeople, who would it be?

This question caused a lot of debate around the team – and Warren Buffett’s name came up a lot, we’re fascinated by his philanthropy and his intent to donate 99 percent of his wealth to charity. In the end we went for Sheryl Sandberg, a powerful woman who has had some tough times but has an incredibly interesting story, Elon Musk, who thinks anything is possible, Ann Boden, the founder of Starling Bank who really paid attention to how the world had changed and what people truly wanted and finally, Jeff Bezos!

“Our client’s problems become our problems, they’re never just a number to us.”

WHY SMEs SHOULD KEEP THE BUDGET CLOSE AT HEART

What the budget means and why SMEs should pay close attention

Announcements made in the Budget can have a direct impact on the way SME owners run their business and can even influence major strategic decisions about a business’ operations. David Fort, Managing Partner of Haines Watts Manchester looks at what the Budget is and why it matters to SMEs.

Each year, the Chancellor of the Exchequer – the Government’s Chief Finance Minister – makes a Budget statement to MPs in the House of Commons. The statement lays out the state of the economy and the Government’s plans for raising or lowering taxes. All eyes are on what the Government plan to spend money on. The Budget also includes forecasts for how the UK economy might perform in the future.

This year’s Budget was extraordinary because of the economic implications of Covid-19. Traditionally in the run-up to the big day, there’s speculation over what needs to be done to drive economic growth. However, the build-up to this year’s speech by Chancellor Rishi Sunak revealed that it was time to focus on damage control and not growth.

In this year’s Budget, the importance of SMEs to the long-term recovery of the UK economy was clearly stated when the Chancellor announced:

“Our brilliant SMEs are the backbone of our economy, creating jobs and generating prosperity – so it’s vital they can access the tools they need to succeed.”

We all know that ambitious, high growth SMEs are the lifeblood of the UK’s economy and it was clear from the Government’s growth plan, ‘Build Back Better’, which was published on Budget day, that innovation is the driver to aid recovery.

We know this first-hand as working with ambitious and innovative businesses on a daily basis, we see the sizeable hurdles they need to overcome to secure funding and grow – so this year’s Budget was interesting.

Training and recruitment

The Chancellor announced two new training schemes to help smaller businesses become more productive. £520 million of funding via a new ‘Help To Grow’ programme offering 130,000 SMEs training support, with the Government covering 90% of the cost. And a Help To Grow Digital scheme to help firms with free training and 50% discount on software.

He also announced the establishment of a new £375m UK-wide scheme, Future Fund: Breakthrough which is to be delivered by the British Business Bank. It is hoped this will encourage private investors to co-invest with Government in high-growth, innovative businesses. Launching in early summer, it will focus on investment for R&D driven companies.

Concessions for businesses – a ‘super deduction’

During this year’s Budget, the Chancellor offered businesses two new concessions. Firstly, with regards to the tax treatment of losses, businesses can now carry back up to £2 million for three years (worth up to £760,000 per company).

They can also unlock investment via a new “super deduction” for future investment which will help firms reduce their tax bill by 130% of the cost of their investment. This is worth around £25 billion to UK companies over the two-year period the scheme will be in effect.

Going green

It was really good to see that the first UK Infrastructure Bank will be opened in Leeds with £12 billion provided by the Government and a further £28 billion expected to be available from other investors. The Levelling Up Fund is also a step in the right direction to support long-term economic and social regeneration as well as recovery from the pandemic.

Furlough extension

A significant aspect of this year’s Budget was that the Chancellor chose to extend the furlough scheme until September. This was welcome news for some of my nightclub clients, as they are not expecting to open until at least June. The furlough scheme has provided a lifeline to them since it was originally put in place in March 2020. Hopefully the extension will mean they can slowly begin to bounce back after such major disruption to their businesses.

Business rates

The 100% business rate holiday is set to continue until June, with a two-third discount for the rest of the year. The 5% reduced rate of VAT for hospitality, accommodation and attractions across the UK will be extended to the end of September and will only return to normal levels in stages starting with 12.5% until March 2022.

Apprentices

For employers taking on new apprentices of any age, the incentive payment will be doubled to £3,000 and £7 million is being made available for a new “flexi-job” apprenticeship programme in England that will enable apprentices to work with a number of employers in one sector.

Final thoughts

While the time was not right for detailed rules, there are still a lot of other changes in the pipeline that businesses need to keep front of mind. For example, in 2023, the rate of Corporation Tax paid on profits will go up to 25%. While this year’s Budget looks quite comprehensive and generous, like everything in business, the small print is always important!

Tilney has been working side-by-side with Haines Watts for decades: it's a relationship built on trust, understanding and complementary working practices. It means Richard Dawes, Head of Strategic Relationships at Tilney Financial Planning Ltd, is perfectly placed to discuss the power of carefully nurtured long-term business relationships.

Power of Good Relationships in Business

What does Tilney do and how is that a natural and complementary extension to the services Haines Watts provides to owner-managed businesses?

Tilney is an award-winning financial planning and investment management business. We provide advice both to individuals and businesses and have a presence across the UK.

We have a specialist team dedicated to helping business owners at every stage of their business, with access to both specialist financial planning and investment management advice. Our entrepreneurial team also work alongside other specialist advisers such as lawyers, accountants, tax specialists and corporate finance advisers to provide better outcomes for clients.

As you know entrepreneurs tend to have pretty complex finances. With such a focus on building and running a successful business, quite often they also struggle to give their finances – particularly personal finances – the attention they need. Everything is focused on the business and their personal stuff is put to one side. We work with Haines Watts to plan and structure the finances in the most tax-efficient way. I think the most important

part of the plan here is to link business success to personal wealth so they interact with each other. We work with Haines Watts and their clients to understand how things change over time and what could be done better with the end goal in mind.

One of our key tools is our interactive cash flow modelling service, which sounds very grand, but it's tech that allows us to put a stack of data in to forecast finances. It looks at when you can afford to retire, or how much you need to sell your business for. If you are passing on some or all of your business, we can help you with the transition and consider wider estate planning, while working with other family members to provide ongoing advice if necessary. These tools help both clients and Haines Watts to plan ahead for the client.

We help with both corporate and personal investments, in areas such as diversifying risk by investing in areas away from the business or generating a regular income from the lump sum when you sell your business.

We also consider alternative ways in which to invest or hold assets taking into account short, medium and long-term tax positions with the

benefit of Haines Watts' input. This is where our expertise comes to life and we work closely to get this right for clients.

The earlier we start to plan the better, as we can ensure that your affairs are structured in the best way to make your business and personal finances work. This can include the use of Investment company structures, Business Relief Investments, Private OEICs, Offshore Investments to name a few. Haines Watts work with us to ensure the most suitable outcome is provided to clients.

Describe some recent common challenges that customers have consulted Tilney for in recent months.

Some of the questions we frequently help clients with include:

- Will I have enough to retire?
- What are the lifetime and annual pension allowances?
- What is my business exit strategy?
- How will the budget changes impact me?
- How do I make the most of where we are now or plan differently for the future?
- Can I afford to give money to the kids?

Tell us more about the long standing relationship Haines Watts and Tilney have enjoyed over many years.

On a personal level, I have been working with Haines Watts for almost two decades, building trust and understanding on both sides. Our long-standing relationship is testament to the quality of advice we give and we only get better client outcomes by working together. Our mission and objective to provide the best service to our clients is completely aligned with Haines Watts values around relationships and also the trust that Haines Watts and Tilney's senior team have in each other.

Over the years there has been a number of developments. Back in the day, you might have received a bit of

paper once a year to tell you what's going on with your investments. Now you can click on an app and you can drill down as far as you want to go into your portfolio of investments. It will give you performance graphs, risk graphs, everything you need at the tips of your fingers whenever you want it. There's also a flow of news too in terms of what's going on with the markets.

However, we are a person-led service at the end of the day and while we have all the technology, we're all about the personal experience. That's what our clients value.

Issued by Tilney Financial Planning Limited, authorised and regulated by the Financial Conduct Authority.

Investments go down as well as up and you may not get back the amount invested.



Exiting a business is never a decision anyone takes lightly: it's usually been planned for years in intricate detail, says Chris Hird, associate partner at Haines Watts. But often, the ability to respond to events, to make an assessment based on human factors, and give the right advice in challenging circumstances, can override even the longest-standing plans.



Exit Signs

It has never been more important to be able to judge when the right time has come to exit a business. It's something we discuss on a daily basis with our clients and something that you develop a real instinct for: the advice we give varies from business to business depending on what the individuals want to achieve, what shape the business is in and, importantly in the current climate, what the owners have been through personally.

The planning for a business exit is usually meticulous. The timing, the valuation, the tax considerations, the future of the company, the implications for staff... when you've built a company up from nothing, there is a strong emotional bond and it's something we never forget when dealing with clients.

Sometimes, though, we have to help clients to make a decision that wasn't part of their plan. That sometimes means telling people something they don't want to hear: perhaps they had planned for retirement but the best course of action is to wait for another couple of years. Perhaps they don't want to leave the business, but it's best for everyone concerned if they let someone else take the reins.

And we've certainly been giving a lot of advice – both financial and pastoral – to clients recently. We make a point of helping to

shoulder the burden that our clients are feeling, and there won't be many more challenging periods in any of our lifetimes than the 20/21 financial year.

Huge events have that ability to wipe out everyone's best-laid plans. The global crash in 2008 is one such example; the Covid pandemic is another. There have been plenty of businesses who have been affected by both, and it's taken its toll.

For example, we have spoken to people who were perhaps in their late 40s/early 50s and had one eye on retirement when the 2008 crash happened and reduced the value of their business. So, they knuckled down and built the business back up over the subsequent 12 years, only for the pandemic to knock them back once again.

It can be hard, talking to people in that position, to convince them to do it all over again, and that's where you have to consider the human beings behind the business.

It might even require decisive action, for example if delaying an exit by even a couple of months will just continue to cost somebody money. It's

certainly the hardest part of our job, but we will always give the right advice to the right people at the right time.

Regardless of circumstances, what remains constant is that the advice we give is always shaped by the need to achieve the most positive possible outcome for our clients.

Choices for a business exit

And what of the others: the people who might have wanted to exit their business but who now have to wait for perhaps a few years longer before doing so?

The pandemic has had a remarkable effect on a lot of companies, who have become leaner, more efficient, who have refocused on new markets, who have embraced a more fluid, digital way of working. In some cases the past 12 months have motivated them to stay involved with their business for longer than perhaps they had planned.

For these businesses, balance sheets might temporarily be down, but if there is a clear recovery path then perhaps exit plans could be delayed and waiting for things to improve could yield significant benefits.

Will the Capital Gains Tax threshold freeze reduce business exits?

Capital Gains Tax (CGT) has been on a lot of people's minds recently. The perennial threat of capital gains tax rises often prompts people to consider exiting a business. We have certainly seen business exits that you would describe as 'premature' because people don't want to have to pay any more to the exchequer than they have to.

It was with some relief, therefore, that we heard Chancellor Rishi Sunak froze the CGT thresholds until 2026. CGT applies to business disposals, and even at the beginning of this year there were reports of business owners rushing to dispose of their assets before a CGT threshold change.

That now isn't happening for a further five years, and we hope it will give businesses breathing space to recover and for those owners to develop – and adhere to – a considered exit strategy.



“When you look them in the eyes and can see they've had enough, then that's typically the time we'll talk about exiting in the smoothest way possible.”

Why is an exit plan important?

We're not saying that plans must always go out the window, and a strategic-level exit plan remains a crucial part of any SME-owner's toolkit.

Having a solid and robust exit plan:

- Provides you with control – the plan gives you confidence in the exit process and in the company's value, helping you to understand when (and when not) to sell.
- Makes you better prepared – a well-devised plan will help to prepare you for the upcoming negotiations and puts you in a better position to capitalise in the marketplace.
- Helps you to protect your loyal employees – having a clear plan for the next stage of the business allows you to protect and reward the employees who've been a key element of your business success.
- Preserves your own wellbeing – with a productive plan in place, you can reduce your stress levels and protect your own mental health and wellbeing – an important factor in your ability to lead the business.

Tech Thoughts...

We spoke to Haines Watts' new Group Chief Information Officer, Darren Enderson, about his past achievements, new role and his vision for the future of IT at the firm.



Tell us a little bit about yourself and your background?

I have been in financial and professional services for over 25 years now. I started with a global credit card processor in the mid-1990s as a mainframe developer – it was not really what I thought I'd be doing, but I thought I'd give it a go. It played to my strengths of logical thinking, algorithms, and so on, so it all came quite easily to me and was something I really began to enjoy.

I moved up through the ranks over the next five years and moved into what I'd consider early-days data analytics. I gained a good foundation of working with and reporting data. Starting my next role as a database manager with BDO, over the next 18 years, I worked with data and began to build upon their data systems, bringing in new technologies and aligning that with the business strategies, eventually leading the technology function and working strategically with BDO Global. This experience allowed me to move to Nexia International in 2018 to develop and implement a global digital strategy for the network. However, at the end of 2020, I was approached by Haines Watts who asked me if I was interested in a new opportunity. The rest is history!

What inspired you to get into professional services?

When I came into professional services, I was still quite young. It wasn't a case of me coming into it thinking I want to be part of professional services, but it was a great opportunity. My previous employer (BDO) offered me a role in which I could learn and develop, and it was an exciting challenge for me.

And what convinced you Haines Watts was going to top that?

Haines Watts stood out because they had identified that they needed someone with my experience to help them. They understood that technology played a key part in their business growth and would help them reach their goals and they were willing to invest in those areas.

What is the best piece of advice or biggest lesson you have learned so far?

Be open, honest and communicate. No one has told me that I communicate too much. The more you engage, the more you understand. I think the more information you have, the better the decisions you can make – and the more you know the business goals and how to apply technology to help attain them.

What is your plan for your first 12 months in the role?

What I would like to achieve is getting a greater consistency and alignment in the use of technology across the group. This will allow greater internal collaboration to maximise resources, capabilities and improve efficiency in their client services. The consistency will also drive an element of commercial gain from technology providers, which will lead to saving on any other technologies we may want to invest in later.

What are your top tips for entrepreneurs who are wanting to promote their business?

An online presence is key and having the digital tools to connect with your clients and customers. Especially now, with people working remotely and isolating, we can't always rely on face-to-face interactions, so understanding your clients and having the right technology bridges that gap so you and your clients can continue to engage with one another.

What would you consider to be the most important question entrepreneurs should be asking about technology now?

Are they getting the right advice? And have they got the right technology advisors with them because it is all out there and sometimes technology isn't their strength. They need someone who knows their business and technology and who can point them in the right direction and make the right decisions.

How do you think the evolution of tech is going to affect the accountancy industry over the next decade?

I think technology will remove a lot of the manual tasks across the board, but through the automation and processing of the data, will lead to having very rich data pools that firms need to know what to do with it. Also, the shape of the worker will change, more employers will need to be prepared for these digitally skilled and data-minded employees coming into their roles; and I also think the role of these professional services will shift to more advisory as we have so much data and analysis that we can plot patterns and predict more.

What about life outside of work?

Before we were locked down, I loved to travel! I have young twin-daughters who have consumed most of my time for the past few years. I also have a lot of time for family and spending that quality time together, having that work-life balance – and the role with Haines Watts is remote but it's my time to decide what I do with it, but I can be based at home. Kids grow up too quickly, and you can't put a price on being around that.

What would you do if you had to change your career?

Although I don't think I ever would, I would love to get into property development. The idea of taking a property, doing it up and moving on, I think the project management from start to end would be great. It's having a challenge and a vision then making it a reality.

What advice would you give someone just starting on your career path?

Aim to get experience and a knowledge-bank in a wide range of technologies but through a data analysis lens. The more we can report and understand the data, the more we can communicate and model data to add value to a company – I think that skill will be key in the future.

LET THE HARD WORK BE-GIN!

Most people dream about turning their passion into a job at some stage, and Phil Howarth did just that.

After leaving his role as a partner at a research and consulting firm in Cape Town, Phil moved home to the UK in 2013 to try his hand at starting his own business.

Hawkrigde Distillers, established only two years ago, is nestled in the heart of the North Wessex Downs and is committed to crafting products that look, feel and taste irresistible. Having already scooped some of the industry's major awards, including one product being named Best London Dry Gin in England at the 2021 World Gin Awards, the team are now looking forward to diversifying the brand even further with the launch of the UK's first gin membership scheme from a distillery.

We caught up for a gin-wag with the founder and managing director of Hawkrigde Distillers to find out more about what life is really like as the leader of a growing business in the midst of 2020.

Why did you get involved in the gin industry?

It basically started as a conversation with some friends of mine – James Gurney and Robin Horrex – which turned out to be the start of something really exciting. They had heard about an investment opportunity in a separate gin business and it got me thinking that it would be something I'd be really keen on getting involved in.

From there it really just took time while we found our feet and learnt more about the industry. We researched a huge number of methods and techniques and built up our contacts in the gin community. We read books, foraged for botanicals and got our distilling

qualifications – it was a lot of hard work but learning those new skills and really getting stuck into the detail is what made it so exciting.

What makes Hawkrigde so special?

Our gin isn't just about the flavour; we want to make the whole experience of enjoying one of our products as unique as possible. From the

look and feel of the bottle to the smell and the mouthfeel of the gin itself – we really want to take the gin connoisseur on a journey. Our gins are created with people, places and great stories at the heart of them. The ingredients we use are authentic to the area and we put a lot of research into making sure that every drink tells a story – basically we want to distil history!

Our award-winning Blowing Stone 'Ashdown' series is inspired by the heritage right around our distillery in Compton, West Berkshire. We were inspired by medieval life in the area for the design of the bottles and labels and we used ingredients like crab

apple in developing the flavour profiles, transporting the consumer to a different place and time.

As well as creating our own gin lines, we also craft bespoke blends for businesses and individuals too.

We were thrilled to be asked to work with Haines Watts to develop a limited-edition gin to celebrate the firm's 90th birthday in 2020. We worked with partner Ben Loveday to blend a gin that not only looked and tasted great, but clearly represented the Haines Watts



values and heritage. As well as Haines Watts we've also created blends for the British Army, Iliffe Media, The Outward Bound Trust and others – everyone has a different story to tell and it's always a new challenge to bring that out in the flavours we produce.

Your community is important to you – how has that helped shape the business?

When we established Hawkrigde, we were keen that we built a community around our products. We never wanted it to just be a transactional

experience with our customers. With that in mind, we're the first UK gin distiller to launch a gin membership, Just Gin, which will deliver our gins right to your door. We love the UK gin community and we wanted to create something special for our gin enthusiasts. The pandemic has meant that we have had to diversify and really understand how our customers are enjoying our products. We noticed the

popularity of home bars over 2020 and we've spent as much creative effort designing our bottles so they add to the aesthetic of the space as we have with the drinks themselves.



Named 1930, this bespoke gin helped to commemorate the 90th anniversary of Haines Watts.



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It's valid at:
www.hawkrigdedistillers.com

That's not the only way that you have diversified and supported your community in 2020 – tell me more about shifting to create hand sanitisers during the pandemic?

I was really disappointed to see some companies profiting from the sale of extraordinarily-priced hand sanitiser. We were just about to go into bottling a new gin, but lockdown put a stop to that, leaving us with time, materials and equipment on our hands which we decided to put to good use to support the fight against Covid-19. We started producing batches of hand sanitiser at a low cost for community groups and organisations and supplied their volunteers and those helping those self-isolating for free.

What have you found to be the biggest challenge of running your own business?

Having to wear so many different hats and juggle everything from finance to sales and marketing as well as producing the product has certainly been a challenge. Our team at Haines Watts really have been there for us every step of the way, they've been a huge help and I really feel like we're in safe hands with them.

There are so many moving parts to running your own business – everything from logistics, dispatching high volumes of product out to market and generating sales – it can keep you awake at night. Luckily, we have been able to take advantage of a range of the services that Haines Watts offers to help take the pressure off a little. They have of course supported us with more of the traditional accountancy services, but have also been there to bounce ideas off and be a critical friend as the business has grown.

We're in the process of on boarding our first two members of staff this week, they'll be bringing expertise in digital marketing and sales into the business that we have never had before. I'm excited to be able to focus on developing and growing the business in 2021.

What advice would you give to someone looking to set up their own business?

I would say it's not for the faint-hearted but the highs are worth it, so go for it! Make sure that you have a support system that you can turn to when things get tough. I've been lucky to have made great contacts and friends in the industry who I have been able to turn to for advice and guidance, especially during the pandemic when we struggled with getting our hands on certain materials. Having a team like Haines Watts on hand has also offered a fresh perspective on things when we've needed it.

Find out more about Hawkrigde and working together by visiting www.hawkrigdedistillers.com/

Lyndelle Palmer-Clarke, the founder and CEO of Dailygreatness came up with her one small idea and turned it into a meaningful seven-figure business. Here, she discusses the secrets to her success.

Achieving Dailygreatness

Tell me about the concept and success behind the Dailygreatness?

The concept was born out of frustration of how hard it is to create positive change, whether in your personal or professional life. There is no shortage of personal development books, coaches, and courses. But ten years ago, I saw a gap in the market for practical tools to apply those concepts to daily life.

Dailygreatness has evolved to be so much more than just a planner; while on the surface it looks like a normal planner, it has a big focus on mindset – based on positive psychology, peak performance principles and the unique format and structure that empowers users to practice personal growth that leads to actual results over time.

We say it's 'personal development for smart people' as it's all about turning knowledge into applied knowledge – because it's not just about listening to a podcast or going on a course. Those notes are going to be tucked away in a drawer and forgotten about because life gets in the way, work becomes busy, personal things arise, pandemics happen – and then we are no closer to practising those concepts in our actual lives.

How did you get started with this idea, and what got you, personally, involved with it?

I was previously in the entertainment industry. As an entertainer, a singer; I ran corporate events travelling around Australia, doing acting and all sorts of TV presenting work. I had travelled to the UK to pursue a career in entertainment, but when I got there, a few months later, I found myself burnt out and at rock bottom in my London flat. What is most surprising though is that for a decade before this, I'd been a self-help junkie. I'd read all the books, done the courses, listened to all the gurus, listened to all the CDs (Podcasts weren't quite around then) – and I was shocked to find myself at rock bottom and burnt out.

I'd been pushing so hard in a difficult career for ten years, and the truth was I wasn't practising all those concepts in my life consistently enough and I didn't have the foundation for the size of my goals and ambition and so eventually I crashed. Stress, anxiety and burnout is a common scenario for many people now. According to Gallop, 23 percent of employees report feeling burnt out or experience burn out at some point during their career and I'm sure it's a similar number for entrepreneurs and business owners.

I made it my mission to bridge the gap between knowledge and action.



Your business
can only grow
as much as
you do.

At that point, I chose to leave the entertainment industry and pursue a career in my passion which is personal development. Having spent more than a decade researching and studying personal development and human potential concepts, from spirituality and productivity to mindfulness and positive psychology, I made it my mission to bridge the gap between knowledge and action and create a series of practical guided tools that could help people apply these concepts. And that's when Dailygreatness was founded.

Today, 11 years later, we ship to over 130 countries and our products (particularly our business planner and professional focus tools) are endorsed by psychologists, university professors, CEOs, life and business coaches and leadership trainers.

How do you think this applies to business owners?

Two of our most popular products are Dailygreatness Business, and Success at Work. Dailygreatness Business is particularly popular with entrepreneurs and business owners to empower them to manage their mindset and execute their goals and vision. HR professionals and People and Culture Managers immediately see the value of a tool like our Success at Work edition for improving performance and engagement in the workplace. Business is difficult, whether you're just starting a business or you're an experienced business owner or founder we all need to create a shift in our mindset each day – that's where our tool really shines.

Our methodology is really effective in three ways: for mindset, using positive psychology to wake up and start each day in a resourceful state, to handle stress and overwhelm by providing daily clarity for what to focus on, and self-awareness and personal development which is important because unless we are reflecting and understanding what's working and making the difference, we will never grow and neither will our business. We have a saying that 'your business can only grow as much as you do'.

We also offer Onboarding and Implementation training of how to use our tools and ongoing monthly or quarterly coaching to individuals and teams.

What is your experience with Haines Watts, and why is it such a good fit with the business?

We have been really happy with Haines Watts since we've incorporated in the UK; the team has been helping us keep our book-keeping and accountancy really efficient – which is really important to us. And as a global business, we are incorporated in five countries and with five firms globally for our accounting, so we have some experience with what is good and what's not so good. Haines Watts is one of the best. They are a great fit for our business because they're really great to work with. They're personal and keep our accounting so efficient and lean – which as a business with many other moving parts, the one thing you do want to be efficient and lean is your accounting.

How have you been impacted by the past year, and what is the plan for the next year?

So in this past year, we have become more focused on the B2B market. In January, we launched our Dailygreatness Success at Work edition and we have companies all over the world utilising our tool, such as banks, insurance companies, law firms, charities and marketing agencies to help align their teams in terms of their vision, their goals and values and to help with engagement, performance and productivity. And particularly with COVID-19, as people are working remotely, this tool that aligns people to be on the same page, quite literally, and has been an important product for us to launch in the last year with such a big focus on team wellbeing during lockdowns.

Are there any particular products you would advise for Haines Watts customers?

For business owners and entrepreneurs, our Dailygreatness Business Planner or our Vagami Success Planner are great tools; and our Success at Work which is more suitable for teams and those working in an office environment with team leaders. But if people are looking more at their wellness and wellbeing, which many entrepreneurs and business owners do because it's a key foundational piece to executing their visions and goals – we also do a Wellness Planner that helps people with the mindset behind achieving wellness goals. Obviously, throughout this year, being in lockdown, health and wellbeing and mental wellness have been highlighted. Depending on your lifestyle or goal, we have a range of products to help fit those needs.

What gets you up in the morning? Do you have a particular routine?

I like to be up early, be meditating and doing my morning mindset questions, and exercise – I always start every day by working through my Vagami Business Planner, of course! I also have two small children, a three-year-old and a six-year-old, so a big part of our home is playful parenting. And when working at home with kids, it's a great strategy as a business owner to keep things flowing. It's a bit of a secret of mine to utilise that during my day – during the week I make sure to keep myself in a peak state through playful parenting so when I sit down at the desk, I don't have to do extra work to boost myself back up there.



Gary Staunton
– Haines Watts partner, London

Gary Staunton, Haines Watts partner in London added – I met Lyndelle and Johan at the end of 2018 shortly after they incorporated their company. Helping entrepreneurs to turn their business ideas into commercial reality is one of my passions and I offer free accountancy and tax advice to start-ups and that is how we met initially.

Once the company was incorporated, we assisted with VAT registration, consulted on VAT rates for their journals and provided full online bookkeeping set-up on Xero. We also got a lot of free samples and we love them!

Lyndelle and Johan are very much part of the 21st century UK entrepreneurs set, in that they don't live in the UK but in Australia. This means most of our business is conducted flexibly via emails and video calls working around the 12-hour time difference to suit their needs. Currently we are advising Lyndelle on the impact of Brexit, related VAT matters and the movement of goods.

DailyGreatness also offer a
Friends of Haines Watts discount:

15% OFF
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www.dailygreatness.co.uk

Unlock Trapped Cash

What a Relief

How an R&D tax relief claim could grant your business breathing space to grow this year

In our last edition we pointed out that Research and Development (R&D) tax reliefs have brought huge benefits to our clients over the years, but especially in the last 12 months, offering cash flow boosts when times are tough, or a platform for growth as businesses deal with new ways of working. Yet many qualifying businesses are still failing to claim the reliefs. So we caught up with Jonathan Scott, Haines Watts tax partner, again to dig a little deeper.

“An absolute godsend” was how one of our clients, a major player in the construction industry, described his company’s most recent R&D tax relief payment. It was January 2020, and they had just received a cash payment of around £500,000.

Now we know how 2020 panned out, the money that they – and many other businesses – received through the incentive was indeed a godsend. This is especially true in the construction sector, where the rising cost of raw materials and increasing legislation has put strain on profit margins. Then the last 12 months brought delays and site disruption as the pandemic swept across the country.

It’s far from just construction that’s affected – very few sectors have emerged unscathed from the past 12 months and, in short, the UK faces a huge cash flow challenge across many industries.

Which is why any failure to make the most of the support available seems like such a waste. According to the latest available data, around £3bn-worth of R&D claims have been made by SMEs so far, for the 2018-19 financial year, but we are confident many are failing to claim.

We believe that the under-claiming of R&D benefits takes place across most industries, but notably in software and IT, video game production, food and drink, manufacturing and construction/the built environment.

We have a globally competitive R&D relief scheme in the UK and, though it’s not always easy to access, we strongly urge companies to at least investigate whether they could make money back from it.

What can that money be used for?

Some businesses use the money they get back for specific projects. For many, it simply goes straight back in as working capital. But they almost all have one thing in common: they regret the years when they weren’t making R&D claims and the money they’ve lost out on as a result.

The fact is, many businesses are taking part in far more qualifying R&D activity than they realise and are missing out on tax reliefs they could be claiming.

Most of our working lives, we are faced with challenges that require inventive solutions, and whilst R&D claims have been seen to relate solely to the innovative use of materials, claims are often more bespoke and can relate to solving problems on site with new processes or tackling challenges with technology. It’s often less about what you do and more about how you do it.

Carrying out a full audit of qualifying activity with a specialist could quickly unlock cash for the business, which could provide an uplift on existing qualifying activity and a much bigger tax deduction or cash refund. As an SME you’re entitled to a 130% uplift on any qualifying expenditure.

There is still scope for the scheme to grow, too: in the Budget, the Chancellor announced the launch of an R&D consultation, with a view to expanding the scope of the scheme. There are rumours that certain types of capital expenditure could be added to the list of qualifying activity, which would broaden the scope for even more businesses to claim money back.

Whether you need to improve cash flow to reinvest in your business for growth, to meet growing health and safety legislation or you simply want to make your business more fluid in a challenging economy, it’s worth exploring which Government support and reliefs you could be entitled to, or even where the reliefs you are claiming are not fully maximised.



Frequently asked R&D questions

There are questions that frequently come up from new and prospective clients, especially those who have hesitated about making a claim. Is it complicated? Is it relevant for my industry? Is it time-consuming? I tried it before and it didn’t lead to much.

Haines Watts will work very closely with your internal teams to make the process as smooth as possible. We will need co-operation from you as we build an understanding of your business and your qualifying activity, but we see this as a long-term relationship.

It can take an expert eye to appreciate the full potential of a claim, especially when it comes to R&D and it requires an experienced hand to ensure claims are robust and fully compliant. It’s often difficult to appreciate exactly how much of day-to-day work qualifies for R&D reliefs, but it can include everything from creating or experimenting with new materials, devising new energy-saving techniques, working with new technologies, overcoming technical problems, developing or improving tools and equipment, improving reliability, safety and performance... and much, much more.

One thing is certain: you could be sitting on far more cash than you realise.

Damian Hughes has written a collection of books, including 'The Winning Mindset' and 'The Barcelona Way' and now has a successful podcast series called 'The High Performance'. We spoke to him about his life, his ideas and the lessons he has learned.



A Virtual Lunch

...with Damian Hughes

Once again, this Working Lunch edition happened across a screen on a Zoom call. However, if it were up to Damian, it would have taken place in a local cafe in Manchester set up by a friend of Damian's called Egginton's Cafe - Damian has helped deliver leaflets and supported the business during the lockdown.

Tell us a bit about yourself

I had a bit of an unusual start because before I was born, my father was a coach and founded a boxing gym. Many people assume boxing gyms are based in inner-city areas, perhaps even socially deprived districts of a city – and that was certainly the case for where I grew up.

And I mention that because I believe, even if it was unconsciously, that start in life influenced the work I do now; I was around high performance from a very young age. This included young men who were becoming professional boxing champions or going off to the Olympics; I saw the demands and sacrifices, and the discipline required to achieve success within their domain. Another thing I think influenced my path was the power of culture. The area I grew up in was potentially regarded as quite socially deprived – with high unemployment and many other labels associated

with that. But that gym was a place where people could come and be treated with respect and be valued. They were treated with courtesy, and those who came to the gym went on to succeed in a range of different industries, as people, as parents and as professionals.

How do you feel this influenced your later work?

In academia, a phrase is used where „we don't do re-search, we do me-search“, and we often try and understand our own lives and biographies. When I got older, I began to appreciate how rich that environment that I grew up in was and how it informs and influences a lot of the work that I currently do. As well as the books I've written and co-hosting the podcast, I've worked as a consultant for a range of businesses speaking to teams to create high-performance teams which flourish at their best.

The podcast began with a friend called Jake Humphrey, who I co-host it with as we come from slightly different high-performance backgrounds. So, as I mention, I come from being the son of a coach and from a practitioner's perspective, it takes discipline and sacrifices. I've learned there's no secret to high performance; there's no overnight successes or silver bullet.

Jake is a broadcaster who worked for the BBC for years and is now the lead anchor for BT Sport. He describes that he was around these billionaire team bosses and motor-racing drivers, and he went in expecting a secret but discovered what I had – that there is no secret.

So, when we were chatting together, we thought it would be great to do something like a podcast to share the fact that there is no secret by talking to people who had achieved high performance; and revealed the sacrifices, commitment, and decision-making behind their success. I think it's important to stress that the podcast and the books aren't there to suggest that people are going to become gold medallists or multi-millionaires. It's about doing the best you can with the resources you have and using the knowledge that you possess, with the time you have, to potentially go a little further than what people had imagined they could.

In one of your earlier books, you discuss the idea of Liquid Thinking; could you explain that a little?

So, this comes with two potential answers. The first comes from Edward de Bono, who is regarded as the godfather of creativity. He said that most of the problems in our life occur because 80 per cent of the way we view it is solid in our thinking. This means there is a particular way we should be thinking and a certain way we should respond and that solidity of our thinking means we do the same thing over and over again, rather than being flexible and creative in our thinking. By definition, the opposite to solid thinking would be liquid thinking, so being a little fluid and flexible. So that's option one. The other is that when I was thinking of the name, I was sat with a mate, having a pint, and trying to think of something creative.

What lessons are there for teams to help them bounce back after COVID-19?

We have found with our interviews with high performers that three phrases sum up all of them. Take Responsibility, and that it is responsibility – not blame; and that's saying even though it might not be your fault, you are accountable for the way you respond to it. So, although COVID wasn't anyone's fault, we are all defined by how we respond to it. And this acceptance gives us control, and the more you accept control, the higher your levels of health, wellbeing, and happiness.

Another thing is, how you respond to these times will define you in the future. There is work by a Nobel-prize-winning psychologist, Danny Conoman, called the peak-end law and how when you're asked to remember or recall a business or individual, you remember three

“There is no secret in achieving high performance.”



things – how you first met them, when you last met them and most importantly, how they dealt with adversity. And lastly, just be kind. I think kindness can often be discussed as a twee statement or being soft, but the evidence suggests from high performers, when they have faced adversity and came at it with a lens of kindness, meaning being kind to themselves and others, they have had a better experience.

What will you personally take away from COVID and the last 12 months?

I think the greatest thing I have learnt from this time has been about balance. Reflecting on the past, I was very aware I was working long hours and away from home a lot – and not necessarily having that balance right. I have two children, and being at home with the family, my time was seen as a premium. Over the past 12 months, I have re-evaluated these ideas and reminded myself of the most important things in life and that I need to rebalance these elements of my life.

How did you cope with running the business and teaching the children?

Balancing all those demands was quite tough, but even before we had children, we went on a parenting course as neither of us had been parents before, so we went to learn from someone who knew more about it than us. During this, they asked us to recall a favourite childhood memory, and there was a consistent theme of at least one parent being present, and the activity was often cheap and accessible – like a walk, a park or something along those lines. This gave us the opportunity to make those memories and do activities that weren't particularly lavish or expensive, but they were activities together as a family.

Have you got any examples of people in teams that have faced adversity and growing beyond expectations due to that?

One person from the podcast was an Argentinian football coach called Mauricio Pochettino, and he had a great way of articulating the non-negotiable standards that you had to buy into to be a member of

his team. And those standards of behaviour were threefold; one was positive energy, be a team player and have a can-do attitude; by communicating these standards, he said, I offered an opportunity to commit, and his role was to set those standards from the beginning and even through adversity those standards are to be met. This leads me to another point: not to underestimate the power of enjoyment, as quite often, when you enjoy what you're doing, you are willing to go further, spend more time, and do more to succeed. And lastly, don't forget the value of trust, as if people trust you, this will sustain you through difficult times.

Moving on to talking about your podcast, what is the value of the podcast as a medium?

One of the main things is referring to that idea of commitment; people have to continuously download or choose to listen to the podcast, which means they're interested in what is said, not just forced to listen to something like you are on the radio.

You're writing a new book; could you give the Haines Watts customers a sneak preview of that?

The book is based on the interviews of the high-performance podcast, and we are in the process of writing that; it should be out in December. Having done over 50 interviews with people who have been incredibly successful in a range of industries from business, sport, the arts and the military, what we have tried to do from that is distil the common themes and take-away messages that people can apply to their own lives; we have then applied the psychology and research behind those mindsets and why that works for people.

And what would be the best piece of advice you've ever been given?

Probably from making my own mistakes and having things go wrong, the advice of being kind to yourself and others resonates the best. Sometimes the way we talk to ourselves is shocking, and we wouldn't dream of talking to other friends and family like that, so that advice of being kind is so important in allowing yourself to bounce back from adversity.

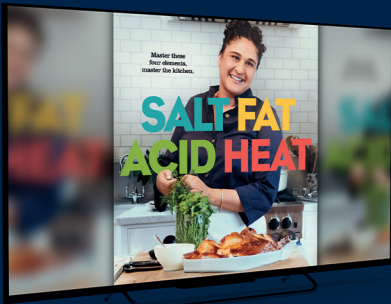


INSPIRATION STATION

Whether it's reading, watching or listening, enjoy a moment of calm and relaxation with these out-of-office ideas to boost your wellbeing.

Book – The Rules of Living Well by Richard Templar

How busy is your life? Are you often left with that drained feeling at the end of the week and want to feel more relaxed and happier? Richard Templar's newest book, The Rules of Living Well, as part of his international best-selling series, offers a collection of short, easy-reading and relatable 'Rules' to live by for better mental, physical and emotional wellbeing. These cover all aspects of your life from work to family – even retirement – and discuss everything from exercise, confidence and relaxation to help you grow as a person and be healthier and more content in yourself.



Netflix Show – Salt Fat Acid Heat

Recent circumstances have meant that people have focused more on their diet than before. Although often considered unhealthy, this four-part series focuses on the importance and value of salt, fat, heat and acid within your diet. Visiting countries from around the world, including Mexico, Italy and Japan, chef and food writer Samin Nosrat explores these four essential keys to better cooking as well as offering some hints and tips on cooking and shopping to get the best out of your food.

Album – Berlin:Redux by Duomo

Whether it's background music or a melody to help you chill-out after a long day, week or even a playlist for your weekend walk, Duomo's Berlin: Redux is an excellent chill-out album. After being featured on the popular Netflix show 'Bridgerton', Duomo's cover of the pop hit 'Wildest Dreams' put their unique style in the spotlight and began their growth. Their creative orchestral renditions of pop songs make for easy, recognisable listening; they are ideal for working from home, a fancy dinner, or even some light relaxing music for a Sunday morning.



HOW AN AUDIT CAN ADD REAL VALUE TO A BUSINESS

You might hear auditing described as 'a necessary evil' or that businesses 'just have an audit because they have to', or even that it is a needless overhead - but audits can add real value as Jonathan Moughton, a partner at Haines Watts explains.

Auditing has been under intense scrutiny lately after a number of high-profile audit failures, including the furore over Carillion. Auditors often get the blame for business failure, but it is the non-executive directors of large corporates who should be the front line of defence, not the auditors in my opinion.

It's clear that big firms and big failures have shone a spotlight on the audit world and this has led to:

- Increased regulation of audits for everyone
- Plans to break up the dominance of the Big Four

The upshot is we are now having to jump through increasingly difficult regulatory hoops, which also means the added value part of auditing is coming into sharper focus.

There are many textbook reasons why a business owner will have an audit but in practice it can give them a far better understanding of their business - so long as the audit is done properly and with an auditor who understands their aims. There are various ways in which an audit adds significance to a business, including affecting enterprise value.

What is enterprise value?

Enterprise value is what your business is worth. If you are selling your business there are a number of things that you would do to build enterprise value, by getting the best multiple of profits possible.

The end goal of every business owner is to own a valuable business, whether you are building to sell, building to hand over to the next generation or just to have a more successful business.

From an auditors' perspective, systems and controls are the lifeblood of a successful, scalable company and there can be a drag on enterprise value without the right systems or controls in place. A good audit should be able to identify these.

If you are looking to sell a business and your accounts have been audited, that can provide reassurance to a potential purchaser. It may also reduce the amount of due diligence a purchaser might seek to do because there has been regular external scrutiny of the figures.

Businesses are generally assessed on the basis of a multiple of profits and that can be impacted by a whole load of variables across the business. One of the key variables that impacts that multiple is risk.

How does an audit help you identify risk?

First and foremost, an audit is stating your accounts show a true and fair view of the business. However, an audit should also flag weakness and risk in a business so the owners can take corrective action, reduce the risk and ultimately increase business worth.

Our clients know their businesses very well but, in my experience, they value the external perspective that comes from having an audit because the audit team will have been 'under the bonnet' of several similar sized businesses with similar issues. They can always tell me how much money they have earned, but they don't always look at the detail around their systems and controls.

If you have an audit team that has a commercial perspective, it can and should highlight other things that affect risk. The information an audit takes into account and the systems it has to use to get that information can highlight issues around commercial contracts or dependence on key staff, customers and maybe even suppliers. It should also show weaknesses in your systems and processes.

Are your processes up to the job?

Any change can put pressure on the business operations. If we look at digital transformation of a business, for example, or rapid growth over a short period of time - the change can add stress to systems. There are a lot of businesses in our client base who have had to invest in new systems because their businesses have grown significantly and they have had to keep pace with that growth. Sometimes people are so busy with running the business that they don't see systems are under strain and that can cause issues later.

If you are looking at an audit commercially and are questioning those internal processes, you should be able to identify something that doesn't add up. You should also identify deficiencies in the system and suggest areas where they could improve.

The purpose of an audit report

An audit means different things to different people, depending on the type of business. For a company looking for funding, it is about reassuring potential funding providers of the integrity of their finances. For trustees of charities and not-for-profit businesses, it is about good governance and rigour around internal processes as they are not involved in day-to-day operations. Indeed, the original thrust of an audit report was to reassure shareholders about the financial information being prepared by the directors - and that remains the case with large corporates - but in an owner-managed business the shareholders and directors are the same people.

Recently, I had a conversation with an owner-manager who had been audited. He said: 'As a director, I am happy because the audit was all very simple and straightforward, but as a shareholder, I didn't really feel that my running of the business had been questioned enough.'

The role of the auditor

There is a real responsibility on an auditor to challenge management. They need to say to a business owner that, while they have assumptions about their business processes, let's hold a mirror up to them and reflect on whether those assumptions are right and whether their systems are fit for purpose in the context of your business strategy for the future.

It is clear that an audit is an invaluable tool helping you as an owner to manage commercial risk because it should highlight issues and opportunities for improvement. We are now looking at using data analytics on our clients' financial information. That technology will enable us to present financial information to clients in ways they don't usually see, which can only help them get an alternative perspective on their business.

Haines Watts News

OFF TO A WINNING START

Following the firm's announcement to support women's sport in the South West, we have been delighted to follow the progress of Haines Watts-sponsored Team Bath Netball as they made a sensational start to the 2021 season.

Haines Watts is a Superleague Principal Sponsor of the team and plays an active part in supporting not just the elite side, but also the pathway of young and talented netballers across the region through Team Bath's academy sites in Truro, Bristol, Bath, Exeter, Hartpury, Glastonbury, Salisbury and Blandford Forum.

Geoffrey Fairclough, said: "We have both staff and clients who are already netball fans and this felt like a way of showing support for them, too. We have watched the growth of netball in our region and the strength, determination and professionalism of the women behind Team Bath Netball who are making this a true South West success story on the national stage. We hope to help them continue to flourish on this journey."

Alicia John – Team Bath Netball franchise manager added: "At a time when women's sport is feeling the impact of Covid cutbacks more significantly than men's sport, we are delighted to make such an exciting announcement of funding and support. We will be able to form a true partnership with

Haines Watts which will include an exchange of skills and expertise between business and sport at all levels."

"Matt Bracher, the managing partner of the Bristol office of Haines Watts, said 'Being an ex-University of Bath graduate, it seemed fitting that the Bristol office supported young and talented people in a location to which I'm connected. Having played rugby at the University, we had the support of Bath Rugby Club and so I know how important it is to have the encouragement to enable development and success. The standard of Team Bath Netball is way beyond anything I was ever involved in, so to contribute in any way we can is very exciting."



Images: Ben Lumley, Vitality Netball Superleague

Star in their eyes

With the new challenges of blending office and home-working, companies need to try even harder to stay connected and to create engaging working conditions. Haines Watts is no different and this year an amazing 63 percent of our colleagues had their say by participating in the annual b Heard Best Companies survey. This revealed significant improvements across all eight measured areas, especially with regards to personal development, fair deal and leadership.

“We have moved from ‘One to Watch’ status to a 1-star business.”

Managing partner Donna Bulmer, said: "This year our improvements have been acknowledged and we have moved from 'One to Watch' status to a 1-star business, and that's thanks to the dedication and hard work of the teams across the UK and shows the direct impact of what having a shared values-based culture can have on the success of an organisation.

"While we are very proud of our first star, we wouldn't be Haines Watts if we weren't continually looking to adapt and improve for our teams and our clients. That's why we will be putting an even bigger emphasis on better communication, collaboration and on bringing our values to life over the coming year."

While gaining a 1-star Best Companies Accreditation, which reflects 'very good' levels of employee engagement, is a significant milestone for Haines Watts, striving for that next star is in our DNA.



Reaching the Next Generation

Haines Watts is delighted to be supporting the first 'Reach Next Generation' Girls Summit on June 26th 2021 held at DLD College, London. REACH is the brainchild of leading Sky Sports presenter Sarah Stirk, who believes that the path for women to reach the top of their career potential has often far too many barriers and obstacles. REACH aims to create a new platform based on collaboration, helping women of all ages and backgrounds to reach their goals.

In addition to the annual REACH summit for female leaders and entrepreneurs, Sarah is now hosting a similar event for 11 – 14 year old girls to help them on their path to success.

Sarah Stirk added "It was always our intention to look at how we could support the next generation and this unique summit for young girls will do just that. It will be a safe space where we will help, inspire and motivate the women leaders of the future"

Giving back at Haines Watts

Haines Watts offices have always been at the heart of their local communities, and with a series of Giving Back initiatives in 2020, have raised over £24,000 for 27 charities across the UK.

The last twelve months have been tough, but the Haines Watts teams pulled together and found innovative ways to raise money for those most in need. From bake sales to Christmas jumper days, sponsored haircuts, marathons, quizzes, and more, the teams gave it their all.

The Stronger Together wellbeing initiative saw a staggering 266 people from across Haines Watts take part in the 'Around the World' challenge – running, cycling, walking and even dancing the circumference of the globe.

Some members of the Haines Watts team went even further than simply collecting money for charity. Inspired by a recent trip to Nepal where she witnessed the plight of women and girls with limited access to hygiene, Alison in the East Midlands team collected a whopping 8kg of bras and pants to be sent directly to people who would otherwise have no access to underwear.

To build on the exceptional work carried out by our people across the business over the last 12 months, we will soon be announcing a new national charity partner, bringing together all of the hard work of our teams to support a charity which underpins our values and ambitions.

Thank you!

Haines Watts raised a staggering **£24,129.35** for 27 charities

CITY SPOTLIGHT ON... EDINBURGH

Edinburgh is one of those places where there is something for everyone. It's a city with UNESCO World Heritage Status that has evolved with a plethora of cafes, bars, and eateries, but still maintains its historic charm and culture. Graeme Miller, tax partner at Haines Watts gives us the lowdown.

Regardless of the purpose of your visit, whether it's for business, a family trip or weekend break, there are plenty of activities and attractions to make your visit interesting, enjoyable, and still safe.

A city by foot

The city centre of Edinburgh is more than manageable by foot, with most of the attractions being within a short walk away - although the labyrinth of the Old Town will test your skills of direction. The city has plenty to offer including three bridges spanning three centuries and a world-famous festival - the Edinburgh Fringe Festival. Arthur's Seat also has spectacular 360 views, although with such a handy public transport system of trams, buses and taxis - walking might not be top of the list.

Special day trips

For something a little different, take a trip to Edinburgh Zoo. With over 2,500 unique and endangered animals, including the only Giant Pandas in the UK, Edinburgh Zoo would make a great day for families or if you just needed to get out of the city centre.

A bit of culture

Being a city bursting with culture and history, Edinburgh offers plenty of cultural sights to see; even with current restrictions, city features like Edinburgh Castle remain open to view to the public, with a few additional rules to help keep everyone safe. Alternatively, book in to visit one of the world's leading botanical gardens at the Royal Botanic Garden and Park, which displays over 13,500 species of plants from around the globe.

Back to Business

Suppose you want to be prepared for the best spot for a business brunch whilst supporting local hospitality when they reopen. In that case, The Garden, located within Kimpton Charlotte Square Hotel, is an indoor oasis and the ideal space to meet with colleagues in a quiet corner and escape from the busy city lifestyle. Or for something a little more formal, Grazing by Mark Greenaway offers a selection of Scotland's local produce and has a six-course surprise tasting menu.

Food for thought

Edinburgh has such a wide range of choice when it comes to grabbing a bite to eat. And all of the cafes, bars and restaurants are currently working especially hard to make sure all the safety measures are in place for both staff and any guests. It could be a takeaway cake and cuppa from Mimi's Bakehouse or a Michelin star meal from The Kitchen; the variety is unbelievable! Due to the current climate, some restaurants like Kyloe Restaurant & Grill are even offering takeaway options so you can still enjoy their delicious food.

Weekend walk

If you're looking to get out and have a bit of fresh air, you don't have to look far. The Water of Leith Walkway is a 12-mile route that runs along the waterside, which features a collection of bridges, statues, and an escape from the city with an abundance of greenery. And if the full 12 miles seems a little daunting, the short section from the Gallery of Modern Art to the Botanic Gardens still offers beautiful scenery without as long of a walk.

One More Thing



When we sat down to discuss what the budget really means for SME business owners with David Fort, managing partner of Haines Watts Manchester, we also got talking about how we all have had to adapt over the last twelve months, learn to be more nimble, flexible and focus on the essentials and what of those lessons and adjustments will remain with us in a post-pandemic world.

David said, "Covid-19 has been a real test and business owners have had to step up to the mark to ensure their businesses survive. Undoubtedly, all of our clients have learned lessons in being more agile and robust and often with our help, they have changed their businesses for the better and come up with new ways to generate income.

Most of the available grants require considerable paperwork and our clients continue to rely on us when they are asked for their last three years of accounts, or when they have to do a projection for the next 12 months. It's clearer than ever that they don't just require our help with that but often also need wider business support, reassurance and a sympathetic ear. We're not just here for the good times, we are fully committed and prepared to roll our sleeves up and do whatever is necessary to help our clients access support, whether that is filling in forms or researching new funding streams that might be a lifeline for a business in trouble.

Sometimes, letting go of 'how it's always done' is the only way to grow in a brave new world.



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