

## WELCOME TO RESOURCE

### In this issue we will cover...

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# The Economy 2008

## TOUGH ECONOMIC CONDITIONS – BE STRONG IN MANAGING YOUR BUSINESS

We have included some of our observations across our client base and prospects over the last 6 months or so and also a quick and easy guide for you to consider for your business.

### Rising prices

Many clients have faced rising raw material, fuel and energy prices. Postal costs have increased and it seems that most prices are rising at the moment.

Passing on supplier price increases to your own customers is not always easy. This is exactly the wrong time to be increasing your prices, however, businesses cannot absorb significant price rises and expect profits and cashflow to be maintained.

Businesses must attempt to explain the situation to their customers and to try to increase their prices, if only temporarily in some cases to ease the burden.

### Rising debts

Many clients are finding it harder to get paid on time and in some cases, the instances of bad debts have increased dramatically. This puts pressure on cashflow and can threaten the survival of the business. Strict credit control and monitoring of your cash flow is vital in these times.

### Staff issues

We have noted a number of businesses finding themselves under pressure from staff for loans, pay increases or their workforce being nervous or generally unhappy.

We have advised a number of clients on benefits they can offer to employees that do not cost too much and that make them feel wanted and valued. Generally pay increases that are planned for 2009 are modest and often include pension payments and other ways of rewarding staff that keep them incentivised.

### Pensions

We believe that the stock market will fall further and that making share based investments is not a good idea at the moment. We recommend that you divert funds into cash or cash equivalent investments such as bonds.

### Unemployment and redundancies

Businesses are in some cases finding that they are required to make staff redundant. If this is the case, please get in touch so that we can reassure you of the procedure you should follow and to offer help and support.

## news



### Economic News

The Bank of England base rate is currently 3.0% following a dramatic reduction on 6 November 2008

Inflation is running at approximately 5%

House prices are falling by 4% annually on average at the moment

The dollar has strengthened against the pound and the price of oil has fallen again to approximately \$60 per barrel

There are 950,000 unemployed people at the moment, compared to 850,000 3 months ago

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# The Economy 2008

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## Key action points

1. Protect your cash and only commit to necessary expenditure – evaluate everything you are spending
2. Maintain your margins where possible, however, adjust your pricing if your competitors are doing the same
3. Ask for deals from suppliers
4. Improve credit control processes and procedures
5. Utilise staff as effectively as possibly
6. Consider changing your pension strategy or moving to cash investments
7. Prepare weekly cashflow forecasts and review them
8. Consider your funding situation and options. Speak to your bank and evaluate what short and medium term help might be available.
9. Consider your personal situation and look at websites such as

<http://www.moneysavingexpert.com>

<http://www.creditcrunchexpert.co.uk>

To discuss this or any issues affecting your business, please contact us.

## news



### Economic News

The outlook is gloomy. Reports this week have indicated that the economy is in recession and that things will get much worse before they improve. We certainly feel that there is still correction to come on the stock markets and that the price of oil will increase again

# Case study

## LOOP PUBLISHING



When meeting a prospective client for the first time I often hear "our business has the potential to do a million pounds in the next couple of years". It isn't often that I get told that a client has set up their business to "change their industry".

I'd never heard both claims together until I met Sam Spurdens and Dave Foster in 2005 at LOOP and to be honest I didn't know what to think at first.

Dave and Sam had just published LOOP for the first time, a monthly newspaper that is free to subscribers in the General Aviation Industry. It is basically aimed at everyone interested in light aircraft, manufacturers, flying schools and all ancillary services.

LOOP reported turnover in excess of £1m in the 07/08

year and have seen their monthly sales increase to more than £120k recently. This is a truly remarkable achievement as the publication simply didn't exist 3 years ago.

LOOP have also launched LOOP TV, P-One and Blades (their helicopter publication), Learntofly, aero and have plans for additional publications in new markets. They currently have a readership in excess of 25,000 and have truly created a market leading brand in their industry.

Dave Foster explains what he was looking for when he appointed Resolve Business Solutions:

"We started the company in a whirlwind of activity and didn't have the time to research our accountant fully, our first choice was a

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# Case study

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poor fit for our brand and vision, fortunately for us we found Resolve soon after launch and since then we're never looked back, Paul and his team are incredibly dynamic and have helped us grow very rapidly...even though he's rubbish at golf".

Over the last 3 years we have helped LOOP with monthly management accounts, budgeting, tax planning. We have recently assisted with the implementation of a new accounting and reporting system, credit control, debt collection and the recruitment of an

accountant to run their finance function.

"The business continues to grow it's UK market and our revenues from overseas are rapidly increasing despite the economic conditions. Resolve Business Solutions will be important in helping us achieve our growth and in managing our business in the next few years" says Sam Spurdens.

We are looking forward to continually developing our relationship with Dave and Sam long into the future.

[www.loop.aero/](http://www.loop.aero/)

*Written by Paul Reid*



# Giving feedback to your staff



THE HELIX CONSULTANCY  
People Development

Helix help businesses develop (and keep) great leaders and managers. Our leadership programmes (including John Adair's Action Centred Leadership), training, coaching and team events are practical, business focused, and fun. We like to challenge and inspire.

## Good feedback is a gift to the receiver;

it helps people understand when they are doing well, how they are contributing to the success of their business, or why they need to change their behaviour.

We are not all comfortable giving feedback, particularly the 'developmental' kind when performance or behaviour isn't up to scratch. Here are some of our tips for getting it right:

1. Say thank you - to individuals and to the team for things well done - it's a big motivator.
2. Seize the moment - use frequent 'catch ups' or desk reviews. Don't store it all up for the annual appraisal.
3. Be specific - picking up on the detail is much more meaningful than "excellent job" or "that was rubbish".
4. Balance the good, the bad and the ugly - people

always given good generic feedback will stop trying, and those continually given negative feedback will lose their drive to improve.

5. Distribute your feedback fairly - don't cherry pick the favoured few for praise, or the unfortunate ones for negative feedback.
6. Focus on what to do rather than what not to do - after all, it's meant to help and motivate people.
7. Ask "What went well? and suggest "Even better if ..." particularly with team feedback after events.
8. Ask your staff what they think of their performance - people are often harder on managers, so you can follow up with some positive observations.
9. Ask for feedback on your own behaviour - scary but enlightening.
10. Learn how to give people a 'BIFF' - please refer to the Helix website for more detail.

For more details on this or anything that The Helix Consultancy might be able to offer you or your business, please contact them via their website.

<http://www.helix-consultancy.com/>

# HMRC dirty tricks

WE RECEIVED THIS EMAIL RECENTLY FROM ONE OF OUR CLIENTS



"I had a visit from the tax man a couple of weeks ago regarding late payment of tax/NI payments.

At no time did he properly identify himself and I did not receive a receipt for payment."

He claimed that we were two months behind, I was aware of this but a payment had left our bank account but not yet gone into theirs and so showed up on neither account but did process that afternoon.

**We find this extremely aggressive.**

HMRC should try to first of all establish correctly the liability before trying to collect it through more reasonable means. If they arrive unannounced, please send them away and call us immediately.

He then started to instigate the removal of goods to the value of both outstanding months as I could not pay balance electronically there and then!

If you are getting behind on making payments to anyone, please contact us to see how we might be able to help. We have successfully negotiated payment plans with HMRC in some cases.

I got very angry with him as we had been trading for over 22 years and had only recently got behind due to the slowdown of the economy and resulting problems getting cash in.

He eventually allowed me to pay him a cheque from our private mortgage account but only gave me a very short time limit to go and get the cheque from home and pay him.

# Client industries and referrals

We have recently been instructed by clients in the following industries:

- + Architects
- + Plumbers
- + Aircraft construction
- + Publishing
- + Manufacture and distribution
- + Consultants
- + Marketing and PR

We have expanded our client base in 2008 by approximately 25%. If you need assistance with something as a business or personally, there is a fair chance that we will know someone that we trust that can help. Please get in touch if you need a lead, a recommendation or a name.

Similarly, please remember that we pay £75 per referral if you recommend our services to a prospect that becomes a client. We would be delighted to hear from anyone you feel we may be able to help.



**£75**

# Other news

## STAFF CHANGES

Hayley Prior joined our business in October as an accountant. Hayley was a management accountant in a large health club in Cambridge and joins the business to take on both financial reporting and management accounting work.

Stephanie (Steph) Morley joined our business in October as our administrator. Steph will manage the office and our administration.

We plan to expand our Norwich service base and to increase our headcount in Cambridge in the New Year to include another qualified accountant.

Rebekah Humphries and Julie Langley have left our business to pursue other career paths and avenues. We wish them the best for the future.

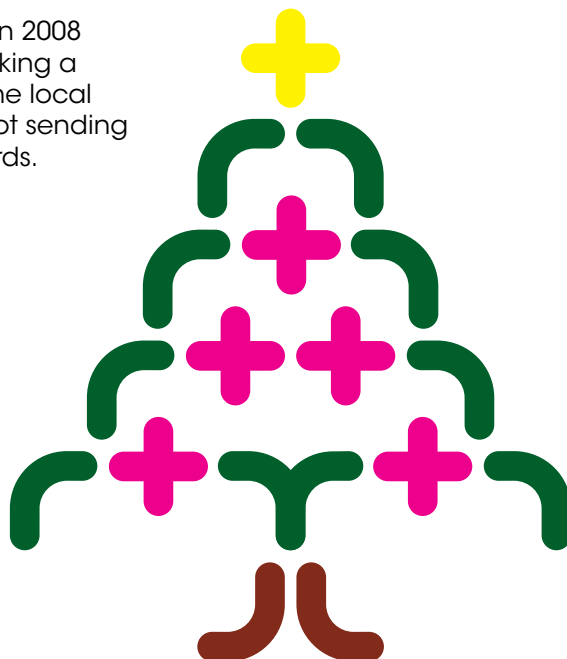
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## CHRISTMAS CLOSING HOURS & CHRISTMAS CARDS

Both our Cambridge and Norwich offices will shut at midday on the 24th of December and will reopen on 2nd January 2009 at 9am.

On the 29th, 30th and 31st of December only Paul Reid on 07958 631006 will be available. The normal office landlines will not be answered. Emails to payroll, Paul and Tracy will operate as normal!

Once again, in 2008 we will be making a donation to the local school and not sending out paper cards.



# Meet the team

MARK ROBBINS



## **What do you do at Resolve Business Solutions?**

I work on a variety of client areas and spend a lot of time out at client premises. Areas I work on include Management Accounts, Financial accounts, VAT returns and numerous other ad-hoc projects.



## **Marital Status**

Engaged



## **Favourite colour**

Like the favourite football team....red (Liverpool not Man Utd)!!



## **Favourite Colour**

Red



## **Favourite Food**

Steak, Sirloin, medium.



## **Favourite Drink**

Corona, Becks, San Miguel – I look a bit hungover in my photo!



## **Birthday**

28th March

## **Age**

31



## **Where did you take your last holiday?**

Conil de la Frontera in Southern Spain



## **What winds you up most?**

Sunday drivers who cannot get their car to accelerate past 30mph on any road with a speed limit in excess of this!!



## **Hobbies?**

Football (playing, coaching, watching) – is there anything else to do??



## **Favourite film**

Brewsters Millions or Groundhog Day.



## **Best ever holiday?**

Vietnam – amazing place to visit, so much diversity between the North and South. Cu Chi war tunnels were fascinating...and the white sandy beaches weren't too bad either!!

# Competition

OUR CAPTION COMPETITION RETURNS



Email your suggestions to:  
[resource@resolvebusinesssolutions.com](mailto:resource@resolvebusinesssolutions.com)

**WIN a £50 voucher for the funniest entry**

Entries must be received before 10 December 2008 to qualify.

## Resource

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