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# Sixty days later...

We catch up with practices we spoke to at the point of lockdown – what has happened in the intervening two months, and what's on the horizon for them and their clients?

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# Time to reflect - and plan

In the April issue, we spoke to practices about their approach to managing clients and their practice in lockdown. Now we revisit them to find out what has happened in the past two months, and how they see the next few months shaping up

Bruce Burrowes, founder, Kingston Burrowes



**Q** How have the past two months been since lockdown began? Have things panned out for your firm as predicted?

**A** I think we basically got it right. A great deal of effort has gone into talking to our clients, maintaining communication, talking about the changes, the funding available and supporting clients. We've had two clients cease trading but they voluntarily shut their business down – otherwise everyone else is still on board.

Big changes were made to how our people worked. It has been a bit more settled but now it's about getting back to work, the 'new normal'.

We now have three offices rather than four – but that was part of a long-term plan to better

manage our operations – and included moving into a new, bigger site in Cheam. The plan was for this to be live just before Easter, which got delayed to the end of May – not because of the build but just because the desk manufacturer closed.

**Q** What is now on the agenda moving forward?

**A** Well, now it's about getting clients back into the flow of managing regular compliance tasks such as accounts and tax returns.

Our personal tax team has the self-assessment stuff in hand. On companies, it's about trying to keep ahead of things; VAT, accounts have to come in. If you delay accounts because the information hasn't come in, you don't get that time back. So it is being mindful about letting clients know we're still here and work needs to be done – it's a similar message for our own team.

The huge thing, though, is getting people back







Bruce Burrowes, Kingston Burrowes

into the offices. That is the same for us and clients. Where they've asked us for legal, human resources and health & safety advice, we have contacts we can refer them to.

Our biggest challenge is getting people back in – they must realise that face-to-face is so important, either for day-to-day tasks or managing clients. I've realised that even as government guidance relaxes, there has to be a mindset among people that they want to come back to work... if you don't get that they won't come back. Clients will have the same problems. Conversely, some people can't wait to get back in.

### Q Are you able to undertake longer-term planning? How do you see the medium term?

A This is normally my planning and budgeting time – so the coronavirus has taken that out a bit. We are involved in helping with funding and have had a few more enquiries on that front – something for me to consider.

From a tech perspective we're in quite a good position; our investments in IT paid off. The investment allowed staff to be productive at home. We have a good understanding of both the applications we need to run, plus the hardware requirements. It has not been without challenges – such as dealing with ad-hoc IT issues remotely – but we're on it.

The most immediate client-facing tasks will be around helping sort through and manage their Job Retention Scheme (CJRS) claims.

## Brendon Howlett, operations director, Wood and Disney



### Q How have the past two months been since lockdown began? Have things panned out for your firm as predicted?

A It went as good as it could, I guess. We felt as a team that our focus should be purely on client communication: calls, 'hand-holding', listening and sometimes just simply being there. We were, in tandem, sifting through the deluge of information from the government and various accounting bodies to understand what options were available. We had daily calls with a good number of our clients, others on a weekly basis.

It's been well beyond the norm. We've had to speak to insolvency practitioners and lawyers and be brutally honest with some businesses.

As practitioners we've had to sacrifice our time. I'd justify it as an investment. Clients have been understandably coming to us for help – and we are the people they should come to. It does reach a point where it's not sustainable as pro-bono; we have to operate as a business, too.

Furloughing helped as there was a lot of work to do and it was more straightforward to bill for while easily demonstrating value.

### Q What is now on the agenda moving forward?

A We've said to our team that we understand the majority of our clients will be able to continue with a retainer – but that might dry up after that...so use the information we have on them, plus the extra communication, as an

opportunity to understand what's going on. Opportunities will come from helping clients move on and grow. We also know they'll talk about us to other people – and we're picking up some other work where their accountant has either let them down, or they haven't heard from them.

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Brendon Howlett, Wood and Disney

Early on we did our cashflow budgeting and impact on our firm. We have also looked at our clients and undertaken a 'z-score' methodology, looking at their balance sheets and grading them. Then it's the more serious discussions about 'where your business is now' and devising strategies to come through this.

Generally, we'd look at it as almost a given that clients we're working with will want to grow. Some will struggle – it won't necessarily be 'the end' for them but we need to do something about it and do it quickly. This coronavirus has sharpened the focus on tracking survivability.

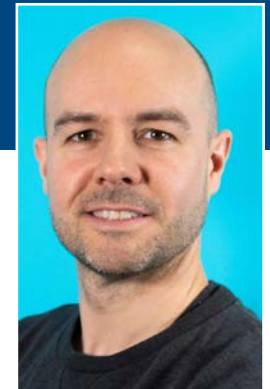
### **Q Are you able to undertake longer-term planning? How do you see the medium term?**

**A** It's going to be a tough few years. We're quite a lean team at the moment and our focus will be on looking after existing clients and attracting new ones. Communication will be crucial and will remain at a high level.

We won't focus solely on compliance services – there has to be more advisory work. We also want to grow our practice, so will need to keep the sales funnel working. We would like to think referrals will keep on coming but you can't guarantee that or predict.

We have been able to build emotional connections with our clients... now's the time to strengthen those connections through stepping up our digital marketing.

## **Alastair Barlow, founding partner, flinder**



### **Q How have the past two months been since lockdown began? Have things panned out for your firm as predicted?**

**A** Uncertainty was at the fore. We had no idea how our clients were going to draw back from us, or react with their employees. We were expanding and had just taken on two new team members, so we on-boarded them during the lockdown. With expansion in mind, the team knew we were unlikely to furlough anyone ourselves; it would be more a case of not hiring anyone else for the time being.

While our use of tech is high, we realised it would be stressful working from home for a prolonged period, so we tried to make it as comfortable and health-focused as possible – such as using a proper work chair rather one in the dining room.

As we're London-based, we made a decision pre-lockdown to go fully working from home. If team members got ill travelling in and shared it with everyone else, it would have been disastrous. I think the move was pretty much seamless – MacBooks at home and phones as well – internet-enabled comms channels are already fully used. It has, however, been far more prolonged than we hoped for.

As such, some WFH situations can't really continue – so we're looking at co-working spaces nearer the teams' home where possible.

From a mental health and wellbeing perspective we run 'self reflections' on a Friday.

Our people opening up about what's on their mind and how they feel. We also hold weekly Pulse surveys with questions, which help us gauge an overall sense of where we're at.

From a client perspective we ranked them according to a number of metrics, including cash, exposure to sectors or supply chain and so on. We spoke to them all but with an understanding of their overall risk exposure. It took several weeks for things to unfold and understand the general direction they were heading in.

Our pricing model is flexible and based on consumption... if it increases we will increase fees – if things change adversely or are on pause then we'll strip back where required. Of course, if we're strategically advising a client on cash management, then we'd say that cutting our fees would be a false economy.

### **Q What is now on the agenda moving forward?**

**A** Things are mostly settled with loans in place – we'll see a greater than average fall of businesses in the overall economy due to repayment issues in the medium-term. Many of our clients are equity-backed, and we think there will still be enough investment around.

One thing we've seen slow down is the volume of clients changing accountants to come to us.



Alastair Barlow, flinder

We've picked up a couple of big clients but in a period of uncertainty many will keep as many certain things in place as possible.

We're seeing more businesses unfurlough, and expect that to increase from the middle of June.

I don't think rushing people back into the office is our thing – in fact, our lease was ending and we decided against its extension. Our people say they want roughly a 50/50 time split between WFH and being in the office. So we may look at leasing where we can take a bigger room if we have everyone in on a Monday, for example. We won't do a big bang – we don't need to take the risk.

We are all, however, missing human contact and interaction. While we leverage tech, we really try and send people out to be embedded with clients; whether it's on their advisory committees or attending board meetings. Such rich, strategic, interactions are difficult to replicate.

## Q Are you able to undertake longer-term planning? How do you see the medium term?

A In terms of our service solutions, which revolve around client-centric problem solving, one thing that may be on the agenda is more governance and risk management offerings. It has surfaced a little bit more in the eyes of clients – and some of our team can already deliver it.

Generally, this situation has brought to the fore the concept of advice: what clients really value is speaking to accountants rather than receiving a set of accounts.

# Webinar: what 'value' means to a practice and its clients

AdvanceTrack's most recent webinar was one of its most thought-provoking and interesting.

On the topic of 'value', three experts joined AdvanceTrack MD Vipul Sheth to discuss what value means in the context of an accounting practice, its people and clients.

Andrew Van De Beek, founder of Australian accountancy firm Illumin8, kicked off proceedings with an intensely personal and heartfelt presentation. This tone supported his message: work with clients you like, and understand the purpose of their business, before you can deliver value.

Clients are usually sold an expectation of what it will be like to work with another party, and are then disappointed with the reality.

"When I started my firm eight years ago, I'd already worked in a smaller firm and a Big Four firm. I hadn't really enjoyed what I was doing – ticking boxes. That changed when I realised there were businesses behind my work – it changed my thinking," he explained.

Van De Beek and his firm undertook soul-

searching of who they were as personalities, and who they wanted to work with. "It was a transition from 'pretending to be an accountant' to 'here's Andrew... who is good at accounting'," he said.

His official 'work photo' was him in a suit and tie. "I asked myself 'why am I putting this shirt on?' The branding was this picture while I was really [a guy in a t-shirt drinking whisky]," he said.

"In other words, the branding was the guy in the suit, but when clients interacted with us they got something different.

"If we're pretending to be someone else, act a certain way, do things a certain way... it won't





Karen Reyburn, PF



hit the mark,” Van De Beek added. Accountants often present themselves in a similar way, providing similar services in the same style – “it just won’t hit the mark”.

Karen Reyburn, founder of accountancy marketing agency PF, carried on the thread. She said accountants feared being themselves, but making such a move towards fully representing yourself in your work normally required “small changes over time”.

However, such a move was important in terms of winning and working with clients. “Your brand is not for you, it’s for clients,” she said. “They will ask, ‘is this real? Are these people for real?’.”

When there’s a mismatch “they will hesitate to work for you”, Reyburn added.

The step towards online communication precipitated by the coronavirus pandemic has seen accountants behave more as they are, particularly where they talk to clients from their home environment.

“I hope that those moving through this see one of the big lessons that ‘me and my firm need to be who we are and show it’,” said Reyburn.

Building that authenticity is an aspect of setting out how to understand what value is in terms of clients, said James Ashford.

“Accountants do amazing [technical] things: balance sheets and P&Ls, but I only care about what’s going on in my life. I want to be able to pick my kids up from school and my wife be safe, along with a storm-proof business. That’s where accountants can have an impact,” said Ashford.

On pricing, Ashford said you should be “consistent and profitable in what you need to deliver”.

“And compliance isn’t dead,” he added. “It’s our most profitable work [at the accountancy practice where he is a director] because of how we charge it, manage our efficiencies and deliver.”

View the webinar by [clicking here](#).

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