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# No One Ever Went Forward By Looking Back!

I have spoken many times about the advantages of intelligent, real-time, cloud accounting solutions like Xero (in my opinion the best option for small business owners in the UK). One of the key benefits is its ability to look forward, rather than rely on last year's numbers for today's decisions. No one ever went forward by looking back! But this example of modern, future-focused accounting compared to traditional, historical accounting has a wider lesson to teach forward-thinking entrepreneurs.

Modern tools for measuring, interrogating and using live business data have become today's accounting standard: But the philosophy of looking forward is as old as any strategy in business.



## Learn from the past and find success in the future

Looking at how you performed previously is critical to what you do next. It allows you to repeat and strengthen the actions that created momentum and success, while improving or changing any mistakes and failed actions. The problem, in accounting, has historically been that you are restricted to figures that are years old and quite often irrelevant to the current day. The very lessons that you are looking to learn from come far too late to be of any use.

Today, there is no excuse for any business owner not knowing what is going on in their business finances 'today'. You can access real-time profit and loss, monthly management accounts, up-to-date tax liabilities and variance analysis at the touch of a button. Knowledge gives you access to power and the power to access that knowledge is yours...

## Would you drive home in reverse?

Cars are designed to be driven forward. The front windscreen is bigger than the rear, the seats face the front, there are more forward gears than reverse, the steering wheel, pedals and control

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panel are positioned in front of the driver, and there are mirrors appropriately placed for a quick glance back. Your business is just the same. You should be looking and driving forward.

Before starting out on the journey you can take the time to set a destination, check the route, fuel up, plan stops, and make sure you've checked the vehicle – but you drive forward. Along the way you might check behind you in the mirrors, look out of the side windows, slow down or speed up to avoid obstacles, but you always move forward in real-time. You cannot get to where you want to be by reliving last year's journey – too much will have changed around you by then.

### **Back to the accounts for a moment...**

If your business has an in-house accounts team then the least that you should expect (providing you use Xero) is a monthly variance analysis. For our customers, we have up to twenty different accounting ratios that we analyse to help our customers move forward. At the beginning of the year, each client can set out their goals and then track their performance month-to-month to measure their progress. Those occasional looks in the mirror give them everything that they need to know to keep moving safely ahead.

### **Learn from yesterday, act today, win tomorrow!**

In my own business, I am very clear that its purpose is to create an income for my family and me. It is there to pay my mortgage and household bills, enable me to have holidays and the things I enjoy, and it lets me put a little aside to help secure my family's future. I am fortunate enough to be able to help my team achieve their own similar lifestyle goals along the way and relish the positive effect that I have on my clients' lives: But essentially, I have my own targets to achieve. Do you have a clear view of your plan, purpose, business goals and direction?

My advice to any business owner would be to get a similar forward vision for themselves. Then set about checking, each and every day, in real time, how well their business is delivering on that vision.

# *Featured Add-on* **Designed To Make Your Life Easier**

**This issue's featured add-on is the simple and brilliant Scannable app, made by Evernote. Whatever paper you have lying around in your business or personal life can easily be snapped up by this fabulous app and turned into a neat, tidy and usable electronic file. From receipts and invoices, through to business cards and hand-written jottings on a Post-it note, pretty much anything on paper will soon become electronic.**

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**SCANNABLE**

# Team Activity When Accountants Become Spies!

As regular readers will know, we are not an ordinary firm of accountants. So the time has come for us to reveal our true, undercover double lives: During the day we ensure that our customers pay less tax and get first class business advice, but all the while we are secretly training to be spies.



It all started one sunny Friday afternoon in July, when the whole team gathered at the Bedford Arms in Hertfordshire to begin our Enigma Team Building recruitment programme. During the afternoon, the activities ranged from code breaking and bomb disposal to axe throwing, and building, then firing, a homemade water-cannon. Tensions were high and the stakes even higher as the two teams competed for valuable Spy Dollars and recognition from the well-trained Enigma professionals. Some even went from spying to full-on espionage by trying to squeeze extra Spy Dollars for telling jokes and making our instructors laugh. You wouldn't find 007 doing anything that corny...



With the winning team (Jo, Natalie, Louise, George, Olivia and Beccy) still celebrating their victory, everyone sat down to a fabulous meal (worthy of any Casino Royale) in the famous Bedford Arms oak-panelled restaurant. The afternoon and the evening was a real success and another great team-building activity for Meades & Co (and while the rest of the team are happy to leave it there, Paul is secretly hoping that Daniel Craig will soon hang up his holster so he can fill the vacancy).



# Kicking The City Into Touch And Claiming Their Piece Of The Playing Field

You never quite know where a hobby or interest might end up taking you. It would be hard to write the story of two brothers nurturing an obsession with rare and exotic sports shoes without making a few 'journey' or 'pathway to success' analogies along the way. But I will try and resist going down that track too much.

When Robert and David Franks purchased their first ever pair of limited edition trainers, in 2013, their wildest dreams could not have foreseen it becoming a £2m turnover business in just four years. At the time, they both had good jobs in the city and were doing OK. David was working in the fast-moving, highly competitive world of e-commerce, mastering the dark arts of SEO, PPC and online marketing. His CV included big brand companies such as Collect Plus and Oliver Sweeney, and his experience would soon become crucial to his next adventure. Robert, meanwhile, worked for the global financial services giant, Cantor Fitzgerald (having started there as the tea boy, aged just seventeen). During his six to seven years there he worked hard, gained numerous promotions, and ended up running one of the company's major currency exchange desks.

All this time, while commuting into the city from their Radlett home and often working thirteen- to fourteen-hour days, the two brothers began to take an interest in trainers. Not just as a fashion

statement to wear out on a Saturday morning trip into town, but as limited edition, beautiful and valuable items. They soon realised that these running shoes were more than just collector's pieces – they held or increased their value and could be sold on. A seed of a plan began to take root and eventually they decided to take the leap and start trading.

## Time to start running with the big idea...

Being pretty handy with technology and social media already, the lads realised that word of mouth and online sharing would be the quickest way to spread the news. They were also astute enough to understand that the fashion and sports markets were indelibly linked to the world of celebrity. So, in an inspired and brave move, they began to gift high-profile sporting figures, reality TV stars and other glitterati new trainers. Instagram was soon full of celebrities from boxing, football and TOWIE showing off their gift with a thank you to #KickGame.

The celebrity angle turned out to be a stroke of genius and kickstarted the business, creating a modern-day Pied Piper effect. By the end of 2014, the snowball had become a beach ball and up-and-running had become full-on-flying. All the marketing was still being done in-house at this point, and David and Robert still remember packing, labelling and transporting down to the local post office anything up to twenty boxes of trainers per day – by hand.

Another fun, innovative and totally hands-on tactic that ensured the exclusivity of supply was to send enthusiastic kids to sit outside sports shops, all across the country, waiting for the latest limited editions to go on sale. They would then





buy up every single pair of that particular trainer and own the market. Simple, but brilliant!

As with all races, whether they are run in running shoes, a high-powered Formula One car, or a business trying to stay ahead of its competitors, you can only go at top speed for so long. Eventually you need to slow things down a little, take hold of the reins and take stock. There is a difference between growing and scaling a business, and only the latter has a sustainable future. For KickGame that moment came when they decided to investigate online accounting towards the end of 2016.

### **Slowing down, taking stock, and setting off again...**

They had heard about Xero and asked their expensive, big brand, top ten, London city firm of accountants if they could switch over to an online option. Their resistance and reluctance to entertain the idea led to a search online for a local Xero expert and landed them at a meeting with Meades & Co. As an enthusiastic advocate for all things Xero, and a Gold Partner to boot, Paul soon explained how he could help. Within the first few months he had saved Robert a decent chunk of tax by adding his wife as a director of the business (something any attentive accountant should have spotted). Even more useful for the busy entrepreneurs, the switch to Xero meant they regained around five full days a month that they had been wasting on managing the company's VAT return. On a personal level, Paul was also able to assist Robert in getting a mortgage – any small business owner reading this will know just how difficult that can be, even if you do own a

successful and profitable business. The team at Meades & Co, and Jo in particular, have been a fabulous support to KickGame, from that day to this, and have helped to steady a speeding ship.

Today, KickGame is coming up to being a £2m per year turnover business (a long way from a single pair of trainers arriving at the home of two enthusiastic brothers in Radlett). Its clients include people such as Anthony Joshua, Danny Rose, Troy Deeney, Craig David, Katie Price, Mark Wright and the boys from McFly. The average shopping basket sale from their e-commerce website is £350, they have 50,000 names signed up to their mailing list, and the most expensive pair of trainers they ever sold cost £15,000. Oh, and they supply trainers to dozens of members of the royal families of both Saudi Arabia and Qatar.

With the business now in the full control of its owners (and still growing at a rate of knots through proactive and organic marketing), the brothers are now looking to the next exciting stage of KickGame's development. Watch this space...

### **Top tips from a top performing e-commerce business:**

Here are a few of the top tips Robert and David wanted to share with anyone looking to get into e-commerce:

- Find a product with high demand
- Start small: you don't have to risk a fortune
- Buy smart and try to buy exclusive stock
- Keep it simple: use online tools like Xero for your accounting

# Accountancy Facts And Funnies

- Keep it simple: there are hundreds of add ons to make your life easier
- Keep it simple: there are plenty of cheap or free e-commerce tools out there
- Use influencer marketing wherever possible: consumers follow celebrities
- Focus on delivering customer service: especially on premium products
- Believe in yourself and don't give up
- Leave the trainers market alone: KickGame already has that covered

**If you would like to know more or you fancy a pair of snazzy new sports shoes, check out: [www.kickgame.co.uk](http://www.kickgame.co.uk)**

**(If you would like to feature your business in this newsletter, please get in touch with Paul on 01923 800444.)**



# KICK GAME

The first book on double-entry accounting was written in 1494 by the Italian mathematician and Franciscan friar, Luca Bartolomeo de Pacioli. Although the technique had been around for centuries, Pacioli's 27-page treatise earned him the title 'The Father of Modern Accounting'. I wonder what the clever friar would have made of Xero!

Chicago crime boss Al Capone was finally brought down in 1931 by FBI accountants. Although believed responsible for crimes ranging from bootlegging to murder, Capone was ultimately arrested and convicted for income tax evasion. It clearly pays to keep your numbers in order!

Every year since 1935 a team of accountants has spent an average of 1,700 hours, prior to Oscar night, counting the Academy Award ballots by hand. That is approximately 212 working days to back up one evening of celebrity celebration. Just imagine their frustration when the presenters get the envelopes mixed up!

The word 'accounting' comes from the Latin-based French word 'compter', meaning to count or score. Other accounting terms are similarly derived from Latin-based languages, such as 'debit', meaning 'he owes', and 'credit', meaning 'he trusts'. As that renowned street trader, Del Boy Trotter would say about his accounts, 'mangetout, mangetout'.

There has long been a debate about the only word in the English language (aside from place names) that has three consecutive double-letters. Of course, people eventually arrive at 'bookkeeper' (and its derivatives), but others argue for the inclusion of words like 'committee' and 'successfully', which are populated with other letters in between. Then there are the hyphenated suggestions, like 'bee-eater', 'bell-like' and 'cross-section'. Recently, I was delighted to be presented with a four doubles derivative of the only true three doubles word: 'subbookkeeper'. So, how about that for a word only an accountant could figure out?

# Are You Being Boring?

Almost every company I ever speak to tells me that they are different. Yet, when I ask how they 'think' they differ, most of them still come out with the same boring drivel as everyone else. They claim:

To give great service, have competitive pricing, provide reliability, deliver a great experience, offer value and blah, blah, blah. It's so boring (to be frank, off-putting) and totally unconvincing, that this approach even verges on the unattractive, misguided and disingenuous. There is, of course, a longer list of predictably abject claims that people make about their companies... but I don't want to bore you with them now.

## **If everyone claims the same thing, isn't 'the same' what they are claiming to be?**

Maybe your business genuinely does provide all of the things that everyone else claims. If so, that's fine, but is being the same as everyone else really what you want to portray? As a potential customer, I want to know what makes you different! I can almost hear the tormented thoughts now suggesting that the difference is that you really do deliver these things while everyone else only 'claims' to. If you do think that, then you've totally missed my point.

You see, you only have two choices when it comes to differentiation: either be genuinely unique

within your marketplace (this is very rare in any business today) or tell your story in an original and creative way. By all means, if you do have some exclusive, untouchable quality, shout about it, but please try and see it from your customers' point of view!

## **In other words, don't be boring.**

It isn't what you do, it's the way that you tell it... For example, instead of stating that you give great service (like all of your competitors are claiming) why not say something like, 'Ask us why we have the happiest customers in Hertfordshire.' And rather than talking about being really competitive, simply tell your prospects that your current customers get an average 317% return on every pound they spend with you. Or, if you sell products, tell them that 97.3% of your customers placed repeat orders last year, and then send them to your testimonials page to find out why. These claims need to be true and verifiable, of course – and require you to think.

## **Give more than anyone else and you'll get more in return!**

The truth is that potential customers are attracted to evidence, intrigue, challenge, value, special offers, testimonials, friendliness, personality and simply being different! So make your marketing about those things.



# INTRODUCING ... Prosper<sup>2</sup>

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## The Prosper<sup>2</sup> Rewards Programme

The Prosper<sup>2</sup> business-to-business rewards programme is a benefit tailored to all members, and is delivered via a points-based system, similar to popular and lucrative consumer loyalty card programmes.

Instead of simply providing a system that accumulates points for redemption in the form of vouchers, discounts and other subsidiary products, the Prosper<sup>2</sup> Rewards Card is a valuable, flexible and rewarding spending tool for many customers.

## How Prosper<sup>2</sup> will benefit your business

Join as a member

Receive loyalty points

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Receive loyalty points

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Receive bonus loyalty points

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Increase business and profits

Access to opportunities offered by other members\*\*

New business

# Rewarding the people who make things happen

Many companies are already using Prosper<sup>2</sup> Rewards to successfully retain their clients on an ongoing basis. In some cases, clients are even being persuaded to spend more than they were previously, as a result of their participation.

With a range of options for all kinds of rewards incentives – including a pre-paid MasterCard and swappable Prosper<sup>2</sup> Points – there's certain to be a way your business can benefit from joining the programme.

## Win

People buy from people, not from companies. In today's buyer-empowered world, businesses increasingly consult their network of peers for recommendations and guidance during their purchasing process. A company's loyal customers will be a key reason for it to make the shortlist in that network of recommendations.

## Maximise

Prosper<sup>2</sup> maximises your B2B relationships by offering a unique way to reward and incentivise spend. Talk to us to learn more about building an effective loyalty programme.

## Retain

Developing an existing customer is more valuable than acquiring a new one, by a factor of up to 10. B2B marketers are now under increasing pressure to deepen relationships in order to retain their valuable existing customer base.



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# Turning Millstones Into Milestones

'Millstones' are generally associated with burdens that we carry: guilt, fear, stress or problems which won't go away – the proverbial 'millstone around your neck'. They evoke pictures or images of things which would weigh us down, drown our ambitions and stop us moving forward to new horizons, reaching for greater heights and achievements.

'Milestones' are quite the opposite. They mark events along the journey, the distance that we've travelled or a symbol of the progress we are making towards our destination: fulfilling our dreams and goals. They are the things we can look back on and say, 'That was a turning point in my business,' or, 'When I started doing that, the business really took off.' They might equally be the actual goals that we have set ourselves and are heading towards.



So here is the challenge! Stop and identify some of your millstones, then see what you can do to remove them or change them into something else. It could be as simple as changing the fourth letter 'L' for the letter 'E' or it might take a bit more effort; but it is worth doing. Go and turn some of your millstones into milestones. Deal with them, remove them, take a hammer and smash them up if you have to; but go and DO something about whatever is holding you back TODAY.

Stop using problems as an excuse not to move forward and take positive action to move your business up a notch.

# Successful Business Owners Are...

People who take responsibility for everything that happens in their company. If a business is successful then its employees should benefit and any reward scheme that is in place should favour those whose actions made the biggest impact on its success. Ultimately, however, it is the business owner who usually does (and absolutely should) get the biggest portion of the reward – after all, it is their business.

Likewise, when something goes wrong, the fault and the blame should lie at the door of the business owner first. If it is an employee's error, the selection process and appropriate training, etc. must be investigated as part of the enquiry – this is the owner's responsibility. If the system is faulty or a customer has been causing problems – somewhere up the line it was the business owner who allowed that system to be installed or decided the kind of customers the business was going to target. In the end, everything is always down to the person at the top of the decision chain – even if it is a genuine unforeseeable accident.

When all is said and done, the responsibility for the wrong and the right within a business stops with its owner.

The successful business owner, therefore, is the one who accepts the full measure of their responsibility gladly and ensures that all those who work for them are both inspired and equipped to do an amazing job: 99% of the time. That way, success is as close to a guarantee as it possibly can be in any business.



# CLASSIFIEDS

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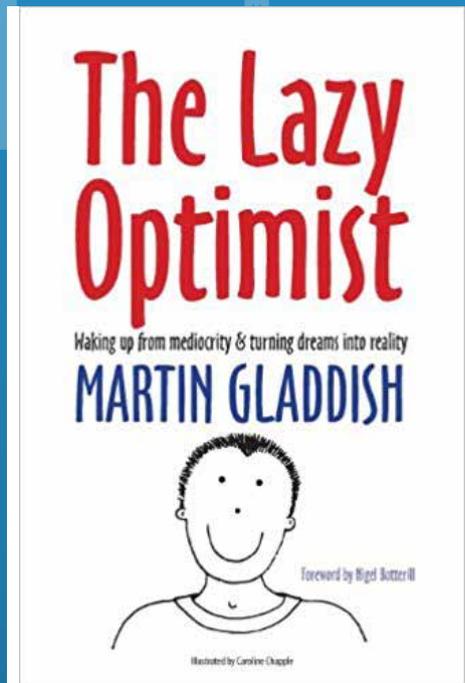
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# Business Book Review

The Lazy Optimist by Martin Gladdish



The Lazy Optimist is a quirky anecdotal tale of an optimistic and enthusiastic young fellow, called Charlie, who grows up to find himself stuck in one of life's big ruts. As a child, he had hopes and dreams of who he would one day become, but time and circumstance never quite seemed to deliver on those promises. Then one day he began to suspect that perhaps his optimism itself was the problem and that action might play a more important role in deciding where life would take him.

The book is short, simple and easy to read and represents the story of anyone who ever believed that they might be somebody one day. The author is putting forward a question to the reader: asking them if anything in Charlie's life of unfounded expectation has any resonance with their own. He is perhaps even suggesting that most people never escape the path of ordinariness, but that their unfulfilled dreams eventually wear them down to a reluctant acceptance of their lot. But Charlie's tale has an even more important message – it explains how your dormant optimism can break free, no matter how long you've been neglecting it.

As you follow Charlie through his life of hope, ordinariness and then reawakened opportunity, you might just find yourself thinking about a life change. The book is split into five short chapters: Charlie starts to dream, Charlie has a lie-in, Charlie wakes up, Charlie looks in the mirror, and Charlie seizes the day. Reading the book as a small business owner or someone who has already broken free from the rut or grip of an ordinary job, you will probably just enjoy the quirks of the story. But maybe you know someone like Charlie, who is suffering from lazy optimism and who might enjoy the challenge of joining Charlie on his road to dream fulfilment.

Another subplot within the book is the idea that people often don't pursue their dreams because they fear that failure means the death of hope. While the dream is still something they might do one day, there is hope. But if they try and fail they might not have anything left to hope for. The conclusion made by the author, and the thing that Charlie discovered, is that failed dreams can easily be replaced with new ones – it takes nothing more than a little bit of imagination and a healthy dose of courage to create a new dream and discover more hope.

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