



Your cloud accounting solution




Accounts are a necessary evil...

... at least that's the traditional view.

Let's face it, for many businesses their accounts are produced typically 9 months after the year-end and are so out of date by then they are useless as a management tool for decision-making. So they're viewed as a cost.

Unfortunately they are unavoidable. They have to be produced to enable you to report income to the tax authorities. And if you trade through a Limited Company, Limited Liability Partnership and some other entities, you must file statutory accounts with Companies House.

And if your accounts are either wrong or late both HM Revenue and Customs and Companies House impose penalties. These can be severe.



“If your accounts are either wrong or late both HM Revenue and Customs and Companies House impose penalties.”

This is the bottom line...

You have to produce fully compliant year-end accounts by law.

So we might as well do the job properly and turn what is normally seen as a necessary evil into what financial statements should be – the core management tool for every business. A management tool that reports the current health of your business and aids decision making so you build a great business.

And this is why we use a real time information system

We use a *real time information system*, which means we can help you with important business advice throughout the year. Our Cloud Accounting solution offers a range of packages so you can choose the level of support that is best for you.

This is one of the features our clients find most valuable...

Real time accounts that put management information at your fingertips

By using an industry-leading cloud accounting system you get instant access to the information you really need in real time. So you will be in *complete control of your numbers and your business*. Here are just some of the many benefits:

- 1. 24/7 access to up-to-date financial information and reports** from any device with an internet connection (you can access your numbers with your smartphone or tablet).
- 2. Up to date** – Real time accounting means your records are always completely up to date making it easier for you to *make the right decisions*.

3. Business support – Since we can access your data 24/7 you get more value from us – we can help you run and grow your business rather than just add up the numbers. We can support you with your key decisions.

4. Easier invoicing – Fast, simple customised sales invoicing will make your life simpler. And the facility for emailing of invoices, with the option to attach a statement at the same time makes it so easy to manage your sales and get paid quicker.

“By using an industry-leading cloud accounting system you get instant access to the information you really need in real time.”



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At the touch of a button you can get instant reports on your business.

- 5. Quicker cash collection** – The system allows you to embody payment methods into your invoicing. For example, *click and pay* to drive quick collection of your debts. It makes it so much easier for you to get paid, reducing bad debts and slow payers and putting more cash in your bank account. You can also chase debtors whilst you're on the go.
- 6. Automatic processing** – Your bank accounts can feed directly into the system, which keeps your accounts up to date and fully reconciled to the bank... this feature will save you a significant amount of time.
- 7. Financial dashboard** – One of the most popular features is the “*Financial Dashboard*”; a fully customisable screen showing you the key financial information you need to run your business. You'll come to rely on this Financial Dashboard just as much as you rely on the dashboard in your car when driving.
- 8. Instant reports** – At the touch of a button you can get instant reports on your business.
- 9. Security** – Being able to sleep at night knowing your sensitive financial data is always secure and backed-up automatically.
- 10. Maintenance free** – No system downtime because all software upgrades are automatically installed. This worry-free maintenance saves you time and hassle.
- 11. Lower professional fees** – Reduced accountancy fees because it makes it easier for us to produce end of year accounts.
- 12. Free software** – As well as helping you, this system makes our life much easier and that means we can pass this onto you in the form of cost savings, i.e. we will pay the monthly fee for the system on your behalf.

Pricing that puts you fully *in control*

Our clients tell us they hate the way the accounting profession prices – pricing based on how long the work takes which means you have no idea what the cost is until the work is finished. We hate it too. It doesn't seem fair.

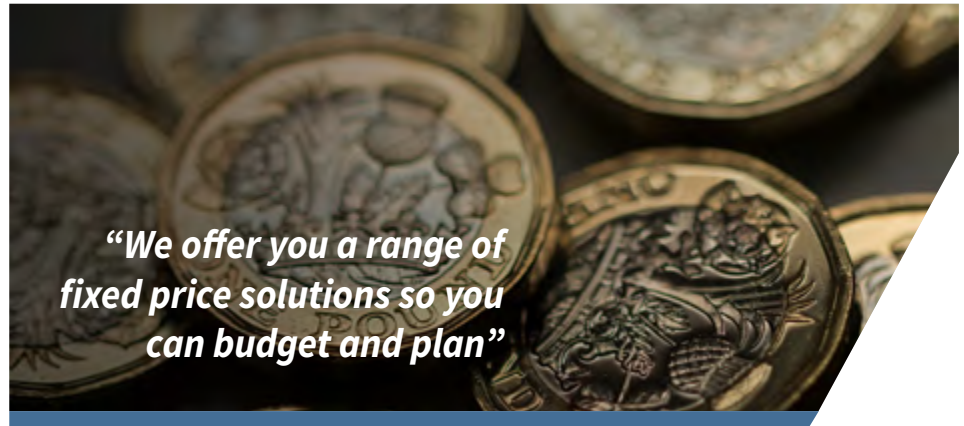
So what we do is offer you a range of *fixed price* solutions so you can budget and plan; you choose the option and build your own package to best suit your needs.

Our easy payment solution helps your cash flow

To make your cash flow easy and to help with budgeting our Cloud Accounting packages are payable monthly in advance by Direct Debit. And if you have a set of accounts due to be completed within the next year, we even have a range of easy payment options to help with any *catch up*. These include paying by credit

card, paying by direct bank transfer or spreading the payment across the first few Direct Debit payments.

And the great news, the price is fully tax allowable which means – subject to the rate of tax you pay – the tax man will effectively be paying up to 50% of this amount.





Your options at a glance

Whatever your business you will find one of our Cloud Accounting packages to suit your needs. The table below summarises what is included within each of our Cloud Accounting solutions.

To help you identify the best option for you here is a quick overview:

Advanced Accounting – This is the best option for ambitious business owners who want comprehensive support and advice to help them build a truly successful business, maximise their income and wealth, and minimise their tax bills.

Full Accounting – This option is for those who don't want comprehensive support and help, but do nevertheless want more than just accounts. It includes business and tax planning advice.

Essential Accounting – This option is for those who are happy to miss out on some of the more valuable input from us, and instead only receive the essential elements, because they are on a tight budget.

Your options in detail

	Advanced Accounting	Full Accounting	Essential Accounting
Supply of cloud accounting software	Free	Free	Free
Real time accounts putting management data at your fingertips	●	●	●
Advance preparation	●	●	●
Critical checks and balances	●	●	●
Preparation of your fully compliant statutory annual accounts	●	●	●
Annual accounts guaranteed to be completed (from year end) in:	12 weeks	16 weeks	20 weeks
Preparation of your business tax computations and returns	●	●	●
Accounting Records Quality report	●	●	●
Tax card and budget updates	●	●	●
Unlimited free ad hoc advice	Unlimited	Unlimited	Unlimited
Post year-end annual accounts finalisation meeting	●	●	○
Professional Fee Protection	●	●	○
Dedicated Client Manager	●	●	○
Comprehensive pre-year end tax planning	●	●	○
PAYE/NIC and VAT health checks	●	●	○
Cash reconciliation report	●	●	○

Your options in detail

	Advanced Accounting	Full Accounting	Essential Accounting
Annual profit improvement planning/diagnostic review meeting	●	●	○
Beyond the statutory accounts (inc Confirmation Statement)	●	○	○
Annual 5-year trend analysis report	●	○	○
Quarterly business strategy meetings	●	○	○
Annual review of your goals	●	○	○
Preferential pricing on select services	●	○	○
Monthly payment of our fees making it easier for you to budget	●	●	●

- Included within the bundle
- Not included within the bundle

Note: *The price of this service is fully deductible for tax purposes, which means, in effect, HM Revenue and Customs will refund you a portion of the cost (subject to the rate of tax you pay).*



How you benefit from our *Cloud Accounting solution*

Your Essential Accounting

Your Essential Accounting includes the things you need to do to comply with the Companies Act and HM Revenue and Customs filing requirements. We set out below exactly what we will do.

Your free real time information system: Supply of cloud accounting software

We use an industry-leading cloud accounting system giving you instant access to information

in real time. Cloud accounting software companies charge a monthly subscription for using their system (typically an annual subscription is £300). But as part of our Cloud Accounting packages we pay this on your behalf, which means you get all the benefits of a real time accounting system listed above.

Note: If you do not have a real time information system our Cloud Accounting Set Up service will get you set up. This is an optional service and not part of our Cloud Accounting packages.



We will complete your statutory financial statements **within 20 weeks** of your financial year-end, subject to you providing all the information we require.

Advance preparation

Our work actually starts long before we begin work on your accounts. We want to ensure that you don't fall foul of any penalties from non-compliance with tax and company laws.

And so it is really important to keep reminding you of upcoming deadlines and aspects of compliance at all times. These will include:

- **Helping you to keep good records** and making you aware of the things you should be keeping by providing you with advice and checklists. Keeping fully compliant and good records will help you avoid enquiries and penalties from HM Revenue and Customs.
- **Prompting you to provide** exactly what we need to complete your accounts. Making you aware of what to submit (and why) will ensure that work (accounts, tax returns etc.) is done as quickly as possible, with as little effort on your part as possible.

We want to make it as hassle-free for you as possible.

- **We will write to you 2-3 weeks ahead** of your year-end to remind you of some key things. This will include planning around expenditure and ensuring tax relief is given at the earliest date to ensure the least amount of tax is paid.
- **If you have not submitted** your information by a pre-agreed date, we will contact you once again to remind you to provide your records.
- **After the submission of your details**, we will log your books in and review your records to ensure that we have everything we need which means we can complete everything quickly for you.
- **At all times**, we will make you aware of your legal obligations, deadlines and potential penalties.

Critical checks and balances

Whilst we are preparing your statutory financial statements we will also:

“We want to ensure that you don't fall foul of any penalties from non-compliance with tax and company laws.”

- **Reconcile your bank statements and cash records** to make sure you have claimed every penny of expenses you are entitled to against your tax bill and declared all your sources of income.
- **Reconcile your sales ledger** to confirm that you are not owed any money that you are not aware of. We review the 'aged debtors' to see if they are in accordance with your payment terms. If not, we will make recommendations about ways to help with collecting debts or suggest ways to obtain payments through other means (e.g. direct debit or factoring).
- **Check that you have not missed any sales invoices.** This ensures that your sales are complete. This is important



because HM Revenue & Customs look for incomplete sales and the penalties can be very severe. These checks also ensure that your customers have paid everything you are due.

- **Reconcile your purchase ledger** to make sure that you are not overpaying suppliers or paying them too soon, and to ensure the completeness of your purchase invoices.
- **Reconcile your VAT accounts** to make sure you have claimed every penny of input VAT you are entitled to and not overpaid output VAT. As part of this reconciliation we will check to see if there is a VAT scheme, which may be beneficial to you. We will also make sure that you have properly declared your VAT and paid across the correct payments reducing your risk of penalties.
- **Make sure that with all your payments** of PAYE and NIC the time limits are adhered to.
- **Check every balance sheet entry** again to monitor whether all of your assets are real and correctly valued.
- **Reconcile loan accounts** so that the business owners know exactly what money they owe or are owed.
- **Carry out an analytical review** and a ratio analysis, which help to ensure that the figures make sense (including making sure that the expenses are correct in proportion to the income). This helps to minimise the risk of an enquiry from HM Revenue & Customs.
- **Complete a review of any stock** or work in progress to clarify that none of your money is locked up unnecessarily.

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We will reconcile your purchase ledger to make sure that you are not overpaying suppliers or paying them too soon.

- **Review your fixed asset register** (including a check that the assets still exist, i.e. assets are still owned or if it has been disposed of or scrapped). This helps us to ensure your claim for capital allowances is maximised, which again will ensure that you pay the minimum legal amount of tax.
- **Review in-year payments** and those for the following year (to get the numbers right and minimise the taxable profit). In other words, it is really important to ensure that expenditure claimed falls into the correct year (the tax rules for this are very complex). Again, we are looking to ensure that you claim everything you are legally entitled to.
- **Identify any business expenses** that you did not know that you have paid.
- **Before finalising a set of accounts**, go through detailed checklists to review the business accounts, which covers everything required by law, with a special emphasis on ensuring you have adhered to the strict guidelines and regulations for the completion of accounts.

Preparation of your fully compliant statutory accounts

Prepare your statutory financial statements so that you meet all of your statutory obligations with HM Revenue and Customs and Companies House regarding your financial information. This means you do not need to worry about penalties.

Remember: We will complete all of this within 20 weeks of your financial year end, subject to you providing all the information we require.

Your tax obligations: Preparation of your business tax computations and returns

- **UK tax legislation is extremely complex** and not every item of expenditure is allowable for tax purposes. It is a requirement to carry out detailed tax computations to enable us to correctly disclose your taxable income – which is not the same as the profits shown by your accounts – and claim those items of expenditure to which you are entitled to.

- **Once we have completed the detailed tax computations** we will – where applicable – prepare and submit the business Self-Assessment return so that you meet all of your filing obligations with HM Revenue and Customs regarding your business tax returns. This means you do not need to worry about late filing penalties.

Note: If you are a sole trader you will need to submit a personal Self-Assessment return. We can do this for you as part of our Cloud Tax service and will give you a separate fixed price for this.

Accounting records quality report

We want to help you get the most out of your accounting systems. So, we will prepare a report setting out any weaknesses, the consequences and our suggestions on how to improve them.

Unlimited free ad hoc advice

Your fixed price Cloud Accounting is *fully inclusive of unlimited access* to our entire team for advice on ad-hoc matters.

This means that you can call on us at any time knowing that you will never be charged for our time or advice. So I hope you will feel free to speak to me whenever you need to, without ever having to worry about the cost.

Of course, if the issues raised at any of these unlimited free consultations (or anywhere else) require research or analysis *beyond* the consultation, we will give you a fixed price quotation for that extra work *before* any additional work is started.

Only if you agree to and sign an “Extra Work Order” (or EWO) to confirm that you are happy to pay for the extra work – on the mutually acceptable terms set out in the EWO – will we do anything over and above the work specifically listed above. This means that you will *never* get an unexpected bill.

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Your fixed price Cloud Accounting is fully inclusive of unlimited access to our entire team for advice on ad-hoc matters.



The following benefits are part of our *Full Accounting Package*:

Your dedicated Client Manager

Whilst you get access to our entire team, your investment in the Advanced Accounting package gives you access to a dedicated Client Manager (non-partner level). This means you have a single point of contact.

Comprehensive pre-year end tax planning...

... helping you pay not a penny more than your fair share of tax. One of the biggest outgoings you will have in business is your tax bill. That is why we specialise in helping our clients plan their tax affairs so that you don't give the tax man a penny more than your fair share of what you've earned.

Each year we will carry out detailed and comprehensive tax planning reviews *before* your accounting year end to ensure that you

pay not a penny more than your fair share. These will include:

- **Detailed tax planning for your business** so that you keep more of your hard-earned cash.
- **Detailed tax planning in respect of your employees**, including tax efficient remuneration strategies. This will both save the business money and create a happier team.
- **Detailed personal tax planning**, including the very best way to extract cash and profits from your business.
- **Detailed tax planning for your family**.

PAYE/NI and VAT health checks

... helping you to keep on the right side of the legislation.

Even innocent mistakes in your VAT or payroll records can lead to substantial interest and penalties following a visit from HM Revenue and Customs or Contributions Agency.

We will provide a detailed review of your VAT and payroll records, to ensure that you are complying with all the current legislation.

Cash reconciliation report

We know that cash is the most important thing for any business. It is frightening how many profitable businesses fail because they run out of cash.

So as part of this Full Accounting package we will produce a report that reconciles the profit in your accounts to the movement in your cash balances.

Professional Fee Protection

Insurance against the cost of investigation giving you peace of mind:

- **Self-Assessment is upon us**, for Companies now as well as individuals.
- **HM Revenue and Customs can select individuals or businesses** on a *random* basis, without explanation, and can pursue a detailed and thorough investigation of their business (and this usually extends to their personal lives).
- **The vast majority of investigations will continue** to have nothing whatsoever to do with fraud or negligence; minor year-to-year fluctuations in results may be enough to trigger a full enquiry.
- **Currently an average HM Revenue and Customs investigation will last around 10 months** and cost some £2,000 in professional fees to complete. Costs often bear no relation to the final tax settlement.

You will automatically be covered by our scheme – in the event of a full enquiry

we will be able to deal with this for you promptly and the insurance company will meet our fees.

As part of the service you will be able to access *free advice* on:

- Employment and personnel issues
- Health and safety issues
- Commercial legal issues

Annual profit improvement planning/diagnostic review meeting

Over the course of the year there will be many occasions when we help you to make your business more successful and profitable. For example, during our regular business strategy meetings.

But once a year we will take an even more structured, systematic and strategic look at what else you can do to grow your business profitably.

To help us do this we have developed a mathematically precise profit modelling technique that allows us to analyse every single idea into one of six different “growth driver” categories.

That model allows us to do all of the following at our meeting:

- Review every single growth driver to see which has the greatest profit improvement potential
- Identify breakthrough growth profit improvement strategies
- Evaluate their likely impact
- Create an action plan for testing the best ideas
- Analyse the impact of pricing strategy on your profitability

Post year-end annual accounts finalisation meeting

We will arrange a post year-end review meeting with you to discuss any issues we notice when preparing your accounts and advise you.

The following benefits are part of our *Advanced Accounting Package*:

Your dedicated Client Manager

Whilst you get access to our entire team, your investment in the Advanced Accounting package gives you access to a dedicated partner-level Client Manager. This means you have access to the highest level of experience.

Beyond the statutory accounts

If you operate your business through a limited company as part of your Advanced Accounting package we go beyond the statutory accounts and will:

- **Audit those statutory financial statements** where required.
- **Prepare abbreviated financial statements** for submission to Companies House, which means you can significantly reduce the amount

of information held on public record, including details of your profits and losses for the year.

- **Deal with all company secretarial matters**, including preparing your confirmation statement so that you meet all of your other statutory obligations with Companies House.

Annual review of your goals

Once a year we will systematically revisit your goals with you, in order to ensure that your plans are based firmly on your very latest thinking about what you want to achieve.

Annual 5-year trend analysis report

Some of the key areas this report will focus on include your:

- **Profit and loss account trends** – such as your sales, margins, profit drivers, productivity, net profit and breakeven point.
- **Balance sheet trends** – such as liquidity, debtor days and stock turnover.
- **Trends in key ratios** – such as gearing and return on investment.

And it will present the analysis as colourful graphs, with a Plain English explanation of what they all mean. Which means that you get invaluable insights into what is really happening in your business, and where you should be concentrating your improvement efforts.

Quarterly business strategy meetings

It has been said that the key to success is to “Sit down on a regular basis with a numerate outsider to focus on the things that really matter”.

So as numerate outsiders, we will sit down with you once a quarter for a business strategy meeting to help you focus on the things that really matter in your business.

Specifically that means that together we will:

- Review the business’s performance
- Understand what is working well, and what isn’t
- Identify issues and opportunities
- Use all the evidence, insights and analysis to make better decisions, and

Update your action plan so the business keeps moving towards its goals

Preferential pricing on select services

As part of our Advanced Accounting package you are entitled to big discounts (of up to 30%) on the following services:

- **Cloud Accounting Set Up** – We will help you get up and running with the most appropriate cloud accounting system and fully train you.
- **Cloud Bookkeeping** – Let us deal with all the paperwork and free up your time to concentrate on running a more successful business.
- **Cloud Tax** – This covers the personal tax returns of the business owners and managing their tax affairs.
- **Cloud Reporting** – Management reports, forecasting and budgeting help you plan and will give you an early-warning signal if you are likely to face cash shortages.
- **Cloud Payroll** – We will deal with all the paperwork and take away the worry of penalties for late or incorrect returns.

The savings you can make on these services very often make our Advanced Accounting package the very best value-for-money.



We will complete your statutory financial statements **within 12 weeks** of your financial year-end, subject to you providing all the information we require.

Popular *add ons*:

Cloud Accounting Set Up: Installing a cloud accounting system

A cloud accounting system will make your life so much easier. Here are some of the benefits:

- **It saves you** a very significant amount of time,
- **Gives you 24/7 access to up-to-date** financial information and reports (you can use cloud-based software from any device with an internet connection),
- **You can sleep at night** knowing your sensitive financial data is always secure and backed-up automatically,
- **No system downtime** because all software upgrades are automatically installed. This worry-free maintenance saves you time and hassle,

- **It reduces your accountancy fees** because it makes it easier for your accountant to produce end of year accounts, and
- **Since your accountant can access your data 24/7** you get more value from an accountant – they will help you run and grow your business rather than just adding up the numbers.

We will set up your cloud accounting system, provide full advice and training.

Cloud Bookkeeping

Every business owner hates bookkeeping and paperwork. Unfortunately it has to be done. And it has to be done in a prescribed format... otherwise the tax man will be on your back. And when done accurately it provides critical financial information, key performance indicators and aids decision making.

And because everyone hates bookkeeping – you'd much rather be out there making money from your business – most people end up doing it in the evening or at weekends. Yet, shouldn't evenings and weekends be spent playing with the kids, spending time with your friends and loved ones, or out on the golf course?

So why not let us take away all that hassle so you can spend your time with the people you love, doing the things you love.

Cloud Tax

Here we will deal with the personal Self-Assessment tax returns of the business owners. We will calculate the tax due for each business owner, help them manage their personal tax affairs and carry out a personal tax planning review.

Cloud Reporting: Monthly or quarterly cash flow forecasting and budgeting

Management reports, forecasting and budgeting help you plan and will give you an early-warning signal if you are likely to face cash shortages. Our management reporting service is broken down into three packages so you can choose the one that works best for you. This service will give you a continually up-to-date complete picture of what your business might look like in the future. In fact, this is such a powerful business planning tool banks very often insist on it as part of raising finance.

Cloud Payroll

If you are a limited company or have employees you will need to have a PAYE scheme set up and operate payroll. Many of our clients choose to let us run the monthly payroll. Let us know if you'd like us to take away that hassle for you.

Remember: The price of many of these services is fully deductible for tax purposes, which means, in effect, HM Revenue and Customs will refund you a portion of the cost (subject to the rate of tax you pay).

Full company secretarial work

If you trade as a limited company the Companies Acts 1985 and 2006 include legislation on company secretarial requirements. It's a hassle and the government keeps changing the rules. And your statutory books can be inspected at any time. We can take all this hassle away from you and deal with all of the company secretarial work.

Acting as your Registered Office address

Every UK limited company must have a registered office address. It must be a physical location in the UK at which official documents can be served.

Although your registered office can be the address you trade from, many business owners choose to use the address of their accountant (since the accountant usually deals with company services, such as the completion of the Annual Return).

Annual remuneration planning report and implementation

If you trade through a limited company there are often big tax savings for the owners from extracting cash in the most tax efficient way. We will carry out detailed calculations to identify the very best way of extracting cash and profits from your company so that you pay the least amount of tax and keep the most money in your pocket.

Some of the other things we do to make your life easier

- Strategic planning
- Business coaching and mentoring
- Bookkeeping training and support
- Business valuation
- Business purchases and sales
- Mortgage reference letter
- Company car tax planning
- Price Consulting
- Auto Enrolment



 **clearstone**
BUSINESS SERVICES

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