

QUARTERLY NEWSLETTER

April 2010



TAKING ADVICE

Sometimes running your business can be a lonely job. In spite of what you think, nobody can be an expert in every aspect of business. Knowing when to ask for advice is a critical issue.

He who asks, is a fool for five minutes - but he who does not ask, remains a fool forever.
Chinese proverb

Keeping the Profit

There is only one quarter of trading left in this financial year and hopefully your business is heading for the profit levels you were targeting.

That's great – but, how much of that hard won profit are you going to keep in the business and within your personal financial control? Put another way – how much are you going to give to the taxman?

Of course we all have an obligation to pay the appropriate levels of tax but there are many ways to minimise the tax paid.

Tax minimisation – which is both sensible and perfectly legal – is something that all business owners should seriously consider.

At due North, we do not specialise in tax planning - but we do **strongly advocate** that companies talk with their professional accountant / financial advisor well before the end of the fiscal year, to put in place effective tax management plans.

Even if there is insufficient time to fully implement new tax management plans in the time remaining – a great deal can still be done to maximise this year's profit retention and ensure an even better result in the following years.

Planning for 2011

While your financial advisor is working on your tax minimisation strategies for this - and future - years, this is the quarter in which you need to be preparing and testing your business plan for 2010 / 2011.

A good place to start this planning process is by thinking of where you want to finish!!

Start with the Vision

Put simply, your vision for your business is what you would like it to look like at the end of June 2011.

This “annual vision” may be as far ahead as you are prepared to look - or it may be one step towards a much longer vision – sometimes up to 5 years.

Most importantly, you need to define the reasons why you want the business to look that way at that time.

These reasons will “anchor” your goals and become your reference point, reminder, and motivation, through the year ahead.

The due North April 2008 Newsletter gave some advice on business planning and budgeting – a copy can be accessed on the due North website if required.

Planning Support

Often, business managers and owners are so close to the business that they can miss opportunities – even after conducting a detailed SWOT analysis.

During the planning process it is considered wise to ask for input, advice and support from your business mentor in putting the plan together. Two heads are always better than one and there is no substitute for “bouncing” ideas with someone with years of experience in a wide variety of businesses.

It only takes one or two new initiatives, well implemented, to make a significant positive difference to a business.

In the next 6 weeks, the plan for the next 12 months should be pretty well in place.

Keep away from people who try to belittle your ambition. Small people do that - but the really great make you feel that you, too, can become great.

Mark Twain

To discuss any issues relating to your business – call Gordon Cadzow at due North