



How to do your accounts in 30 minutes a week

4 Minute Read

KPMG small business
accounting



Small business owners should spend no more than 30 minutes a week doing their accounts. Maximum.

Not a second more.

That time-span should include all financial duties, including bookkeeping, payroll, VAT, receipts, cash flow analysis, monthly reports, tax returns, year-end accounts...the lot.

Small firms typically spend aeons on their books. Evenings are ruined. Weekends get lost.

For many sole traders and entrepreneurs it is a way of life - staring at books, filling out spreadsheets, eating up time that they could be spending with their family or friends.

So how can all this time taken be shrunk to half an hour a week?



How it can be done

Paradoxically, the first bit of advice is expand the amount of reporting you do. Yes, increase the work load.

List all the things your business needs to thrive. Include things like detailed monthly reports on the financial health of your firm.

There will be items like auto-enrolment for staff pensions. Let's make sure your firm will be as well regulated as a large enterprise with a specialist finance department.

Now...and here's the crucial bit...give all that work to your accountant.
All of it.

Before you wince at the exorbitant cost, you can be reassured that your accountant should not be charging you a penny more to take on these duties.

It should be the accountant's job to handle the financial side, so the business owner can concentrate on growing their business.



What accountants actually do for you

Sadly, frustratingly, incredibly, many accountants do not handle their fair workload. They expect their client to do the book-keeping.

The client ends up doing data-entry for expenses, and writing monthly reports, even filing VAT returns.

To repeat - the accountant should be doing all this. And for not one penny more.

Suppose you want to raise funds. You'll need advice on the best place to source extra capital, either through angel investors, crowd-funding or another route. Your accountant should give expert advice, free.



When new investors shake on the deal, some of the support work should be done by the accountant, gratis.

My guess is that some readers will think I'm dreaming. No way will my accountant do all that for no extra money.

If that's the case, I'd encourage you to look at alternatives.

Many accountants are guilty of taking their clients for granted. They've asked them to do all the hard work, and expected to sign off on a few relatively simple tasks like filing tax returns and checking expenses, in return for their fee.

Small businesses should expect more.



What accountants can really do for you

Accountants should offer all necessary services for a fixed annual fee. Entrepreneurs and small business owners should be liberated, and spend no more than half an hour a week on their accounts. That's how it should be.

To prove the point KPMG has launched an annual fixed fee service for sole traders, start-ups and small businesses.

For £145 a month sole traders get everything we believe an accountant should offer. It's around £300 for limited companies with a handful of staff.

That fixed fee stays fixed, no matter how unusual or demanding your request. We deal with all the Accounting, Tax, Book-keeping, Payroll and management reporting. Expenses are collected via email, post, or just take a photo with your smartphone and send it to us. We then process the expenses and ensure they are treated correctly for VAT purposes.

Our service includes complex stuff like cash-flow statements or tax advice. You can talk to a specialist in one of KPMG's teams for a really detailed consultation, for £0 extra.

And clients get free advice on funding options, and access to business plan and investment pack templates. This is miles outside the remit of most accountants. Our fixed-fee covers advice, legal forms, and business valuation.



We expect you to spend:

Zero minutes on spreadsheets

Zero minutes on Book-keeping

Zero minutes dealing with HMRC

Zero minutes on payroll

Zero minutes on VAT

You'll get a personal, UK-based KPMG accountant who you can think of as your finance team. If you hurt, they'll feel the pain too! They'll do the monthly report for you, and give you cash flow analysis.

The Federation of Small Businesses calculate 80% or more of failed firms collapse because of cash-flow problems. Businesses need regular advice on cash-flow. It should come as standard.



A true trusted advisor

Accountants play a vital role in companies. They ought to be part of the board, providing warnings on cash flow, writing reports and offering insights into umpteen mission critical areas.

But for too long entrepreneurs and sole traders have shied away from asking accountants to do the work, for fear of being hit with a huge bill.

Fixed charges will end that, and usher in a new era in which accountants stand shoulder to shoulder with their small business clients.

Our ultimate goal? To make sure no small business owner has to spend more than 30 minutes a week on their books. Because just think what potential and productivity could be unlocked in UK businesses, once they're given the gift of time.





Find out more

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About the author

Bivek Sharma has been a partner with KPMG for over 10 years, Specialising in Accounting, Tax and Software. He started the Small Business Accounting division over 2 years ago with a goal to transform accounting services for small businesses. The team offers a complete suite of accounting services (accounts, tax, payroll, bookkeeping, management accounting..) and provides help with cashflow management, management reporting and funding – all of this is delivered using market leading technology. The team works with a huge variety of industry sectors and companies including coffee shops, technology companies, manufacturers, pubs, restaurants, retailers, etc.



A man with dark hair and a beard, wearing a white button-down shirt, is leaning forward and looking intently at a laptop screen. The background is a blurred bar or restaurant setting with shelves of bottles and a lamp.

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