



# **Issues affecting SMEs**

**at this time of year and at this point in  
the economic cycle**

Presented by the Croydon ACCA Network  
Panel

and chaired by  
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# Issues

- Recession or recovery?
- Business planning – survival / success
- Sourcing finance
- Staffing and HR
- Marketing
- Cost management
- Fraud, theft and money laundering
- Tax issues
- IFRS for SMEs



# Recession or recovery

- Stock Markets as at 17 Sept 2009
- FTSE
- NYSE
- Nikkei
- Dax

“UK jobless highest since 1995 at 2.47m”

Financial Times 16/09/09

“Sterling slips on Bank rate signal”

Financial Times 15/09/09

“Economist warns of double dip recession”

Financial Times 14/09/09

Where are the **green shoots**?



Could they be weeds?



# Business Planning

- Planning for survival
  - Its never too late to plan
  - Dealing with uncertainty
  - Thinking about the worst case
  - Working with and flexing the plan
- Planning for success
  - There will be a recovery (sooner or later)
  - It not too soon to plan
  - Get a head start on the competition
- Fail to plan = Plan to fail



# Sourcing finance

- The banks are lending...but at what rate?
- Shopping around works
- Reviewing existing facilities
- Alternatives to high street banks
- Innovative working capital management
- Doing the deal
- Leasing and hire purchase



# Staffing and HR

- A good opportunity to clean out the cupboard.
- Is redundancy always an option?
- What about year end bonuses and pay increases?
- Voluntary pay cuts?
- Staffing freezes



# Marketing

- Christmas will come early
- Plan your marketing
- Review your plan
- If its broken fix it
- An effective online presence
- Networking works
- Get your hands dirty



# Cost management

- Ask the questions:
  - What, Where, Who, Why, How
- Take action
- Review the results
- There are no sacred cows
- Don't shoot yourself in the foot



# Fraud theft and money laundering

- Fraud and theft increase during recessions.
- Don't be a victim
  - Monitor staff and potential customers
  - If it's too good to be true it probably isn't true.
  - HMRC scams
- Remember POCA and MLA responsibilities.



# Tax issues

- VAT reversion to 17.5%
- Using the various VAT schemes
- Tax loss carry back
- Negotiating with HMRC on unpaid taxes
- Other issues



# IFRS for SMEs

- Issued on 09 July 2009
- Similar approach as FRSSE
- Simplification of many IFRS disclosure requirements
- Simplification of some measurement criteria.
- Transitional rules in place to help with adoption.
- ASB has released a proposal which supports the adoption in the UK.



Thank you for participating



Exceeding your expectations