

## **Budget Stuff**

Our last News Update talked about “Dopey Darling” who, not unsurprisingly, is no longer with us. Now we have Mr Osborne (yet to be nicknamed!) but the steely presence in the background of “Calamity Cable” does not augur well. The panic being spread about changes to CGT is a good case in point. The budget on 22<sup>nd</sup> June will be tough and will herald some years of austerity to come. Fortunately we are able to help mitigate some of the expected measures and will be able to offer strategies to actually enable most higher rate tax payers to keep more of what they earn. For further information contact Peter.

## **Systemising Your Business can Maximise it's Value**

It is a remarkable consistency of business owners that they set up a business in which they themselves are qualified to provide the service or product. It is this working within the business that creates one of the most common frustrations that owners encounter as their business career develops. A wonderful book that highlights this is “The E-Myth Revisited” by Michael E Gerber. This is excellent reading and will keep anyone interested in understanding the most common issues faced by entrepreneurs. In the most profitable businesses we see, the entrepreneur has released him or herself from the business by systemising each part of the business and allocating responsibilities to other people within the organisation. This process of gradually delegating and systemising jobs that are currently carried out by owners is the path to maximising the value of a business. This process of systemising your business can be a minimum of 3 years of processing and starts with the following areas to review:

1. Identify the key systems the business needs to succeed
2. Organise the business in a way that everyone clearly knows their objectives and responsibilities
3. Manage employees to get the best out of them
4. Build systems and put procedures and scripts into place so that they can work
5. Monitor and improve the systems

Armed with these processes you should have:

1. Identified the key systems and started the process of standardising the way the business works.
2. Written a management plan with targeted results.
3. Created a detailed organisational chart with key employee objectives and position statements.
4. Set an action plan.

Taking these steps can be frustrating for owners and does involve an element of “letting go” but ultimately is the main route to maximising the capital value of any business.

**Peter**  
**1st June, 2010**