



**West Devon Business Information Point
Bridge House
Rooms 2 -4
25 Fore Street
Okehampton
EX20 1DL**

**www.bipwestdevon.biz
team@bipwestdevon.biz**

BIP NEWSLETTER

Christmas is nearly upon us with many people taking time off either by choice or because their customers don't want to see them over the Xmas period. Apart from eating more food, watching yet another rerun of the Great Escape or going to the pantomime, this time can be used to review how successful your business has been this year and plan for next year. Every business of every size, from a sole trader to the largest company needs to have a plan for the year, this needs to be implemented and reviewed regularly during the year.

Preparing for a Happy New Year

Your plan for next year should include working out what extra you need to do to increase your sales, equipment to be bought, training to be paid for, etc. Once you have worked out the finances then your marketing plan can be put in place to meet the sales required to pay for them. For example if you are a window cleaner and need to buy a new van next year, do you put up your prices or clean more windows? If you need to clean more windows, how are you going to get the customers, where are they, how much will you charge them?

Paying for the Presents

This is also a time when businesses fail because of failure to manage their cashflow. Either by not accounting for seasonal falls in income or not having a credit control plan in place to ensure that their debtors have paid up promptly.

Your cashflow forecasts should be updated and monitored monthly to judge whether your sales are going to plan and whether you can afford to take on any large financial commitment. Adjustments and necessary actions can therefore be put in place before any situation gets out of hand.

Before giving credit be sure that the person or company have enough money to pay you. Issue the invoice as soon as the work is done and chase it up just before it is due to check if they have any queries and ensure they pay on time. For late payers a phone call to chase and explain that you will be taking legal action often works. If it doesn't, a letter of claim explaining that if the money isn't received within seven days then you will have no alternative but to sue, this will bring in most of the money, but if necessary, then your last option is to speak to a debt collector or solicitor. To improve your own cash flow, a credit account with a company is a good way of giving you time to get your money in before having to pay it out. This is how the supermarkets can build new stores by selling goods and paying suppliers on 30 or 60 day terms.

Time therefore needs to be spent in preparing your cashflow forecast for the year and putting into place a workable credit control system to make sure you have a Merry Christmas next year.

Contact Father Christmas

If you are about to start or have started your business within the **past twelve months** and would like help with preparing your plans or any other aspect of running your business, complete the enclosed form or phone 0800 592872 to arrange an appointment to obtain free help and advice for a year – **and be entered in a free draw where two lucky applicants will receive a £100 stationery voucher kindly supplied by Devon Commercial Stationers.**

Free Gifts!

If you are an employer with less than 50 employees and file your PAYE End of Year Returns ONLINE by the 19th May each year, you could be eligible for tax-free payments of up to £575!

The Inland Revenue is holding free sessions at various locations to show you how to prepare your PAYE records for submitting online and how to benefit from the tax-free payment. You will also be able to get information about other services that are available online, including self-assessment, tax credits and VAT

For further information contact Cathy Harford at the Business Support Team on 01726 624272

If you don't employ staff, although you can't get a payment, don't forget that your local Inland Revenue Support Team are always on hand to give free advice. This will be particularly handy in May when you get your self-assessment forms. So long as you contact them before the end of September – and you have your accounts up to date - they will help you to complete your forms free of charge.

Merry Christmas

Everyone at West Devon BIP sends Christmas Greetings and Best Wishes for a very happy and prosperous New Year to you and your family. Don't forget Santa, our very own Brian Watson, if you have any queries, require any advice or just want to tell someone of your success, then give him a ring!!

West Devon Information Point will be closing for Christmas at the end of play on 22nd December and re-opening on the 3rd January.

New regulations for all premises that sell food e.g. restaurants, cafes, take aways, licensed premises

These new regulations apply from 1st January 2006 and require most food businesses to register all of their premises with the Local Authority. This must be done before opening or before you start to use any new premises. If you are already registered there is no need to re-register. Anybody handling food must receive adequate instruction and/or training in Food Hygiene. Additionally those that are responsible for hazard analysis critical control point procedures within a business should have enough relevant knowledge and understanding to ensure that the procedures are operated effectively. The Food Standards Agency has produced special packs to help small catering business comply with the new regulations. Please see their website www.food.gov.uk/foodindustry/hygiene for further details.

It is the time of year for Scams

Every year it seems necessary to write this article to warn people about the scams that the less scrupulous members of society are quite happy to run. Many of them are Internet based and arrive on unsolicited emails, offering you a chance to make some easy money. We all know most opportunities to make easy money are not what they make themselves out to be!

Usually this requires you hand over your bank details to accept funds through your bank account, in return you will be able to make up to 10-20% commission on each transfer that goes through your business. One such scam claims that on average you will be making £2,000 per week. If you get this sort of email please just delete it, do not respond because it is just somebody trying to make money out of you.

A new scam that has recently surfaced locally is aimed at tourism accommodation providers, bed and breakfast and hotels. The business will receive an email, requesting a large booking for two or more rooms for two to three weeks, quite often it refers to a children's charity. Again this is a scam and the credit card details given to you will be false and you will end up block booking accommodation that will never be filled. Be wary of any email that is addressed 'to whom it may concern' and in most cases the English in the emails is very poor. These emails originate from Eastern Europe or from Africa in the majority of cases.

With the numbers of people using Internet banking on the increase our unscrupulous friends have spotted a further opportunity in that they send very convincing emails from your bank asking for you to update them with your details. This will require bank sort codes and personal details, which they will then use to extract money from your bank account. Please be assured that no bank or building society will ask you for these details in an email. They will know all these details already so why would they ask again. So once again, just delete the email.

Whilst on the subject of the Internet, if you are intending to make purchases on-line, most of the sites are secure but if you are about to enter credit card details into a site check for a padlock symbol. If the site does not show the symbol then think again and don't use that site because it is insecure, and therefore unscrupulous parties could easily discover your details. Always keep your 'fire wall' and virus software up-to-date because new threats are constantly appearing but with the right security procedures in place this should not be an issue.



DISCLAIMER

Every effort has been taken to ensure the information contained in these notes is correct, however, West Devon Business Information Point will not be liable for any loss arising from the use of these notes or any omissions or errors contained within.

Business Link supports West Devon Business Information Point.
West Devon Business Information Point is a member of CADLEA.

WIN £100 STATIONERY VOUCHER

Have you started your business within the past twelve months?

Complete this form to be entered in the FREE draw to be one of two winners to win a £100 stationery voucher!!

Name.....

Company Name.....

Address.....

.....

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Post code.....

Phone.....

Email.....

Date business started.....

Free business support for all businesses under twelve months old.

Tick box

or telephone 0800 592872 to request a free visit from a business advisor

Return to West Devon Business Information Point, Freepost EX1119,
Okehampton, EX20 1YZ