

Case Study:



Position: PROPERTY LETTING & PUBLIC HOUSE
 Name: BILLY WISEMAN & LINDA MACHIN
 Location: ASHBY DE LA ZOUCH

“Using MrTax CD saves us thousands”

In early 2008 we decided to take over a Pub in Ashby De La Zouch (its called the Railway Tavern on Tamworth Road just outside the town centre and you are most welcome). As we had accommodation there, we decided to let out our existing home.

So, we never planned to be Property Landlords, but we have found the MrTax CD to be immensely beneficial keeping our affairs in order. Recognising that many others can similarly be effected by a change in circumstances, we hope our experiences can help you.

One of the key aspects that many people in our situation forget is to record all the initial costs. In our own minds it is still our home but, there is a significant expense in turning your home into a house for rent. Just like starting any other business, small DIY bills become big ones and safety checks and legal formalities all mount up the costs.

The MrTax CD has allowed us to take the necessary steps into running a business. Even though our letting will never make a profit, the value of organising your affairs is peace of mind and no nasty surprises. We also use MrTax CD as our system of choice for operating our Pub business. We have been supplied spreadsheets which take care of the day to day cash management of the business and to prepare our VAT returns. Transferring our weekly summaries into MrTax CD allow us to get a tax and NI view and also reduces the work that needs to be done by an accountant if necessary.

MrTax CD has also enabled us to make important investment decisions . For instance,we needed a bigger car or van for trips to the cash and carry and also to possibly convey our many pub teams to pool, dominoes and darts matches. We have decided the best decision is to buy the vehicle personally and charge out business mileage as necessary. However for items necessary for the pub itself the increased capital allowances in 2009-2010 encourage us to purchase items and gain the 100% Annual Investment Allowance benefits.

Without MrTax CD the only source of this information would be an accountant with a hefty price tag and it is highly unlikely that we would have been astute enough to ask the right questions in time anyway. In the pub business MrTax CD offers us all the advice we need to manage our affairs adequately. We have seen other pubs of a similar size using a full sized accounting system with associated costs and heavy duty accountancy bills to boot.

As an unincorporated business we do not need a “Balance Sheet” by necessity. This would only be necessary if we were trying to raise capital for instance. A Balance Sheet only ever offers a financial snapshot at a single point in time – usually many months after the event. If we ever need one we’ll pay for it. However many accountants quoted four figure sums insisting that we needed them when that is not true. A simple balance sheet is actually fairly easy to compile.

Using MrTax CD saves us thousands not just on accountancy fees , but also in the time we need to invest in our book-keeping – time that we just don’t have as we have a business to run.

We recommend MrTax CD to our self employed customers all the time.