

Have you ever dreamed of starting your own business?

Daniel Rule talks to three of our members in practice who have used their AAT training to take the plunge

going it alone

Running a small business isn't easy. Yet each year thousands of people decide to start up on their own – many yearning for greater independence, some looking to change their lifestyles; most dreaming of piles of cash.

Last year, a record 471,500 new businesses started up in the UK – a rise of 3% on 2006 – and, despite the ongoing credit crunch, a further 98,000 were started in the first quarter of 2008. As Barclays' John Davis comments: 'Small business entrepreneurs are finding opportunities in the market place. Clearly there's a feeling that there is never a bad time to start a good business.' Entrepreneurial spirit, it seems, is both down-turn and recession-proof.

Businesses, however, are not. In 2007, 498,900 businesses closed down – up 8% on the previous year. It is also calculated that of the seven million new enterprises started in the UK in the last 20 years, 50% have closed down.

So, why take the plunge? Being your own boss comes with risks attached, but it also opens up possibilities beyond those of a normal nine-to-five day job. For many people it is the lure of greater financial rewards. It might be following a tried-and-tested business model or having a eureka moment and diving into a gap in the market,

hoping to make a big splash – and big cash. Even if the plan isn't to make a fortune, starting up in business can be life-changing – more independence, flexibility and control. Work can be fitted around family life, or other priorities – visit your local golf course on a weekday afternoon and you'll soon get an idea of just how many people run their own company.

Considering setting up on your own? Then don't forget that if you're going to provide accountancy, taxation or related

consultancy services, you need to become an AAT member in practice (MIP). This applies to sole traders, partners in a practice or limited liability partnership, or if you're a director of, or shareholder in, a limited company.

As a member in practice, you'll benefit from tailored support and it shows your clients that you are committed to high standards of ethics and professionalism. To apply for a practising licence and for more details, visit www.aat.org.uk/members and click on the members in practice section.

ENTREPRENEURIAL SPIRIT

Inspired by the success of self-made entrepreneurs such as Richard Branson, Alan Sugar and Bill Gates, AAT MIP Lisa Newton's motivation for setting up on her own was straightforward. 'I saw an opportunity to get rich!' she explains. 'I had no personal commitments or ties – no mortgage, no children – so I thought: "Give it a go. If it goes wrong, it goes wrong. So what?"'

Even as a teenager, Lisa showed signs of having an entrepreneurial spirit. 'When I was about 13, I started selling hair bobbles and underwear at school. I made the bobbles, and the underwear was sample or very slightly faulty stock that came from a factory where my mum worked. It made me aware of how you can make the most of an opportunity. I only did it for about a year – until my mum stopped working at the factory and my supply chain dried up – but it was a good experience and showed me how important it is to treat your customers fairly.'

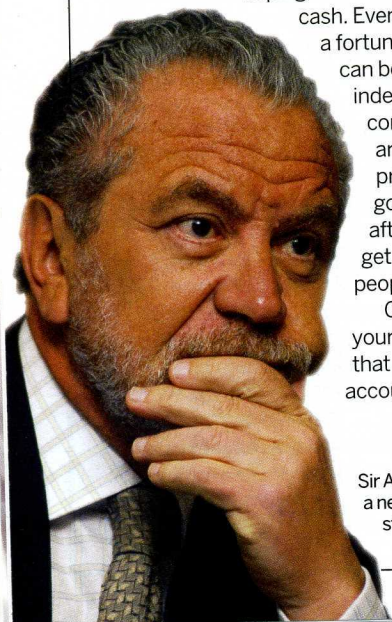
This drive and positive attitude led to Lisa setting up her accountancy firm, Boogles, in March 2004. 'I obviously hadn't done it before, so that was bound to be a worry. I thought, "Am I mad?"', she recalls. 'But once I had made the decision, there was no time to worry about what might go wrong. I only had about £150 and was just 23, but I was so determined to make it work and that gave me confidence.'

Lisa wanted her business to stand out from the crowd. 'It's got character,' she explains. 'It's funky and fresh – accountancy is always seen as cold and distant, but I've got a great team that really is different.'

The name Boogles actually preceded the idea for the company. 'I came up with it in about 1990. I wanted a name that was "exportable", that I could use in other ventures if things went well, just like Virgin.'

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Sir Alan Sugar has inspired a new generation of people starting their own companies





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Johnny Millar



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Name: **Paul Buzzard**

Company: **Cedar Accountancy Services**

Start-up date: **October 2007**

VQ Learner of the Year 2007

Paul Buzzard had been working as a maths teacher for the past 30 years when he decided to take more control of his future. 'I have a daughter with cerebral palsy and my wife had been caring for her. We also have two other children and my wife was finding it increasingly hard looking after them. I decided I needed to be able to play the role of carer for my daughter and take some of the pressure off my wife. So I needed to work from home – or flexibly near home.

'The best advice I received was to go for the AAT qualifications. They gave me a really broad background and are so widely recognised. They have given me great flexibility. I'm now a sole trader working in the Gloucestershire countryside. My goal has been to keep customers happy and as a result I've managed to get lots of repeat work. If I can keep doing that I will continue to get more work through word-of-mouth recommendations. I really want to make a go of it in order to encourage other older people into business. Life experience counts for a lot.

'The only downside is that there are no guarantees, you never know for sure what your income will be down the line – which is difficult when you have a family to support.

'The main benefit for me is that I now have independence and control over when I work. If it's more convenient for me to work at midnight then I can – meaning that I can cope with the busy periods of the financial cycles. And I can see how I can continue to provide for my family beyond the age of 60 while being able to physically help on a day-to-day basis.'



Lisa is enthusiastic about the benefits of being her own boss. 'The freedom is great, but what I have really enjoyed is learning about business and being able to use my energies constructively.'

She is also realistic about the workload and commitment needed to run a successful business. 'It takes a lot of energy and, even though the business may be successful, you don't necessarily get to see the financial rewards. You have to keep looking at the bigger picture, not at your pay. I don't physically work as many hours as when I started – I used to do 18 hours a day – but I never really switch off from work. There are always millions of things to do and, especially when you are starting, if you don't do it nobody will.'

Lisa has got many exciting plans for her business. 'We're already expanding the brand by moving from just doing bookkeeping into bookkeeping training.' She is also passionate about the value of teaching young people about how money works. 'We've started a kids' savings club and we're working on an online maths game,' she says. 'At school, you don't get taught anything about debt, saving or tax, and all of a sudden when you're 18 you're offered credit cards with interest charges. It's really hard. I want to help young people avoid the money troubles that can have such an impact on their futures.'

Franchising out the business is also on Lisa's to-do list. 'We've done all the hard groundwork and got all the processes and materials in place, so it should be a success going forward.'

Asked what words of wisdom she would give someone thinking of starting their own business, Lisa advises: 'Do a little, but often. Keep chipping away. You've got to work on it, not just in it. Take a day a week to set plans and strategies. And when you start, think about your end vision – be clear about what you want to achieve.'

LEAP OF FAITH

Like Lisa, MIP Lucy Cohen decided to start her own accounting business. Her main motivation was the desire to build something she could call her own. 'I was aware that I could easily spend the rest of my working life clock-watching, doing a decent job, but always watching my time tick away. I wanted to create something new, something that would allow me to set the future on my own terms.'

Starting her AAT courses only furthered Lucy's wish to start her own business. 'I chose AAT in order to give me the basis for a decent career, but I soon began to realise that they could also lead to an accountancy business,' she explains.

Named after the old Yiddish word for money, Cardiff-based Mazuma was set up in April 2006 by Lucy with school friend Sophie Hughes. The pair were finalists in the Shell LiveWire Entrepreneur of the Year Awards 2007 having won the Wales category.

'Mazuma gives us the chance to do something a bit cooler with accountancy,' says Lucy. 'Accountancy still has a really dull reputation, but it is one of the top graduate choices now and attracts such talented people. Most just fall into jobs, but I felt our AAT training had given us such a good grounding to do more and run a business. So many people start companies without really understanding the numbers and figures, so we believed we had an advantage.'

Lucy recognises the leap of faith she and Sophie had to take. 'When you set up a business, it's always going to be a risk. You've got to enjoy the fact that you have the opportunity to do it and take a measured risk. It's very easy to talk yourself out of it.'

In fact the reaction from the first business adviser the pair spoke to was less than encouraging. 'He said it was a