



Accountancy Recruitment News - 17th March 2022

Contents

- * [Accountant Job Market Report](#)
- * [New Accountants Registering in last 7 days](#)
- * [Charity donations 2022 - nominations open](#)
- * [Firm Sales - planning a successful retirement](#)
- * [How do I increase the value of my firm?](#)
- * [Accountancy Firms for Sale](#)
- * [Recruiting Staff?](#)
- * [Current Vacancies](#)

Good morning and welcome to the March 2022 edition of Accountancy Recruitment News. It includes our job market report, hourly rates, careers advice and suggested interview answers.

Accountancy Job Market Report - March 2022

Here is our summary of the current state of the job market:

Permanent & Contractor Recruitment - Quiet

The accountancy practice job market remains quiet generally - although it is incredibly difficult to persuade any candidates to change jobs still unless there is a good reason for making a move - eg redundancy.

<https://www.tenpercentfinancial.co.uk/how-much-do-accountancy-roles-pay/>

Firms for Sale - Busy

We have remained busy throughout February and March partly because there are a large number of buyers currently looking at firm and client purchases in the market. Sellers can be assured of multiple enquiries and quick sales if required. We are also getting a number of queries for valuations from potential sellers to see if prices are holding up in the current circumstances.

Full list of firms for sale at <https://www.jonathanfagan.co.uk/law-accountancy-firms-for-sale/>. For a confidential discussion or valuation of a potential sale or purchase please ring 01824 780937 and speak to Jonathan Fagan or email jf@jonathanfagan.co.uk.

KPMG/REC UK Job Market Report March 2022

Summary

Slower rises in permanent placements and temp billings
Availability of staff falls at sharper rate, pay pressures intensify
Vacancy growth accelerates

KPMG Comment

“While recruitment activity has slowed slightly, employers across all sectors continued to hire energetically during February, as their workloads increased and vacancy growth accelerated for the first time since last summer. But the lack of suitable candidates continued and fuelled yet further increases in starting salaries. The IT sector led the increase in demand for permanent staff, with hotel and catering close behind, possibly reflecting the reduction in pandemic measures across society.”

New candidates registering in last 7 days

CAN-13846 AAT Accountant and part qualified ACCA with over 10 years worth of practice experience looking for remote roles or posts local to the Bournemouth area. Full range of personal tax and accountancy services covered - year ends, VAT returns, P11Ds, personal tax returns, payroll submissions. Supervises staff.

CAN-13847 Bookkeeper with over 7 years' experience in practice and industry. Experience includes billing, payable & receivable ledger, posting transactions, bank reconciliation, credit control, posting of journals, posting Accrual & prepayment, payroll, VAT preparation and other tasks.

CAN-13849 10 years experience as a bookkeeper in both practice and industry roles. Self-employed in recent times. Looking for remote based work - contract ideal. Sage Quickbooks and Xero all covered.

CAN-13843 Accountant based in Inverness with both accountant and auditor experience. Available for either remote or office based work if local. Over 5 years experience - mainly in accountancy practice but also industry. ACCA qualified.

CAN-13845 A Chartered Accountant with extensive leadership experience in SMEs with particular emphasis on AIM listing IPOs, start-ups, and early stage high growth ventures, now working part time as an interim Finance Director. FCA qualified. Remote or London area.

CAN-13850 Part qualified ACCA accountant with over 3 years practice experience, looking around Watford for a suitable role. Semi senior position - tax return prep, VAT returns, general bookkeeping, audits assistance and end of year returns.

Firm Sales - planning a successful retirement

NB: this article was written for our legal recruitment news and refers to fee earners. Most of the principles are applicable to accountants to apart from the fact that accountants have the benefit of gross recurring fee income, which lawyers rarely have.

Working for 35 to 40 years and then deciding (virtually overnight at times) that the moment has come to walk away is extremely common amongst owners of firms. Quite a few people work away day after day, week after week, month after month and don't actually have a long term plan for their lives, career, business or their future.

This article is a guide to thinking about retiring and what factors you will need to take into consideration at the outset.

Factors to think about when considering retirement plans

There are a whole host of different things that you need to have a think about when it comes to planning for retirement. I will break these down into different sectors, but the first one of these is your firm in its current form.

Its all about me

If you have a practice where you are undertaking the vast majority of the work with a little bit of help from support staff possibly, but not really from any other fee earners, or the vast majority of your turnover is from your own work and not from the other staff in your business, then you need to be having a think about what exactly is likely to happen to your business as and when you retire.

If you are the only fee earner undertaking the work, then chances are if you retire, the practice will not be able to continue in its current form. Not only this, it's not going to have a lot of value because once you've retired there will be nobody left to bring in any income. A buyer would need to find their own fee earners in order to complete the work, and they would be dependent on clients continuing to come to the practice rather than go elsewhere because you are no longer on site.

One of the first aspects of planning for retirement that we come up with is to look closely at the structure of your firm to make sure that issues like this are not going to affect your chances of realising a return from the sale of your business, or to maximise the return that you are going to get.

Working as a consultant

Quite a few lawyers have the idea that when they get to a certain age they no longer want to do any work at all, and instead have plans to retire to a holiday home somewhere quite exotic (or not so exotic!) and not to do any work at all of any shape or form. What a lovely thought - or is it?

Our experience is that quite a large percentage of retired lawyers last for about three months and then register with us as locums. Partly because they still want to keep their hand in and do a little bit of work as they get older, partly because they want to retain the knowledge they have and also because they want to work to keep from getting bored.

If you think this is likely to be you then when thinking about the sort of deal that you want to get out of a potential buyer, you need to think about whether or not you are willing to stay as a consultant, and if you want to carry on doing some work within a practice once it has sold, merged or been acquired by a third party. This is an important consideration to have right at the start, because it will affect the saleability of your business, and also your prospects for achieving a reasonable return for your business.

Get valued and consider deal structures

We regularly tell people that when they come to sell their business they don't necessarily need to tell anybody what price they want on the business at the start, because you quite often find that the figure you require is very different to the actual figure that a buyer is prepared to pay, sometimes considerably more than you were looking for and sometimes considerably less.

However when it comes to looking at retirement and retirement planning, it can be very useful to have an idea yourself as to what the practice is likely to be worth to a buyer, what type of deal is going to suit you and also what type of deal is likely to be offered to you and how to improve on this. You can use our services – we offer valuation reports that include examples of structured deals and suggestions as to the sort of deal you should be looking for.

Deciding what's important to you

Quite a lot of people get to retirement or retirement planning and don't really think about what it is they want to get out of a retirement disposal. Do they want their employees' jobs to be secured, do they want the name of the business to carry on, do they want their clients to be looked after by someone they can trust? Or are they simply looking for a decent sale to a third party prepared to pay a reasonable price?

This must be thought about really carefully, because quite often buyers fall into a couple of

categories – you have the buyers who are local and perhaps just want to take over your business but not actually pay a premium or a sufficient amount of premium to make it feel like a sale but more of a disposal, and you also get the buyers who are looking to pay a premium but may well change absolutely everything about the firm, from the name to the staff, to the identity of the practice or indeed the way they work with the clients or for the clients. Think about this carefully because this will make a difference to the likely deal that occurs.

Retirement - most common

Retirement is the most cited reason that sellers list their firms for sale with us, but quite a few of the enquiries we get are from people looking to retire who have not yet made plans for the future or thought things through carefully. We recommend thinking about your plans as early as possible so that you can plan for your future and enjoy a successful and happy retirement, having realised some value or your required value from the disposal of your law firm.

For details of our law firm sale and advisory services please visit www.jonathanfagan.co.uk

Charity Donations 2022 - £37,000 Fund - Suggestions

Welcome

Closing date for nominations - 21st March 2022 - many thanks if you have already nominated a charity

Our charity bank account currently has over £37,000 in it, which means that it is the time of year again when the trustees of the Ten Percent Foundation meet to discuss our donation of 10% of the annual profits of the Ten Percent Group of websites, which include Ten Percent Legal Recruitment, Ten Percent Financial, Jonathan Fagan Law Firm Sales, Interim Lawyers, TP Transcription and Chancery Lane Legal Jobs Board.

There are three trustees involved, all with different interests. To give you an idea as to how broad these are (!) - our MD (me) has an interest in purchasing land to re-wild, funding sport for all and legal charities. Our other two trustees are interested in supporting domestic violence projects, poverty charities and charities supporting children with disabilities.

We regularly fund specific small scale projects in smaller sized organisations - our most recent one was to purchase warfarin machines for distribution via a nurse at Alder Hey Childrens Hospital for families needing them in December 2021. Total cost was c£5,000. Prior to this other examples have included funding a domestic violence project for 5 years in Liverpool, a support line for parents of children with speech impediments, and paying for 4 children to attend a school in Tanzania.

Philanthropy is an integral part of our business and we have been donating 10% of our profits to charity for over 20 years.

We avoid charities with top heavy staffing & admin costs (full details of our criteria can be found on the Ten Percent Foundation website) and we welcome any suggestions from clients, candidates and general readers of our newsletters. We particularly like small charities with limited funds and in particular charities linked to our clients, candidates, newsletter readers or the legal profession in some way (we support Reprieve for example). Examples of donations made over the past 20 years can be found on our website at www.tenpercentfoundation.org. To suggest a charity please email Jonathan Fagan at cv@ten-percent.co.uk. We consider all requests very carefully.

How do I increase the value of my firm?

We regularly prepare valuation reports for law & accountancy firms of all shapes and sizes across the UK, and one of the sections of our reports is how to increase the value of, and the ability to sell, a firm. Here are some of our top tips for law firms (mostly applicable for accountancy firms as well), but if you do require a specific report and analysis of your own practice, please get in touch with us via our website at www.jonathanfagan.co.uk

Manage, don't fee earn

One of the key ways of getting value out of your business and facilitating a sale is to make sure that as partner and owner of the business, you are not involved in fee earning, or your fee earning activities are minimal. The problem for buyers looking at law firms where the fee earners are the owners and turning over say £300,000, and from this £275,000 is being conducted by the partners who are retiring or selling the business, then if you think about it, the value left in the business is virtually nothing.

It may be that you have a couple of staff supporting you in your work, but once you are gone they are left without any work coming their way, which means that your law firm virtually has no value at all once you leave it.

Sellers obviously think very differently about this, and often say, "Yes, but our business has been around for 100 years and somebody coming in can simply take over the business, put their own stamp on the business, generate work as we have done and continue our good work and pay a premium for it." If only this were true!

The fundamental sticking point for quite a lot of firm sales is that partners are doing their own work and fee earning and then expecting to be able to sell that business at a premium with hardly any fee earning other than their own. In these situations the practice can remain for sale for many years to come (unless there are other redeeming features).

One of the key parts of growing a business is to make sure that you are not operating the business on a day-to-day basis. You need to be managing the business and making sure that you have other people undertaking the fee earning, because it is this that puts the value into a professional services business without any recurring fees.

I appreciate that this is much, much harder than it sounds and very risky for some businesses to actually take on fee earners and to pay them a salary. This is made even harder in a job market where there are hardly any staff looking for work. However, it is quite possibly the number one key factor when it comes to a law firm sale and achieving a good sale price for the firm.

Without fee earners undertaking the work, your practice is much more likely to be a disposal rather than a sale and a buyer will probably want to offer you the chance for them to take over the risk and liabilities and not for you to be paid a premium for all the work that you've put in over the years.

Make sure you have up-to-date accounts

We get so many law firms coming through to us for sale that have no accounts or barely any accounts information for a potential buyer to see. When accounts do exist, they can be so vague as to render them pretty useless, and buyers simply don't bother going any further with them.

Firms that sell easily have well-prepared accounts with full information available from the outset, with any explanations as to certain figures on the balance sheet and the profit and loss accounts available to any buyers. Consider resolving any overdue loans/debts if you can.

Having full details as well as to the ownership of certain assets to add to the accounts will be of immense assistance, including details of any leases and staff lists (age, length of service and type of work).

We offer a pre-sale pack preparation service to sellers using our Gold and Platinum Services, but you can of course do it all yourself. The more clear and succinct your information is, the easier it is to achieve a sale.

Look at your web presence and think very carefully about it

Firms come to us for sale who have been around for generations and don't need a web presence in order to conduct their daily business. Quite possibly they have been in touch with yell.com 10 years ago, who have knocked them up a bog standard website with hardly any information on it that hasn't been changed in 10 years since, but it's there and is at least a website and online presence! However, the same firm will have no Facebook page, no Twitter feed and quite possibly just one piece of news dating back to 2012. It may be that someone at some point has gone on to Google My Business and actually added the business but it is highly likely that very little work has been done on web presence, and this will show very clearly to any buyer coming to look.

The vast majority of buyers coming through will be of a different generation very much used to getting all their information online and of course the first place they will look for information about your business will be via the internet. If your online presence consists of nothing or hardly anything, or is so vague as to render it completely useless, then chances are a buyer is going to be immediately put off.

Take a look at your web presence and regardless of whether or not it generates you any business or you feel it is any value to yourself personally in your practice, spend some time working on it and developing it further, because this is going to be key to any potential buyer coming through. Get blogging, add content to your website, update your website so it's relevant to now, and look at your online marketing.

It is one of the main issues that crops up in discussions with potential buyers, that we find as brokers can be a real sticking point at times.

Get an idea in your head as to what sort of deal you want out of a potential sale at the outset

Quite often sellers have absolutely no idea what they want from the disposal of their business other than a bit of money for the effort they have put into the firm over the years. We regularly advise sellers not to put a price on their business for a whole host of different reasons, but at the same time it can be extremely useful to have an idea as to your end game, whether you disclose this to anyone or whether you keep it to yourself, you should really have an idea as to what you want to get out of any potential disposal.

If your aim is to solely continue the practice, safeguard your employees' jobs for years to come and to ensure the continuity of your business name, then you are going to be more interested in a deal where somebody comes in, takes over the business and runs it going forward, ensuring everything stays the same and continues.

However, if you are looking to get maximum value out of the business in terms of a cash price, then you need to have an idea in your head as to what that cash price is from the outset and be prepared to change it and the structure of any deal going forwards.

Getting a valuation from the perspective of likely sale prices/deals plus suggested deal structures

can be extremely useful in assisting you to plan your end game..

Summary

These are just some suggestions for improving your chances of success for a sale/merger/disposal.

One final piece of advice is to look at your physical presence and decide whether or not, if you were a buyer, you would want to take over a practice that looked like yours.

Just this week I was looking at a practice for the purposes of a valuation and I went on to Google Maps to look at the street view of the shop front. I could see an extremely shoddy shopfront with a worn-out sign that looked like it hadn't been cleaned in 20 years, filthy windows and a messy street front. All of this is so easy to remedy when it comes to a sale but we see this more often than we would hope!

Just think - if you were selling your own house, would you really want a potential buyer to take a look at it in its worst form and then expect them to offer you a top price? It's just the same with the sale of a business – you've got to make it look good for any potential buyer. A good prospect will result in a best price - give everything a lick of paint!

Let us know if we can assist with any of the above - or for more information please visit www.jonathanfagan.co.uk

Low Cost Recruitment for - Ten Percent Unlimited

Recruit as many staff as you like over a set period of time (3 or 5 years) for a low monthly fee starting at just £65 plus VAT. We offer this service to law firms and accountancy practices and some of our member firms have been using the service for over 10 years. There are no restrictions on numbers and no other similar services exist in the recruitment industry. You can save £000s on your ongoing recruitment.

Interested? Call Clare Fagan on 0207 127 4343 or email clare.fagan@ten-percent.co.uk.
www.tenpercentunlimited.co.uk.

Outsourcing Translation & Typing

TP Transcription Limited is our subsidiary company offering outsourced typing & translation work by our team of over 200 secretaries and translators. Established in 2003, we work on thousands of hours of recording every year for law firms, the NHS, academic institutions and individuals. We are preferred suppliers to a number of institutions. Try the service out - email your recording to anna@tptranscription.co.uk, upload your file using our secure systems at www.tptranscription.co.uk or call 01745 813306.

Kind regards,

Jonathan Fagan
Director

Ten Percent Financial Recruitment - www.tenpercentfinancial.co.uk

Ten Percent Unlimited - www.tenpercentunlimited.co.uk

Law & Accountancy Firms for Sale - www.jonathanfagan.co.uk

E: jonathan@tprecruitment.co.uk

T: 0800 246 5016

Contact:

TP Recruitment Limited
27 Old Gloucester Street
London
WC1N 3AX

Head Office

TP Recruitment Limited
Ty Brith
Llandegla Road
Mold
CH7 4QX

TP Recruitment Limited, registered in England and Wales, reg. no.10750269. Registered under the Data Protection Act.

If you do not wish to receive these emails in future simply reply with the word "no" or click the button below.

©2022 TP Recruitment Limited | Ty Brith, Llandegla Road, Llanarmon-yn-Ial, Mold CH7 4QX

[Web Version](#)

[Preferences](#)

[Forward](#)

[Unsubscribe](#)

Powered by **Mad Mimi**®
A GoDaddy® company