

#54 Gillian Caughey on how to be brave and fearless about yo...

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SPEAKERS

Saskia de Feijter

S Saskia de Feijter 00:00

In this hour long episodes, you will learn the following things hold on to your seats. You will hear from Gillian Kiki Gillian is the owner of fearless financials. She helps creative and independent businesses to build better businesses with her accountancy practice accountancy. I was so terrified to talk to Julian, because I am very uncomfortable around this subject. But I also know that a lot of creative businesses feel the same way and that she would be able to provide us with so much value. You will learn how your money mindset is holding you back from running a fulfilling business and changing the world. What the difference is between a bookkeeper and an accountant. admit to it, you don't really know when to start working with an accountant, how big your business should be, how to have a great connection with them, that they are not all men in blue suits that make you feel inadequate, how to start and keep a great financial practice or habits for your business. And basically you will learn how to not lose any more sleep over your finances. I think this is the best episode so far. If you're a knitter if you don't have a business, just listen to it. Chilean is amazing, and I'm looking forward to hearing all the reactions to this episode. Hi, my name is Saskia. I've got over a decade of experience in running a small business in the needle craft industry. I'm obsessed with the healing magic of crafting and the power of community dreaming big about a world where we rely on value based businesses, the kindness economy and where we can fully say fuck fast fashion. A smaller life aims to inspire you to look at your wardrobe differently. Where do you buy? How do you use your clothes? And can you make some of it yourself? We learn from experts in the needlecraft textile and creative industry big names and small about what it's actually like to run a small business. I'm educated in marketing and photography, and learn to do everything else on the job selling pattern and product design, teaching and running a needle craft school. As a small business owner you're in charge of everything branding, marketing, selling, promoting and cleaning the loo emotional talks with sellers about wins and woes, product and design conscious decision making, why we do it, how we do it, and what we need to become the future of fashion without burning the health apps. And I'm determined to lift our Cena for the world to notice. So they can step away from fast fashion. I've always said the first person to go on and the last person to go off by pay list is not me. It's my bookkeeper. When I think about it, it's a stupid attitude to have. I love organizing I love systems. I was just taught from an early age

that I wasn't any good at numbers. And I've begun to believe it by now. And thanks to this chat I had with Julian, I know that you can learn just about anything and you can find great support where you need it. Julian and I met at the happy Startup Summer Camp, a camp for business hippies that want to use their work hours to do better things and build better businesses. We found out quickly that our slogans and our way of looking at business and running a business had so much in common. Her slogan being be you be brave build a better business and me with my building better businesses circle. It was a great match. We laughed a lot. We had such an amazing time. And I knew that I had to have her on my podcast. So without further ado, that's welcome Julian. Then we just warming up. This was our voice exercise. Hi, Julian. Welcome. Hi, I'm so glad that you care. I have a question that might sound silly to start you off with. I bet a lot of small business owners will say relief to finally learn the actual difference between a bookkeeper For an accountant,

 05:03

okay, so I bookkeeper will help you keep the book, you need a bookkeeper or you need to do the bookkeeping at the beginning to kind of tell us what's coming in what's going out what's actually happening, the accountant should be able to use that information to help you either prepare tax returns, or ideally, the more interesting stuff is actually interpreted and helping you use your numbers to get the goals that you want to achieve. That's the bit that's really interesting.

 Saskia de Feijter 05:37

That is such a concise explanation. It's, it's almost like you've practiced it. Now, when it's really clear, it's really clear, and I'm glad. And I'm glad that it is what I thought it was. And it's easy for me to say right now, but I think that this is about, as far as I go, when it comes to financial knowledge, I'm going to be super open here in this episode, and it's going to be super transparent. But it's it is not my thing. And I'm so happy that you're here to talk to us about it. So if we're talking about bookkeepers, and accountants, and you in your business have people that do both, you work with a particular group, who's that group.

 06:26

So a lot of mine are are creatives, a lot of my clients are Creatives or kind of independent businesses. So like cafes, and like community based businesses, or like with the social enterprises, so I've tended to work with people that I like, what they do, how they're doing it, and I get to connect with them. So that's kind of been a lot of them have ended up being creatives, mainly because I live in Glasgow, there's a lot of creatives in Glasgow, and I tended to know people in that industry. And that's kind of high. When I set up my own business. Hi, I developed it, right, I came from a very corporate kind of big for big accountancy piece, and I really didn't enjoy it because I didn't enjoy working with the big corporate clients.

 Saskia de Feijter 07:18

Yeah, that's why I asked because I always thought that you have to be a bigger business to work with an accountant and small businesses alike a lot of creative businesses or small

work with an accountant and small businesses alike, a lot of creative businesses or small businesses, not all, obviously. And they either do it themselves crying and pulling their hair out. Or they have a friend that does their books. And that's basically it. So is that what you see? Is that true? Or is it very wise to get an accountant? Even if you are a small business? Obviously, it is. But what do you see happening?

 07:58

I will caveat it that, obviously, I'm based in the UK. And so most of my answers are kind of based on what I see here, and what are kind of rules and how businesses operate. And I am aware that it's different in different countries, and that you have an international audience. So basically, yes, I do. Coming from a very UK perspective, we tend to have people there being a sole trader, so they're self employed, or they are a limited company. And it can be quite a small limited company, but they operate two different ways. And that's the mean kind of split. And so if you're self employed, and you're a sole trader, you can do your own tax return here, you don't have to submit accounts for public record, you can do your own self assessment for the tax authorities. And you can do it yourself, I do have people that I know do it themselves, and I offer guidance sessions to maybe help them with specific questions or to just upskill them, I have other people who will then just get me to get us to do their self assessment because it totally freaks them i, they prefer to have an accountant doing it, they may be going for a mortgage or something like that, or there. I've got had ones you know, for phases and residencies and they prefer to have an accountant when they hand it over to the authorities because they think it looks better. Plus, there's people who come to us because a their time could be better spent doing what they love doing. And that the accountant is a good investment for them because they we should hopefully save you more than you could do. Or we make you feel more comfortable that it's done right and they're not going to come knocking on your door and drag you off the tax deal. And, you know, basically pay me a couple of 100 quid would probably help that you can go and make more sales or do what you know build your business yourself. So even the smallest ones I have, you know, I do work with I maybe don't see them as often as the people who have got bigger businesses more common Next businesses and that were more involved.

 Saskia de Feijter 10:02

Right? Well, we'll definitely go into that later. And there's obviously a reason that I asked you, because this would only make sense if you would have information that's helpful for my listeners. And although I do have an international audience, I think, the Netherlands, the US and the UK, mainly. So I can provide a little bit of Dutch information. But I'll do that in the show notes, because I have to research. And then if anybody's listening from the US that wants to share their perspective, please get in touch. And we'll add some information to the show notes as well. So just backing up a little bit, we're gonna circle back to the small businesses and how they can get some help from from an accountant. But before that, I wanted to talk about a little bit broader money mindset. This, this whole thing with creatives is this is generalizing like a madwoman, everything that is money feels kind of dirty to them. So a lot of creatives that I know, and I've talked to, in my decade of doing this work, think that selling is dirty, money is dirty, everything should be about the creating the offering, the giving, and they have a hard time receiving the value back. I'm working with a group of small businesses in the field. And we're talking about this topic. And that's also why I invited you. It's just such a tough thing.

They feel like sellouts. As soon as they ask for the value that they deserve. You use brave in your slogan, I think there's probably a reason for that. What is that with the money mindset of creative people?



12:06

Yeah, I think I see this a lot, I see that there's a bit where creatives have been led to believe that they're not any good with money, first of all, and that exactly what you would say around money is dirty. And it's like the sale like, and I think it's not just creatives to you. I mean, I think a lot of small business owners struggle with how to value their time and value their themselves. And being brave, it takes a lot like even I knew when I set up mine, I'm like Heidi, I price my services, etc. And there is a bravery element, because you're putting yourself out there. But coming back to the kind of I think they have to decide, is it a business, if you're going to do a business, rather than, say a hobby, then you there is going to be money involved? That's kind of, you know, the definition of it, or else you've just got an expensive hobby. If it's not money, in the end, to be blunt. So there's maybe a kind of what you're trying to get out of this. What is the point of the business for you? And somebody came up with the life centered accountancy, which I think is, you know, like, what's the point? What is it bringing to you, money's just for me, I've kind of tried to get the money's just is a flow, it's an energy, you know, you get money and helps you get other things in your life, because that's the way the world works, whether it should whether well should work a different way is a whole different podcast, but at the minute, that's the way the world works. And so I've tried this year and tried encourage ones that, you know, if you get more money in, then does that buy you more time to do things does that buy you the ability to invest in better equipment or whatever our staff to help upskill them and to like, spread the joy of your, whatever you're making. And so I think there's kind of that bet of trying to let go of money being grumpy and think of it as an energy flow, and obey the same people that if you're going to buy something that somebody else has made, you want to pay a good price to them to work because you know how much time and resources went into it. So if you could try and flip it on the other side, you know, there's like kind of different perspectives, but it's just flow in energy.



Saskia de Feijter 14:22

That's such a good explanation. I love that. That's really well put, I believe the same thing and I'm always thinking, I need to be filthy rich because I need a lot of money to save the world. And so I need to have lots and lots and lots of money and that's how I focus on money nowadays where I go, Okay, I have a business that is focused on doing well. I want to I want to be valued quite literally I want that my work is valued because if I don't feel that, then I don't, I have less fun working, it's as simple as that. I just want to know that what I'm doing makes sense. And I think it's the same for creatives in different ways. If you're, if you run a yarn shop, or if you are a designer or whatever, just feedback is not enough to keep you going. So it needs to be, it needs to be in



15:30

doesn't keep the heat on and the food in the fridge. No,

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Saskia de Feijter 15:33

no, and it is quite cold right here, where you are, and where we are, as well. But one thing



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was, I don't believe you can be fully creative or fulfill your creative potential, if you're constantly worrying about money, and like, where's your rent gonna come from? Or your mortgage or your food? Or like, Do you know what I mean? I feel like, you know, the frozen artist and the Garrick kind of thing or whatever, really, if you feel a little bit more secure, and the hierarchy and you get that bottom rung done, does that help you even more creative ideas or that freedom to kind of have the time to explore things there?

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Saskia de Feijter 16:14

Yes, absolutely, absolutely. Being able to take care of yourself to be healthy. And I'm not saying happy, because that's just another podcast. And also, but to be healthy, you need a little bit more time than a lot of people work so hard that in order to gain back some time, they have to have some money to either have somebody do their household, take their kids for a bit. I don't know, whatever. And money is not just about because it is about making you comfortable, and giving you the setup that you need to do your work properly.



16:58

Yes. What you need, like what money you need is different than what money somebody else needs. But I think we're always sold this idea that it's all flashy cars, and multiple houses. And, you know, like, you know, social media, whatever. But it was the same idea before social media. So but it's it's that thing of, you need to have all this stuff. And so if people are feeling like globby, around money or uncomfortable about it, I think there's a little bit of, well, actually, what we need a bit more money helped by you. And what do you need? And what are your goals? Because one of the things were set up, I was like, Well, what's your idea of success, because my idea of success is probably different than some of the other people I used to work with. I realized that I don't need as much money as I had before or whatever. And so, you know, it's just working out what your number is.

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Saskia de Feijter 17:52

Because when that went onto your website, there's something that really surprised me, you have a couple of questions for people that are interested. And those questions are the types of questions that I do not connect to a financial business. So let me just go there and ask one, what you ask is what's robbing you of joy in your business? What is a life goal you want to achieve? What does a successful business look like to you? That feels like a different approach than what you would expect? So could you talk a little bit about that?



18:00



18:30

What would you expect?

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Saskia de Feijter 18:33

Just the numbers like not a person not a beating heart at the end of it? Yeah, robots? I don't know. People in blue suits, not a hot pink website that shows compassion from the get go. That's something that I wouldn't, wasn't expecting.



18:53

Yeah. Well, I used to be very ashamed to say I was an accountant. Do you know what I mean? When we don't have the best reputation? Do we? It's like, oh, doll. You were there with your calculator. My friends still turn to me and go, like, you're gonna work out what we all at the end of the dinner, right? And I'm like, No, yeah, a day off, and then I still do it. Anyway. The reasons I digress, but the reasons being, when I set up I wanted to be like, well, I want to work with the people that I like, I want to be pride of being an accountant. I've worked hard to get it and I've learned a lot. And I learned a lot working with really big people and see and having all the like, different experiences I had. No, I feel when I'm working with people that I really love and I feel like I can make a difference and a positive impact with them. Then I am proud to be an accountant, that when we got our new website, one of the things was to make sure I'm working with the right people and to make sure that I look forward to speaking to these clients, etc. So hence, I feel like those sort of questions help me understand if we're going to be a good values match or not. Also, it takes a bit of effort for somebody to fill it in. And so you know, even from a selfish point of view, from the accountants point, we get a lot of people that are just trying to find who's the cheapest accountant they can find. And so the fact that my form takes a little bit more time to fill in kind of weeds out some of those time wasters sort of thing. weatherize when I get somebody that fills it in, and it amazes me like, and I just love reading them, because I'm like, wow, you know, just the difference in what people want. And it also gives me an idea of, well, are they just wanting to save as much tax as possible? Or are they wanting to build a business that kind of can help them achieve that life goal? And they are willing to help me be part of that, you know, let me let me be part of that with to help them achieve it. So that's why the reasons were quite answering those questions. And there's lots of accountants right there, like our Simon, Facebook groups and stuff with other accountants, and there are many of us. There's many of you. But they are quite a lot of progressive ones as well.

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Saskia de Feijter 21:09

It's so funny, because you kind of forget that an accountancy fees is it's a business as well, you have to do your own branding and find your own ideal customer and communicate in a way that attracts the right people for you. And so this is kind of a double layered interview in that way. That's very nice. Very interesting. Well, we



21:30

have feelings. Yeah.

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Saskia de Feijter 21:34

I'm so glad I was able to clear that up for some people, for myself, especially. She's laughing to not just breathing. And she hasn't really, you can't see that. But she has this bright, glittery, hot pink curtain behind her. So it's not just a breathing person. It's a very fun person. That's



22:00

that's my next one. If we deny whether people have a sense of humor or not, because it's not what the backdrop for you. Yeah, so I've had a few horrified faces on Zoom.

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Saskia de Feijter 22:13

Oh, wow. No, I I agree. Working with people that do not have a sense of humor is almost undoable for me. Do you think as a result of having a complicated relationship with money, some creative business owners take their administration less seriously, and they put it on a low priority? They kind of push it away until they can't? anymore?



22:48

Oh, yeah. My friend who's on a trip to South America and sent me a picture of her doing her self assessment at nine o'clock on the 31st of January, which is the deadline is midnight that night, and I'm like, Why would you leave it to that? They see it as less important. I feel that there's a lot of fear around it, which was part of the name of being fearless financials, and not fearless as in, you're killing dragons. And, you know, kind of like being reckless, it was more like, I suppose it's more like less fear. And I think there's a bit of people, when you don't know when you're not confident in what you're doing. Or you're scared of what it's going to tell you. It's so much easier just to put it like ignore it. Or you've learned quite a long time. Like we all do this, like I do this, you know, everybody does it that you leave something for too long. And then you're like, oh, that's gonna be a big massive job. I need to even more time to kind of and then you're like, I don't have enough time to do that yet. And it's only when it gets into deadline mode.

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Saskia de Feijter 24:01

Just walk around like zombies.



24:04

Just what I am like is on January for UK acquaintances. It's pretty horrific.

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Saskia de Feijter 24:10

You look amazing for a horrific time. Just



24:14

such a sweet it's so good. I love steak. The prayer the lipstick the retired I usually Yeah, so I think it's fear. I don't know that it's, it's making something less important. i The people I've spoken to. It's usually they're really worried about stuff or they're not confident in what they're doing. So they just they'll find it excuse not to do it.

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Saskia de Feijter 24:43

Do you think it might be cultural or sex specific as well? Males females identifying good question. Sometimes I think that, especially in certain generations, I think less now than before the men took over the financial parts, and then you don't get any information. And then you feel uncomfortable and uncertain. And then you leave it to somebody else to do it. And then time goes on. And I might be talking from personal experience, not in my relationship, but the way it was brought up, that sometimes they just kind of keep you in that stupid, silly section of the family. And let us deal with this because it's too hard for you.



25:39

It is quite interesting because I have a mix between male and female clients. But I have had quite a lot of female clients come to me and say that they felt very dismissed by a male accountant that they went to, or like one went, I remember one day somebody saying to me that they went to see this accountant anyway. Well, what do you mean, you haven't been to business school? Like you should need to do a business course you need to do something before you can be a business owner. So bollocks. So yeah, I definitely had a lot of females coming to me saying that they were looking for a female accountant, or they were glad to find one. I presume a lot of that is around maybe that feeling of being patronized. But then I have quite a lot of male clients or whatever. And I've never felt like any of them were kind of like, well, you know, you should be acting in a certain way. That was the joy of having your own business as you get to be yourself. Like, rather than having to build some, like be like somebody else's brand. But I probably haven't unpacked it enough. But the I think there is a lot of stuff of people, particularly females come in and feeling a bit like, oh, I don't really know what this is, or I feel stupid asking it. I get it. Same way. You said at the beginning, you relate? Or this might be a stupid question, or like this might be you know, and I get a lot of that I might well, I'd rather just know what they are. And actually, everybody asked the same so called stupid question. I, you know, I do say guidance sessions for people that setting up and they all pretty much ask the same sort of questions, whether they're male or female. I don't think females should feel that they don't know things. I think if you're up a business for the first time, or even if you've been doing it for a while, and it's changed a lot, just find somebody you can ask the questions to anything give you learning basic stuff about finance, etc. There's a brilliant app that I've been working through called Juno. And it's really good at kind of expand, it's focused on being for women and non binary people. And it's very kind of explains what, you know, what is interest? And what is this? Or how, you know, how can I build up a savings pot?

So I think kind of, there's a lot, there's a lot of people trying to tackle the kind of gender finance gap, because we tend to have less savings, less pensions or everything, because we tend to get paid less.

S Saskia de Feijter 28:04

Yeah, I've been looking at an online course, as well. And I will look up the name for it. It was also specifically for women, female, identifying people and very helpful as well. So we'll put all of that in the show notes if you really want to work on your basic knowledge to get a little bit more confident. But you can help with that as well, I think and I'll just go back for a second because I asked my community if they had any questions for you. And I do this with almost every guest. And even the biggest knitting designers stars didn't get as much questions as you. So they're, they're very eager to get to the information. I'm so glad that you are here and that I'm able to help them through you vicariously through you. That sounds so arrogant that you know what I mean. And but one of them and I was gonna leave that until last but now that we're talking about it, one of them who's staying anonymous for this particular part says, Hi, Saskia. I'm really interested to find out more. I started working with my accountant a couple of years ago, and I don't enjoy working with them. To be honest, they made a huge mistake on my latest tax return. Luckily, I spotted it, but I had to question them several times. I don't feel confident in this kind of area. So when I questioned them, they give me loads of bullshit to fire me off, but I can see through them. It's not a good relationship. But when I ask others, they all say the same about their accountants, as you already also said that you hear from people. So I'd love to find out more about the expected relationship have responsibilities and charges from someone else. So that's a little bit more practical. But that's really sad, isn't it?

 30:09

Obviously, as a group, maybe accountants don't help themselves,

S Saskia de Feijter 30:14

you know, you have to do such a hard job to show them that it can be done well, and differently with swearing.

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Swearing included, no extra costs. I think like any professional relationship, it's really key to find somebody that you do enjoy working with. Do you know what I mean? And I think, I think paint didn't, as a profession is developing more. So there's loads of tools out there nowadays that you can use to help yourself a lot better. There's a lot of digital items. And in fact, Accountancy is one of the things on the list that they reckon AI and etc, could make people like me not needed, really. And so my why am i less is that where I see it from? Well, a robot or computer or, you know, some of the tools that I use already, they can help you get the bookkeeping or etc, done quite quickly. But it's the person that you're talking to, and somebody that can empathize with you or listen to you or, and have those suggestions or bring what they see elsewhere. I think that's a lot harder to replicate. And why I say this in relation to that

question is because I think you have to find somebody that you can have that relationship with, and they might not be the cheapest accountant and they might not be you know, compared to some of the ones who use a lot of this computers or offshoring things. And but I think if you can have somebody, whether it's local, I have people who are local, I do a lot of doorstep accountancy, if there's a lovely fabric shop ethical fabric shop across the road, and I like to go and have a wee chat with her or, you know, kind of when I bump into people, because I've, there's a local high street near me that I have clients on. And that brings joy to me. But there's also people online that, you know, like I kind of meet I've never met physically, but we cannot, you know, assume so good now, and we've all got used to it. And I was using it beforehand that I feel like I can have meetings with people that doesn't have to be face to face. But you can build up that relationship with somebody and through time and trust, like, people tell me so much information, you know, like, I'm often the first to know somebody's pregnant, or thinking about getting pregnant, you know, because they're immediately worried about what that's going to do with the business. Me and hairdresser I reckon are a bit the first that know,

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Saskia de Feijter 32:37

knitting teacher because they start knitting small things.



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And so it needs to be somebody that you can have a relationship with. And that might take you heart, and that might be harder to find than like just going to what the person your dad went to or the person drill down the pub. No, it was or you know, the one at the end of your high street or something. So I think going and trying to find somebody who does match your values, and that has clients similar to you to pick up the mistakes part, everybody always makes mistakes. And one of the reasons I would kind of, you know, often the accountant will pull things together, and then they will send it to you for review. And I tend to use videos where I can explain it all and send it to people rather than a meeting. So that they have to and I've been told it's really useful because they have time to stop the video, go back relook at or whatever. And I get people going like, that's amazing. I actually understand.

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Saskia de Feijter 33:32

That is so brilliant,



33:33

such and it seems me having another meeting. So it's like work smarter, not

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Saskia de Feijter 33:38

harder.

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It's a thing called loom. And it's brilliant. So I'll run through the accounts, I'll explain it all and they can go back and have a look at it. Because people have then come back to me and said, Oh, that's not right. Or this isn't right. Because I've maybe made an assumption that isn't actually you know, they've told us stuff or they've given me something and we've just interpreted it differently than what they wanted us to interpret it. But so it's really important that when you site gets sent something relocating, you do look at it. And you do ask any questions, because it will be when you sign off on it, you're taking kind of more responsibility for it, because they do get ones where they're like, Well, you're the accountant. That's what I pay you for. Yeah. But people make mistakes, you can go back, you know, usually come back and fix them or whatever. And I really, it makes me sad that somebody feels they've been told a lot of bill. And I like any professional relationship. It can have ebbs and flows, and it can have its time and maybe it's time you know, to find somebody somebody else.

 Saskia de Feijter 34:41

Yes, but luckily, there's fearless financials. So it couldn't be done differently. And I think we should move on to the positive side of things and talk about how things can be done differently. How do you feel about me asked During the questions from the community, it could become a little bit chaotic because I don't know that much about it. So I've kind of organized that in the side of the accountant questions and the side of the creative business questions. And that was the amount of organizing. I've done so far. Hit me. Okay. So floor asks, How does an accountant for small businesses decide on a good price for their work? does it encompass more than just working the numbers? And I think we talked about this a little bit. But I want to add, if I hear you explain that you have different kinds of customers? Do you sell different packages? Or do you talk to the clients and then figure out what you can offer them?

 35:54

The latter, I, this was really difficult for me at the beginning. And as it is, you know, pricing is such a key area for all businesses, and it's so hard, especially when it's a service. And you know, I'm guessing you've been through it. I struggled a lot with this. And like everybody, I probably underpriced myself at the beginning. And then as I've got more confident, I've been able to raise prices and kind of feel more valued. They tried packages, and they didn't really work for me. But I use software, very intimate Tech, I use software that's been developed. It's called Gold proposal. And it's been developed specifically for accountants, because the guy that developed it was fed up that he would go to an accountant and they'd be so crap at giving the proposal. And like, accountancy used to be very based on time a bit like lawyers or whatever, were you getting charged for every six minutes? And I had 16 years of filling in Timesheets in the beginning, so I don't work that way. I hate timesheets. So basically, I have this package the software and to kind of cut a long story short it, it works on what services I think the client needs based on the answers they've given me in the form and the follow up conversation we've had with them. So I would put in what, you know, what sort of level of revenue they are, how they keep their books, who's keeping their books for them? What sort of things do they need, you know, have they got staff? Are they VAT registered? Blah, blah, blah, if they've got lots of transactions, and they've got not very many transactions, is it the same people they buy from all the time, you know, so there's the variables that kind of, based on those variables, I know, means there's either less or more work for me, or one of my team can do it versus I need to do

it. So you know, the level of seniority, it's based on that. And then you fill in the form and the computer spits out, this is how much it would be for each different service. So I like to do it that way. Because the clients can then come in and say, well, actually, I can't afford that at the minute. So maybe I can do the bookkeeping, in that then what does that change, or they can also see that this is what the individual lines are, and I can explain them. Rather than I think in the past, our industry has a very bad habit of it being some sort of finger in the air, or, you know, this is roughly how much something is. And it's people, I have loads of clients, people that come to me and said, My accountants never billed me or I get like this fixed fee, but then they send me all this kind of extra stuff afterwards. So I don't know what it is, me and the other accountants that use the software trying to be more transparent. You know, I use monthly fees, I've got direct debits, all that sort of stuff, so that they are more, I don't always get it right. But you know, that's what I've tended to try and do. Because A, I don't have to chase people up. It's automatic. And so that's where I tried to go. So it's based on your need. And it's tailored to your business. And you're in control of what you get us to do or not.

S

Saskia de Feijter 39:00

Sounds amazing. I love that I love the transparency and being able to figure out how to find balance in how you work together. And not being stuck with this is a package and you have to deal with this package. Although it might look easier access from the beginning. In the end, I think it's so much more valuable if you can really have almost like a made to measure way of working together like that. Let's do it. I was thinking something about it. Yes. So when people go to your website and they answer your questions, do you what happens next?



39:47

So it's quite new. So we're still working on that process, but at the minute it's coming in, I'm reading it and another depending on what their need is I'm ever passing it to one of my teammates versus, or I'm meeting with them the next stage to kind of understand the information a little bit more so that I can build this proposal. And then we'll have a proposal call, because it's nice to kind of meet the person. And but some of them might just go back and say, Well, I don't think we're a good fit. There's certain software I don't use and things like that,

S

Saskia de Feijter 40:20

yes. And to be quite Dutch, at what point do you start charging in that process.



40:28

And the minute we don't charge until we start working with somebody, that's fantastic. There has to be a proposal that's signed off, and then it's a direct debit gets issued, or whatever, if there are no monthly comparison, like it kind of, if it's a self assessment, which is a simpler thing, it's just a one, you know, we tend to see them once a year, sort of, but I would like to see people. So I'm kind of trying to develop what I can do to kind of see people that are maybe one person and it's quite small, like, hey, I can help them throughout the year.



Saskia de Feijter 41:01

I think that take that process and knowing that takes away a lot of the fear that you can go through that whole process, and decides then that takes away a lot of fear. I know how this conversation can sound as if it's one big commercial for your business. It is not I'm asking these things, because you are working with creatives, because I love you as a person, you're amazing person, but also because I'm interested in the back side of your business and how that works and how your thinking goes. And so there's all kinds of different layers here. And I know that sometimes that might sound like how do you sign up to work with Gillette? And that's not all that there is to it. Although you're welcome to obviously, right? Then four goes on asking, Did Jillian learn important lessons from small businesses that she worked with, she would love to share with us?



42:00

I do learn from my clients, if that's what she's meaning? Because I can read that question two ways. And one, I do learn from my clients, some of them have been business a lot longer than I have didn't mean and I kind of can learn from them about how they manage their teams, how they manage, you know, the ebbs and flows of demand and how we all learn from each other during the craziness that was COVID. Late high, everybody was pivoting high, the resilience of some people compared to the kind of high others kind of just blamed everybody else. I think it brought out a lot of people's character, that kind of difficult time and but then I also learned from my clients, and they're able to share that information with other clients. So I think that's part of where an accountant can help as well, because we're seeing other things or we're talking to other accountants about who their clients are kind of doing things not in a, you know, you're not sharing specifics, because that's client confidentiality. But you can kind of say, Look, you know, I'm seeing trends in this area, or suggest people might try their CIO or the other. But yeah, I think a lot of what I've learned, you know, you may be running a different business. But I've learned more from high people run their business and how they operate and how they work with their teams is what's interesting me at the minute.



Saskia de Feijter 43:22

Nice. Cool. And then I love this question. Does she have an Excel sheet with all her yarn? I'm basically asking, does she do yarn accountancy? And obviously does she also make stuff?



43:37

This is why I have to admit, I am not an editor. I don't have any yarn. I do have a fabric style.



Saskia de Feijter 43:46

Mentioned that fabric store and people just don't walk into fabric stores for no reason.





43:53

So I'm a kind of say Abba fabric stage. I started trying to learn how to sew and I've given up I put it on the back burner for and I horrified gasps throughout your podcast listeners. But when I was working, and this is the other thing, isn't it mentors that when I had a proper job rather than running when I when I was working and I was in London for a couple of years and like I remember speaker spending like weeks holiday going to Central Saint Martins for a pot and cotton course or whatever and I just like really loved going it's one in about this place and tried to learn to sew a few times but it's not quite stuck. And I just felt like I wasn't able to give it the ban, like having a small child and then starting a business afterwards kind of but he's now eight and the business is getting more stable. So hopefully I'll be able to pick it up again. My mom's a sewer and runs sewing departments of department stores. My childhood and I think I rebelled against it.



Saskia de Feijter 44:58

Well if you ever need any accountability I know of a very nice and loving community that does knitting as well as sewing. So just give me a ring. Cool questions for Thank you. We are going on to the on the side of the creative businesses, and asks how can we encourage creatives to put in frameworks and tasks to facilitate the accountant to transform it into a tax return? That's very practical, but I'm sure you haven't for that one.



45:34

Yes, I do. How can you make my life easier? Oh, this question. Yes. So I reward the clients like that by the cost is usually less, there's a traditional idea of us getting shoe boxes full of receipts, and that is really not my cup of tea. I prefer to use digital kind of tools, there's plenty of them now. And I can send some of the details over to you if you want to put them in the show notes. But, and for like the bigger clients, I use zero, or there's like Witches International or the smaller ones. I've been trying to encourage people to even use some of the new banks that come out that are on your app, so you can kind of get accounting bits that you add on to them. And you can put the receipts in them and everything and trying to get people to go digital, because in the UK that were there was meant to be a change in the sole traders way of doing the returns. And they were going to have to use digital tools. And they're going to have to do it more regularly. It's been pushed down the line a bit, but it's where people are heading. And not only because that's going to be the law, it's more, it's easier for you. If you do it little and often, and you get into the habit of doing things, then it's done. Do you know it's not our kind of Oh, shit, it's the end of January, or it's the whatever, and I have to find all this information. And so I think trying to get into a habit of doing a little and often finance Fridays. Yay. So I am in a yes, I mean a kind of community called upfront, and there's a global bond there. That's just a group of work. You know, that's apparently a Boland as a collective of women, which I didn't know. But we, one of the girls set up final frame finance Friday. So we have a cool working our fortify, I think it's only 45 minutes that we log in, do a zoom call, and we do stuff together. And I feel kind of, you know, if people have got other friends that they're also running businesses, maybe setting up some sort of right, we need to do this. But doing little, and often, I would say is better than leaving it all to the last minute, the quality of the records is probably going to be better. So the accountant will be more glad to see it and can get things turned around quicker, and probably cheaper. And you're more likely to pay less tax because you're more likely to have more things that you can more of your receipts or your the

things that we can offset against your income. So without getting too technical, I would say look at the tools that are out there that to digitize things and make life easier. And then get tried to build some sort of habit around it, and then reward yourself for doing it. And make it part community.

S Saskia de Feijter 48:32

Yes. How about filing financial Fridays? Followed by festivities? Yes, love. In our business circle, we have a work session set up where people work together on writing texts or anything that they have trouble with. If they know somebody else on the other side of the screen is also doing that makes it much easier. So this could be thing as well find an accountability partner. And I have some good tips, a good book. That's all about habit building and link in the show notes again. And what you usually do is you connect it to somebody something that you are already doing. And then you reward it. So that's basically where you should find your habit building things. Awesome. This is so great. Before I ask the next question, how are you on time because we're running out to a little bit? Right, I'm fine. Okay, thank you so much, then how can we encourage creatives to set some aside for potential taxes? If there's a specific percentage of sales income, that would be a good benchmark?

i 49:49

I'm gonna do the typical accountant. It depends. What it does depend upon is probably what you what country you're in and how you The tax kind of applies to it, and what other income etc you have, for people that I deal with, who only have here in the UK and say are a sole trader doing self assessments, etc. And that's all they have, like, it's just their business, they don't have other income, I tend to say, it's usually about a third of your profit. But profit is hard to know. So maybe if you put a third of your turnover away as investment in the bid, you know, because there was an old saying, that was like a third for the business, a third for you a third for the tax person. And if it's less, then you've got savings set aside is kind of where I go in it. However, that depends on what your circumstances are. But I think putting aside the money regularly is a really good idea. I've made the stupid mistake before of spending my bad money, you're not the one that everybody seems to mess up as much as like it's not your money, never think of it as your money, you just take it, keep it give it a and I've made the stupid mistake of like spending that being transparent. I use Starling is a bank. It's one of the digital banks here in the UK. And they have this thing called spaces that you can put money aside. So you don't have to have a separate bank account. It's just it's it's set aside for things. So I have a lot of different spaces, and I put my bank money or my tax money or my payroll, my money for my staff in these pots, and I filled them up during the month. And it makes me feel comfortable that I have that. And I don't have to stress about it. Because I hate stressing about money. It drives like I will wake up at 3am in the morning freaking out about it, too. Don't think accountants have it or saucers where we still we can we can get there.

S Saskia de Feijter 51:51

That's really good that you have that because that makes you a good accountant because you understand how you can lose sleep over it.



52:00

Yeah, it's like, I don't I need to have a buffer, I freak out very quickly, all that sort of stuff. But what I would say if you think about their service, go maybe go to your last tax return. And this is probably most relevant for somebody that's a self assessment, one go do your last tax return and work out how much you paid? And how does that compare to your turnover, and maybe use that as a benchmark in the UK, your if you pay over a certain amount of tax, you also have to pay these payments on account. So you pay them twice each year or whatever. So again, maybe speak to your accountant and say, Well, how much do you think for me? How you know what, what is? What is the expectation over the next year? And they'll probably say, Well, how you doing compared to last year, blah, blah, blah. And you could work out what you think you need to put aside. And that works for like limited companies, etc. as well. But put in again, putting a little and often aside can help habits, habits, habits, and if you know you're behind trying to build that up slightly. Yeah. And if you can't pay it, if you can't pay your tax, always go and speak to the tax authorities and tell them you can't pay it. Because most of them like over here, whatever weatherize if you stick your head in the sand, you're just likely to get penalties and interest and it will get worse.



Saskia de Feijter 53:20

Yes, and you won't sleep well. And if you don't sleep well, then your business is not going well. And there you go. So habits not hiding. That's big things that I'm getting. Thank you for that that's very, very helpful. And goes on saying that she actually shares more than asks that an accountant could be part of our team, instead of a tax collector facilitator. And that's how I feel about it to running a business. I have an editor that does my podcast editing, sometimes works with a writer, and a photographer. And these are just people that helped me build a better business. And we do it together. And I think that's an important thing. And I also need to mention my best friend's Saskia, who has done my numbers for me over the last decades. And she's put up with so much crap. Thank you. So yeah, for all those years, having them be part of your team. I think that's really good that you that you mentioned that and I agree and really



54:36

important. It's like I asked somebody wants, you know, like, how could it be a better accountant or something and they were like, would make sure that you're not trying to not once a year for the tax returns. And so in some cases, I've been doing that for some clients. So that's a focus of mine this year is to go like well, how can I stop that? How can I be more or be part of the team? You know, I've got I've got have bigger clients that I am very much part of their team, and I really enjoy it. But they do go, you know, but but being able to be more of a valued part of the team, because I see what you spend your money on. And I see, you know, see that there's people spend huge amounts of money on cultures and all these sorts of things, that when their accountant could maybe help them do the same thing and actually knows their business, if they've been with them for a while. Yeah, yeah. I think there's a mindset shift of both sides are needed sometimes. Yes,



Saskia de Feijter 55:32

...to build a relationship and a connection, you both have to think about the other person

exactly. To build a relationship and a connection, you both have to think about the other person as being part of a hole.

 55:42

And you know, maybe people actually asking their accountant, can you help with this, you know, being open and saying, This is what I'm struggling with? Can you help with this? And how much would it if you're worried about the money side of it? How much is that likely to cost or whatever? What can we do you know, how can we work together on this sort of thing and see if they are interest?

 Saskia de Feijter 56:01

Thank you. All right, then grace is next. And we've already discussed this, but I just want to repeat the question, because she wrote it down funny. How does she prefer her clients to keep records of all their material costs? Is she just hand me a shoebox full of your receipts type? You're not? Or does that drive her nuts? Yes, it does. So we've talked about that, that's all the digital the software that you can use. And you help people with that?

 56:35

Yes. And like kind of trying to work out which one's best for them, or whatever, I suppose I came in debt very much like I had my ideas of these are the ones you use or whatever. But I've declined, you know, the client needs to work out what they're agreeing to keep up with, or what they what they will engage with. But genuinely, I think that if you can take a picture of a hardcopy receipt, and then that's it, you've got the picture of it, it's in a piece of software, it's attached to the transaction that you spent it on, then you can get rid of it. And you can forget about it rather than worse, worse, orders receipts going, Oh, have I lost that one? Blah, blah, blah, yes. Or when you get an email, and when you you know, mostly these days, you buy something online, you get the email attached received. So I've got like, an email address you can forward it to. And then we've got the information. Other clients, maybe they're smaller, just use Google Drive and stuff. So yeah, there's things. There's an there's a there's a solution out there for you that doesn't involve shoe boxes and receipts.

 Saskia de Feijter 57:35

Yeah, yeah. We thought shoe boxes, like Marie Kondo says, like we can use those shoe boxes to fold your socks in and say thank you to the socks, whatever.

 57:48


I hear she's got three kids and has given up and being as neat.

 Saskia de Feijter 57:53

Is that true? Well, I'm gonna get into that, because I'm very much of the Church of KonMari. Not necessarily the person, but another episode again. Okay, this one is very this one came in later you have a, you haven't seen this one. So I'm just gonna try. We'll just we'll see where we go with this one. The set asks, Would you advise a starting small creative business to immediately apply for VAT registration, slash returns or waits until they reached the threshold? And that application becomes mandatory?

 58:41

I take it this person is probably from the UK. She's not, you know, okay. She thought that was? What's the fat, fat threshold in the Netherlands? I don't know.


 Saskia de Feijter 59:00
Changes.

 59:04

Usually, like in the UK, it's easy 5000 in a 12, rolling 12 months. So it's an it's a lot higher than a lot of other European countries. That's why I thought it was because I think my understanding with a lot of European countries is that they hit the fat threshold pretty quickly. But if I was speaking to people here, I would usually say not to sign up immediately on the assumption that this person is selling to consumers rather than business. If you're making something and selling it, like in a shop or online or whatever, to consumers, rather than businesses, those consumers can't claim back the VAT. So if you if you registered for VAT straightaway, you're kind of either having to put your prices up and be more expensive or you're losing some of your margin because it's less admin and Hopefully your margins will have improved by the time you're a little bit bigger anyway.

 Saskia de Feijter 1:00:05

Awesome. Thank you feel like I should know, I knew once and there's a small business line where you register or not register, I just don't know what it specifically is, but I can look it up for I feel like

 1:00:21

I've got shamed you.

 Saskia de Feijter 1:00:23

You did? shame me. Yes. There's fat shaming, we should do a warning at the beginning of this episode. There's fat shaming in here. Myself. Um, last question. No, I have two more questions. What advice would you give to a one person Small Business fat registered. outsource as much

as possible, or one person's does as much as possible herself and only outsource the special things such as the annual accounts,



1:01:02

I have this conversation quite regularly with people from everything from setting up a limited company to you know, doing the tax returns, etc themselves. It depends on what that person how financially confident the person is, whether they are going to do the bookkeeping regularly, and whether they're going to do it right, I tend to charge more for a client when somebody else has done the bookkeeping, then that's not a qualified bookkeeper or an accountant, etc. Because they know I'm gonna have to fix all the mistakes. I have, I suppose I have a rule of thumb, I would tend to say that if their VAT registered, they should get an accountant to do the VAT returns for them at least, and preferably the bookkeeping, I have mine kind of placed where I think it kind of makes more sense for me to do it if are asked to do it if you're about registered, mainly because that is hideously complicated. You know, like the rules are ridiculous, or at least they are in the UK. Just so bizarre, that they would be probably well virus to just give it to us. And I know that when I've tried to explain stuff to clients, they still get it wrong. So I would say if you're a one person and it's fairly straightforward, and you're comfortable with whatever tools you have a turnover isn't that is underneath the VAT threshold, then by all means do it yourself, as long as you're comfortable with it, and you've kept your notes so that we can like, change it if need to be sure your workings. But once you get to the VAT threshold, I think you'd be better off kind of outsourcing it, I still also think that you can probably add more value to your business, not doing the books, unless that is something that you really enjoy doing. And do some of the software I use, you know, like the zero software, you do get a nice little by like getting everything in and kind of reconciling everything and getting all the green buttons and stuff. There is a little the game a little bit, you know what I mean? So you do get action? Or maybe I'm just sad. But you're not some clients quite like doing it. Because they're like, Well, I understand this software. So I don't mind doing it. But I just think and some of them I have they do it. And then I go and check it for the VAT return because I've got software to go and analyze it and that answer to Question.



Saskia de Feijter 1:03:31

Yes, it does. And it also answered the last question. The first bookkeeping components topics task, he would advise a small business should look into herself. So I think we have covered,



1:03:44

yeah, find the system that works for you and stick with it.



Saskia de Feijter 1:03:48

Oh my gosh, I think this is the 54th interview that I've had. And by far, the other ones were inspiring and everything and interesting. But this is so chock full of value for small creative businesses in the needle industry that I'm talking to, and I am sure they will be chuffed with all

it is that you were so generously sharing with us. Thank you so much for everything. I'm just so happy that I just got VAT shamed only once. Everything I'm so relieved. Thank you so much

 1:04:38

that makes me happy.

 Saskia de Feijter 1:04:43

And immediately thinking, there's one big question that I didn't ask, do you work with people from outside of the UK?

 1:04:53

Unfortunately, I don't because of the fact that I don't know the rules in that sort of area. But if somebody is struggling with trying to find a kind of accountant that isn't me appeal and steal that if they get in touch, then I maybe I can find somebody might want to speak to them.

 Saskia de Feijter 1:05:14

Cool. Thank you so much. Thank you so much for your generosity also in time I loved it. If this episode wasn't everything you've always needed, you're not like me. It was for me. I thought this was the most amazing conversation. I learned so much. I even almost want to do everything myself now, but not completely. And luckily, we have people like Julian that can help us in a way that is not completely sucking the life out of us. So if you're in the UK, you can go to fearlessfinancials.co.uk Find Jillian there maybe start is the beginning of a beautiful, lasting connection with your accountant. I still say this giggly. But Jillian, you've really changed my mind about this whole thing. Thank you so much again. Hi, my name is Saskia. I've got over a decade of experience in running a small business in the needle craft industry. I'm obsessed with the healing magic of crafting and the power of community. dreaming big about a world where we rely on value based businesses, the kindness economy and where we can fully say fuck fast fashion. A smaller life aims to inspire you to look at your wardrobe differently. Where do you buy? How do you use your clothes? And can you make some of it yourself? We learn from experts in the needlecraft textile and creative industry big names and small about what it's actually like to run a small business. I'm educated in marketing and photography and learn to do everything else on the job selling pattern and product design, teaching and running a needlecraft school. As a small business owner you're in charge of everything branding, marketing, selling, promoting and cleaning the loo emotional talks with sellers about wins and woes, product and design conscious decision making, why we do it, how we do it, and what we need to become the future of fashion without burning the health apps. And I'm determined to lift our Cena for the world to notice so they can step away from fast fashion