

Tech-savvy Accounting Firm Gets More Done in **Less Time** with Coconut



Coconut.

“The key thing for all accountants is time saving and efficiency, because there are never enough hours in a day I think any accountant who looks into Coconut will realise the potential time saving is massive.”



Lee Coombes,
Director,
Lee Coombes Accountancy



About Lee Coombes

Established in May 2012, Lee Coombes Accountancy offers end-to-end accounting services for sole traders, limited companies and partnerships who require a no-jargon, straightforward approach to their accounting and tax needs. The practice is based in South Wales with a sister practice in Nottingham.

Challenge: How to stop the January rush when clients are late providing information

When you are preparing 120-130 tax returns a year for your sole trader clients, it's essential that you have all the paperwork sorted out and organised well before the January self-assessment deadline.

Yet, like many accountants, Lee Coombes and his team were preparing 80% of their clients' tax returns at the eleventh hour because there were too many clients who left it late. **"The biggest challenge is getting all the information we need from clients,"** says Lee Coombes, Director of Lee Coombes Accountancy. "They all tend to leave it to the last minute so January's always a little frantic."

The Swansea-based firm offers tax services for sole traders in just about every industry and uniquely has a lot of tradespeople on its books. Tradespeople don't have a lot of time for essential tasks like bookkeeping and, as consummate DIYers, they have a habit of leaving piles of paperwork in their vans until January comes around. **"By the time we get the receipts, they've often faded,"** Lee shrugs. **"We needed to change this, and also get ready for Making Tax Digital."**

That's when they discovered Coconut.

Solution: Work paperless, efficiently, and from anywhere with Coconut

Tradespeople are always busy, rushing from scheduled jobs to emergencies, so the tech solution needed to be easy to use and accessible from anywhere. Coconut ticks both of those boxes, and the feedback clients are giving the app is overwhelmingly positive.

“I think clients prefer that we're not chasing them for paperwork,” Lee explains. “For instance, the client I'm working on today probably gets somewhere between 10 and 15 payments a day to his bank account. I used to spend ages saying, ‘what's this one for, what's that one for.’ Now the software just pulls it all through. It's made everything so much easier.”

As for the set-up, this was very straightforward for both clients and staff. **“It's self explanatory, and the quality of the software is very good,”** Lee says. “I think Coconut is a far better option than Xero or Quickbooks, which can be overkill for sole traders as those solutions are not straightforward to use.”

“The feedback has been really positive. The setup is so easy. I think clients prefer that we’re not chasing them for paperwork if I’m honest.”

As a practice, Lee Coombes Accountancy markets itself as “not your 9-to-5 accountant.” They are available to clients in the evenings and at weekends, they are tech-savvy, and they embrace digitisation and apps to make things as efficient as possible. Now with the pandemic making work-from-home the new normal, using a cloud-based app like Coconut keeps Lee’s business operating efficiently no matter where staff and clients are located.

“We can work on Coconut wherever we are, so we don’t have to worry about a desktop setup now that staff are working from home. I spend a lot of time travelling and I can still work on the app from a train. It just makes us more efficient. And the less time we have to spend on our client’s work, the less charges they get. So using Coconut is a win-win situation,” Lee explains.

Results: Greater efficiency means more clients and more profitability, opening the doors to expansion

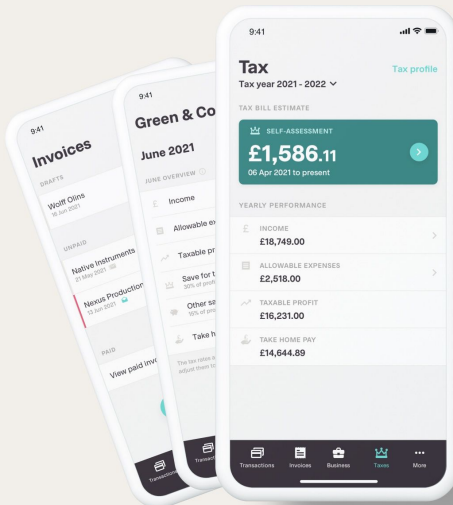
By creating a direct link to their clients’ bank accounts, Coconut made an immediate difference to the firm’s work flows. “We can be working on their accounts on a more regular basis now, since we’re not always chasing them for bank statements and information. It speeds up our process, and it also means we’re a lot closer to clients during the year. We can look at their accounts and see how things are going, and we can have a lot more quarterly review chats. That’s a lot more efficient for us, but it has naturally made the client more efficient as well.”

To give this context, whereas Lee and the team might once have been burning the midnight oil throughout January, preparing those last-minute tax returns, now they simply log into client accounts whenever they have a couple of hours spare. Gaining these precious additional hours is one of the main benefits of partnering with Coconut.

"It makes our business more efficient, which then frees up more time. The knock-on effect is that we can take on more clients."



Lee explains.



As for the future, Lee has ambitious plans to take his practice nationwide within the next five years. “The sole trader market is going to be massive when Making Tax Digital comes in, but sadly, I think a lot of accountants are going to drop off the grid because they haven't fully embraced it,” Lee explains.

“A lot of the old-school accountants that rely on compliance work don't invest in software, because they see it as a cost. Whereas we see it as an asset as it saves time and money.”

“With Coconut as part of our data flow, it doesn't matter where we are or where our clients are. There are no restrictions. So I can do the tax return side of things, and I can have more staff working on Coconut doing the bookkeeping back end for clients. We're going to use Coconut predominantly because we can trade from anywhere.”

“Even if Coconut just frees up an extra couple of hours per client, over the course of a year, that's a lot of hours. Which means a lot more turnover and profit for ourselves.”

TL;DR



Challenges

Lee Coombes Accountancy had a tough time every January, preparing self-assessment tax returns at the last minute because their sole-trader clients provided information late.



Solution

Partner with Coconut for year-round access to information and a real-time sync to clients' bank accounts, eliminating hours of wasted time.



Results

- Massive **efficiency gains**
- **Ability to take on more clients**
- Greater **turnover and profit**
- **Efficient cloud-based solution** supports nationwide expansion plans



9:41

Invoices

DRAFTS

Wolff Olins

16 Jun 2021

UNPAID

Native Instruments

21 May 2021

Nexus Productions

13 Jun 2021

PAID

View paid invoices

Create

Transactions

Invoices

Business

9:41

Green & Co.

June 2021

JUNE OVERVIEW

Income

Allowable expenses

Taxable profit

Save for tax

Other savings

Take home pay

30% of profit

15% of profit

The tax rates applied are based on adjust them to your own tax saving

Transactions

Invoices

Business

9:41

Tax

Tax year 2021 - 2022

Tax profile

TAX BILL ESTIMATE

SELF-ASSESSMENT

£1,586.11

06 Apr 2021 to present

YEARLY PERFORMANCE

INCOME

£18,749.00

ALLOWABLE EXPENSES

£2,518.00

TAXABLE PROFIT

£16,231.00

TAKE HOME PAY

£14,644.89

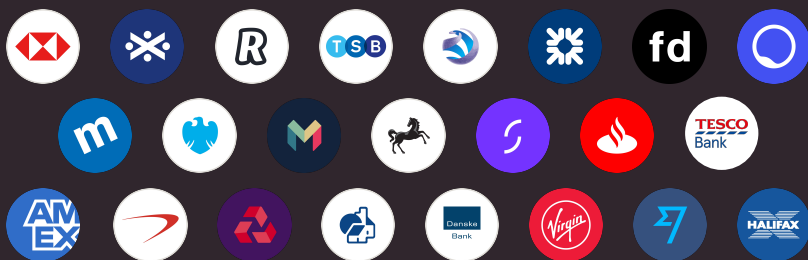
Transactions

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Taxes

More



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