

## ANONYMOUS COFFEE CO. CASE STUDY

Phil was stressed by bad data and poor communication with his old accountants. After switching to Starfish, he finally has the support he needs to grow his business.

After years of working in the coffee industry as a trained barista since 2002, Phil Carter wanted to do things his way. In 2018, he opened Anonymous Coffee Co. with a mission to bring delicious, ethically sourced coffee to the people of Reading and beyond.

From delivering coffee and brewing gear to people's doorsteps, supplying to local cafes and shops, and hosting stands at pop-up markets and events, Phil's plate quickly became full with the everyday responsibilities of running his small business. He knew he needed support, and fast, so he signed on with an accounting firm and trusted them to guide him during this perilous time of his journey.



## Phil wasn't getting the support he needed from his old accountant

Getting a business off the ground is a challenging process, and having the right support during this time is crucial to your long term success. About 20% of UK companies fail within their first year, and only 42.4% make it past their first five years of business. Phil made the right decision by seeking assistance from the jump and getting set up on Xero with his accountant. Unfortunately, as he soon learned, not all accountants are good ones.

As time went on, Phil began to feel increasingly frustrated with his accountants. Though he had a main point of contact within the firm, several different people were working on and managing his books at once with very little communication. This resulted in huge errors throughout his accounts, constantly late VAT and tax returns, and lots of stress.

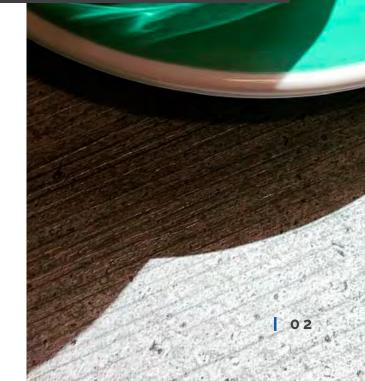


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Everything felt so disjointed. I was completely new to running a business and didn't have any idea what was involved with accounting or bookkeeping, but they didn't offer me any sort of guidance."

Phil wanted a team on his side that would make running a business feel easier, not more difficult. He had more and more questions every day, and was never getting the answers that he needed. After so many months of shoddy work, he had no idea what state his books were in and what it would take to get things back on track. All he knew for certain was that he needed more than what he was getting.







## A Xero health check was Phil's first step to taking back control

Phil started looking for a new accountant in October of 2020. He was drawn to Starfish because of our experience with and passion for helping small business owners and our clear and helpful way of sharing information across our website and blog. He decided to start with a Xero health check to get a full picture of where his business stood.

Our health checks the integrity of the data, tech system integrations and VAT rates to ensure everything is working as it needs to be.

When we started looking through Phil's accounts, we understood immediately why he had felt so confused and stressed with his previous accountants. None of the amazing apps and tools that Xero offers had been set up correctly so there were huge holes in his data, like with his point of sale software and sales information. Transactions had been coded inconsistently or were missing key paperwork.

The biggest issue we uncovered was in Phil's VAT returns. Phil knew that his old accountants were filing his returns late. What he didn't know was that they were also using incorrect VAT rates - VAT had been reclaimed where there wasn't any and not reclaimed where it should have been, essentially leaving money on the table that could have been used to further grow Phil's business.

We didn't leave a single stone unturned when it came to getting Phil's books back in order. We worked through over a year's worth of historic data to identify and correct all of these issues and set up his Xero software correctly so that everything would continue to work properly into the future.

## With Starfish by his side, Phil can run his business with confidence

Since starting to work with Starfish, Phil has learned exactly what a good accountant can do for your business. He's got up to date and accurate information at his fingertips, is no longer plagued by hefty fees to clean up messes in his accounts, and feels he's finally getting the value he deserves. Best of all, Phil can turn all his attention to the parts of his business that he's most passionate about.



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We've finally caught up and are on top of everything, so now I can actually start looking forward to the future. Starfish has taken the worry out of my business' finances."

Running a small business isn't easy. As Phil learned, having the wrong people on your team only makes it that much harder. Taking the time to find an accountant who has the experience and care you need will save you money, time and plenty of headaches.

Our mission at Starfish is to be the support network every small business owner deserves, giving you sustainable steps towards the life you want. **Get in touch with us today** to learn more about how Starfish can get you back on the path to success.

