

# GOING FOR GROWTH

Bush Nook is a luxury guest house right next to Hadrian's Wall, with amazing panoramic views towards the Border, Northumberland and Hadrian's Wall country. Despite excellent facilities and reviews, owners Malcolm and Jenny weren't making the most of the business's potential, so they called in Hayhoe Webb to help develop a growth strategy. In 18 months, they increased turnover by around 37%, and are building a thriving future-proof business.

## TAKING THE PLUNGE

Malcolm and Jenny's business on the Northumbrian-Cumbrian border had grown organically over the past 6 years, but they were well aware that their beautiful site was punching below its weight financially. However, the required expansion would mean serious upheaval and a refinancing package. They weren't used to strategic thinking, and knew they needed help.

*'We had fantastic assets on the site, including a cottage and barn,' says Malcolm, 'but we couldn't see our way through. We were dragging our heels, and needed clear direction to get through it. Without Paul, we wouldn't have had the confidence to tackle such a big project.'*

Paul's business development expertise allowed them to draw up a strategic growth plan. Paul was also involved in conversations with the bank, and helped them to secure a refinancing package. With a clear framework in place, they could now start realising their vision for the main house.

## TURNOVER UP BY 37% IN 18 MONTHS

As Malcolm explains, the project went far beyond a refurb.

*'We wanted to completely restructure the house, and add more bedrooms. We also created a guest sitting room »*



‘The hospitality business is about people, and Hayhoe Webb are on a scale where you have contact – it’s not that big office thing. Paul likes to be on top of things and we’re in regular phone contact. He knows the good and bad, as he’s worked in the trade. Without him, we wouldn’t have had the confidence to grow our business.’

MALCOLM AND JENNY REDMAN, OWNERS, BUSH NOOK GUEST HOUSE



» and dining room along with the extra bedrooms. The aim was to improve the visitor experience and open up the B&B to private house parties. Our previous accountant was a general practitioner, but Paul has a hospitality background, so he was able to advise us on the intangibles, which are vital to how people value your offering.’

The family also faced the personal upheaval of moving into the next-door cottage. But it was worth it! In just 12 months, Bush Nook almost doubled its capacity from 13 guests to 25, in 15 rooms. Turnover has risen from £70k to £100k in around 18 months.

‘We’re no longer living in the middle of the guests, which makes for far better privacy all round,’ Malcolm says. ‘It’s allowed us to reposition ourselves at the luxury end of the market. We can now target exclusive use and self-catering visitors, which is a new development.’

#### VAT, PRICING & WHAT’S AHEAD

Paul helped Bush Nook to negotiate the hurdle of VAT, and has advised on issues such as an honesty bar, and pricing their new offering. As Malcolm explains, accountancy was only a small end of Paul’s services.

*When we started offering meals, for example, we weren’t sure what to charge, as we’re not a restaurant. In this trade, you need a balance between making money and delivering good value. You can’t lose your guests’ trust or they’ll feel uncomfortable. Paul’s practical experience was a great help here.’*

Having pushed past the VAT threshold, Malcolm and Jenny now want to see if they can take the business to the next level. Long-term plans include potential for another two bedrooms, and turning a barn into self-contained flats. They’ve also looked at succession planning, and have brought son Stephen on board as a partner.



To find out how  
Hayhoe Webb can help  
with your hospitality  
business, or arrange a  
free consultation,  
ring Paul on  
01620 826060.



## GROW AND PROSPER

with The Hayhoe Webb Partnership

With our wealth of experience and professional expertise in the licensed trade, hospitality and tourism industry, your business is safe in our hands.



Paul Hayhoe  
Senior Fellow Member, AAT

Paul has worked as a pub manager for a major brewery in London, as a relief manager, and owned and run a family hotel in Scotland for 14 years. He qualified as an accountant with the AAT in 2005.



Alan Webb  
BSc, FCA

Alan is a Chartered Accountant and tax lawyer with decades of experience as a tax consultant and adviser. His particular responsibility in the Hayhoe Webb Partnership is tax planning and practice management.

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*"We recognise the value of having a good accountant who is just as hard-working as us. Paul is very much part of the success of the team. Without him, we wouldn't be in this position."*

Chris and Ailsa Reid  
President, Edinburgh and South-East Licenced Trade Association  
HENRICK'S BAR & BISTRO,  
EDINBURGH,



*"We have worked with The Hayhoe Webb Partnership for several years and found them very reliable and professional, with an in-depth knowledge of the hospitality industry."*

Karen Johnston, Graeme Johnston and Kevin Scott  
CARTER'S REST, JEDBURGH



*"We were introduced to The Hayhoe Webb Partnership when we were thinking of starting our own business. We didn't realise how much needed to be done before we even started trading, but The Hayhoe Webb Partnership did it all for us, so by the time we opened the pub for the first time, everything we needed was done for us. They were fantastic!"*

Tam and Margaret Thomas  
GLENMAVIS TAVERN, BATHGATE



*"Paul's very approachable and understanding. If you've got the world on your shoulders, give him a call. He does exactly what it says on the tin, and I'd highly recommend him to anybody. If it wasn't for Paul, I wouldn't be in the pub now. It's the best money anyone could spend on an accountant."*

John Martin  
THE HARBOUR INN, NEWHAVEN



*"I'd definitely recommend Paul. He's always there on the end of a phone, and I had ten times more contact with him in three months than in two years with the previous accountants. He always asked how I was feeling, and it seemed like he cared. I feel much better about the business now"*

Stephen Shand  
MA in Hotel and Catering Management, Dundee University  
THE COVENANTER HOTEL, FIFE

