

Make sure numbers add up warning

A NEWTON-based accountancy firm is warning companies they need to get their books in order to survive the economic downturn.

Andrew Mault, managing director of Sollertia, says too many businesses are failing to employ basic but robust accounting systems.

He said: "Disturbingly, the simple fact is that in many cases the basic accounting and finance skills required are just not out there.

"In my estimation, a significant number of accounting and financial personnel within businesses do not have the appropriate training or skills to properly manage their finances.

Advice

"One of the problems is that start-up businesses don't always seek out the right financial advice in the early days.

"The job of looking after accounts might well be handed on to a friend of the MD, or an individual with some book-keeping skills or experience.

"Some of those companies will grow into relatively big concerns, yet the accounts may well remain in the hands of an untrained amateur.

"They may manage to keep the operation in the black during the good times but their skills will be found wanting in the demanding economic conditions we face currently."