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Divine intervention

We use our experience, intuition – and a bit of guesswork – to predict the development of accountancy's big issues in 2024

Inside⁺
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What's in store for 2024?

What's around the corner? **Vipul Sheth** predicts the direction of travel for some of the big issues impacting accountancy – and the wider world – in the coming months.



Accountancy consolidators

You only have to take a look at the *Accountancy Age* list of top firms to see the consolidators – generally those backed by private equity – are shooting up the charts. Growing revenue inorganically though is not necessarily a measure of success; the first wave of consolidators during the noughties all failed to develop synergies, economies of scale, or use their mass to win bigger or more valuable clients.

New practices can grow quickly but then hit scaling issues, as clients demand more time and more complex servicing. Larger practices are built on years of client and people development – but consolidation can be disruptive. I expect to see some of the private equity houses look to sell on and make a good return... how easy that will be is very much up for debate.

Election

We will have an election in the UK this year, and it's by no means certain that the current incumbents will stay in power. Whatever the case may be, I hope for greater stability and planning in its thinking to encourage growth.

A bugbear of mine has been this government's lack of planning to encourage entrepreneurs and investors to stay here and invest. There are EU countries ready to snap up the best people through a combination of their tax treatment and



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both residence- and investment-friendly policies. Can whoever forms the next government drive the economy forwards?

AI

We couldn't have a '2024' list without mentioning AI. The 'warm glow' created by ChatGPT still exists, but now time will tell whether AI can revolutionise how we as citizens live and work.

Certainly, there's been concern among corporates (and governments) about making information freely available to be absorbed and interpreted into large language models. The next step could be AI platforms placed in 'data bubbles', with organisations then linking the platform with their own systems and information to help inform decision-making (as well as automating tasks).

Conversely, software providers are also

adapting and embedding AI into their solutions.

Whether these private data bubbles will be effective or not, when information into them is constricted, remains to be seen – but it will be fascinating to find out the next level of AI utilisation in the real world.

Shared services and outsourcing

You can see in AdvanceTrack's own growth that firms know they need resource and the recruitment market is difficult and costly. They are looking for someone they can entrust with supporting their practice. Some firms have looked to maintain control by setting up centres abroad – to varying degrees of success.

Expect to see more and more practices look to grasp the resources nettle – which will mean the outsourcing/offshoring offering will become more popular. I hope that, as firms transition towards models that involve greater automation and external resourcing, they stay laser-guided on developing their existing people while keeping a keen eye on what their clients want from them.

It is by no means easy to undertake that task, but resourcing is a means to an end. Without understanding what you want your firm and its people to provide (and to whom), then everything undertaken is done without foundation.

I wish you all the best during what is likely to be another busy and exciting year.

■ Vipul Sheth is MD and founder of *AdvanceTrack*. If you'd like to talk to us about helping you manage your workload, then please get in touch by [clicking here](#).

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FAQ

Why don't I run my own outsourced operation?

In our latest FAQ, we were asked: "If outsourcing works so well, shouldn't my practice just set up its own unit?"

The outsourcing and offshoring market has grown markedly in recent years. There are many reasons why that's the case, but the key one is a difficulty among practices to keep up with increasing workloads – they just can't employ enough people to undertake the work.

Coupled with the take-up of remote working during the pandemic; utilising technically competent people from other parts of the world has become more better understood and attractive.

Many practices have struck out on their own, employing staff abroad. Therefore, it is understandable that some practitioners will ask us the rhetorical question: Why wouldn't we set up remote working abroad ourselves?

Time, money, expertise

What AdvanceTrack and its people bring to the table is years of experience of running an outsourcing and offshoring operation. Our people are our most vital resource, but they are



underpinned by a huge investment in the best and most secure technology, supplemented by robust processes and workflows.

Increasing your resource, particularly in other countries, is much more than a 'recruitment' challenge. We have seen practices employ

individuals abroad only to see them left to work from home, often sitting in different time zones to the UK practice – that's a tough working environment, and sub-optimal.

We employ hundreds of accounting professionals, who work for our partner practices but also share a common bond, operating from one of our centres. They are in fact a community on their own behalf. And that's without going into all the detail of the physical and digital security and processes that we adhere to (details on those can be found in other blogs).

Our managers can work with the teams to deal with issues, often without having to disrupt the partner practice. The team we have built is vastly experienced, has its own ecosystem and career pathways – again, this saves our partner practices from time-consuming day-to-day management and oversight.

It's worth reiterating that our business is now more than 20 years' old, and our people work alongside successful and award-winning practices. Rather than go out on a limb, we would suggest that working with us is a better way of investing in resource.



In profile: Arjun Brahmhatt

We chat with operations director Arjun Brahmhatt about his journey with AdvanceTrack, and how accountancy practices have come to appreciate our outsourcing values.



What is your current role and what are your responsibilities?

I'm director of operations here at AdvanceTrack. As the senior team member for our Indian operations my role is to manage client relationships, delivery standards and ensure that quality is maintained.

What is your background?

I joined AdvanceTrack back in 2008. It was my first assignment! I'd completed my Indian chartered accountancy qualifications and then joined AdvanceTrack directly after doing so.

When I joined, UK practice and business was new to me – I had good accounting knowledge but needed more. AdvanceTrack founder Vipul Sheth supported me in developing my accounting, bookkeeping and payroll skills – and of course we still deliver these services today.

Since then, my role has changed to become the teacher, and managing the team. Training is an ongoing process, as is reviewing work.

What is the future for you and AdvanceTrack?

At AdvanceTrack we've always been very particular about how we undertake our work – strong processes and with robust security.

Before Covid we would often find resistance from practices that were not so concerned about some of our 'checks and balances' – wanting things done quickly or in different ways.

But, as things have developed, clients now appreciate and value our way of working – Referrals are growing and we are becoming bigger. We are also a 'pure' outsourcer/offshorer – it is our only focus, which is not always the case in the market.

Our next step is growing the business in other regions – it is an exciting time!

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