Built on Sand

Why your construction business feels out of control, and the twelve fixes that put it on foundations

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taxtful

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This book is general guidance for owners of UK construction businesses. It is not advice on your circumstances. Tax rates, thresholds and rules change; check the current position with your accountant before acting on anything here.

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A note before you start

This is a short book on purpose. You run a construction company. You don't have time for three hundred pages of theory, and you don't need them. What you need is to know why a business that's busy, well regarded and apparently profitable can still leave you lying awake doing sums, and what to do about it in an order that works.

Everything in here comes from doing this with construction companies between one and fifteen million pounds of turnover. Main contractors, subbies, groundworkers, M&E firms, developers, scaffolders. Different trades, remarkably similar problems. The problems are so similar, in fact, that they can be fixed in the same twelve steps, in the same order, in about ninety days.

I've used the language of the trade because it fits. First fix is the work behind the walls: the structure, the services, the bits nobody sees and everything depends on. Second fix is the visible work, the finish that people judge you on. And forever fixed is what you get when the maintenance is built in rather than bolted on. That's the shape of this book, and of the programme it comes from.

One more thing. If you read this and recognise your own business in the problems, you might feel a bit foolish. Don't. Every gap described here is a gap in the service you've been getting, not in you. You've been building on sand because nobody told you where the rock was. This is where the rock is.

Introduction: the three questions

Let me ask you three things.

What margin did your last job actually make? Not the margin you tendered. The one you ended up with, after the variations that never got claimed, the wet fortnight, the extra pair of hands you put on to hit the date.

How much money is being held from you in retentions right now, and when is each amount due for release?

What will your bank balance be in eight weeks' time?

If you can answer all three with a number, you can put this book down. You're in a small minority and your accountant is doing a good job. Recommend them to a mate.

If you can't, you're in the majority, and I want to be clear about something before we go any further. You are not failing. You are not bad with money. You have built a business that turns over millions of pounds, employs people, and delivers real things that stand up for decades. What you haven't had is information. Somebody has been preparing your accounts every year, and every one of those three answers is sitting in the data they hold. It has simply never been turned into anything you can use.

That's the whole problem, and it's a service problem, not a character problem. Construction is one client type among forty at most accountancy firms. Nobody there has had the time to learn what an application for payment is, why a retention isn't an ordinary debtor, or why booking uncertified work as sales makes a business look profitable

right up until it runs out of cash. So they do the accounts the way they'd do them for a shop, and the accounts are technically right and practically useless.

The result is that most contractors run their business on two instruments: the bank balance and their gut. Both are real, and both lie. The bank balance lies because it doesn't know what's coming. Your gut lies because it was calibrated when the business was a fifth of the size.

This book is about replacing those two instruments with a proper set. It's split into three parts. First fix gets four things true: you know your real numbers, CIS and VAT are right, every retention is tracked, and you can see cash thirteen weeks out. Second fix uses those foundations to find where the money is being made and lost: margin by job, pricing, labour, plant. Forever fixed builds the rhythm that stops it all decaying: a monthly pack, a tax plan, a structure that protects what you've built, and a one-page plan for the year.

Twelve chapters, twelve fixes. Read it in a sitting, then start on Monday with chapter one.

Part One

First Fix

The foundations behind the walls

First fix is the work nobody sees. The structural steel, the first-fix carpentry, the cables and pipes in the walls. Get it wrong and nothing built on top of it can be trusted, however good it looks. In your business, first fix is four things: knowing your real numbers, getting CIS and VAT right, tracking every retention, and seeing cash thirteen weeks out. None of it is glamorous. All of it is load-bearing.

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Chapter 1

Know your real numbers

The accounts you've been getting are probably wrong. Not fraudulently wrong, not wrong in a way that would trouble Companies House, but wrong in the sense that matters: they don't describe the business you're actually running.

Here's how it happens. Standard bookkeeping is designed for a business that sells something and gets paid. Invoice goes out, it's a sale. Money comes in, it's cash. Cost goes out, it's an expense. For a shop or a consultancy, that's the whole story. For a construction company, it misses almost everything.

You don't invoice, you apply. An application for payment is a request, not a sale. It goes to the client's QS, who certifies some of it, some of the time, on a date that isn't the date you applied. Until it's certified, you haven't earned it. But most bookkeeping systems book the application as a sale the day it's raised, so your accounts show revenue you might never see and profit you haven't made.

Then there's the work you've done but haven't applied for yet. Labour on site last week, materials delivered on Tuesday, all of it booked as cost in the month it happened, none of it matched with the income it'll produce. Your profit and loss swings up and down month to month for reasons that have nothing to do with how the business is doing.

And then retentions. Five per cent of every certificate, held for a year or more, sitting in your debtors list next to last month's certified application as if it's due next Friday. It isn't. It's a loan you've made to your customer,

and showing it as an ordinary debtor makes the cash position look far healthier than it is.

Put those three distortions together and you get the most common thing I see in a new client: a set of accounts showing a healthy profit, and an overdraft that never quite goes away. The owner assumes the problem is them. It isn't. It's the accounts.

The fix starts with a table. For every live job: contract value, applied to date, certified to date, cost to date. Subtract cost from certified and you have the margin on a certified basis, which is the only basis that means anything. Compare it to the tender margin. Then add up the gap between applied and certified across all jobs: that's revenue your accounts may be counting that you haven't earned. And add up the cost on jobs you've done work on but haven't billed: that's work in progress your accounts may be ignoring.

Once you've done that once, you'll know two things. You'll know which of your jobs is actually making money, which is usually a surprise. And you'll know how far your accounts have been from reality, which is usually a bigger one.

The permanent version of this is a conversation with whoever does your books about revenue recognition: certified, not applied; monthly WIP adjustments; retentions shown separately with release dates. It's not complicated. It's just never been asked for.

Chapter 2

CIS and VAT, fixed

There are two places where construction companies leak cash without noticing, and both are mechanical. That's the good news. Nobody has to change how they run the business to fix them. Someone just has to look.

The first is CIS suffered. If your company is a subcontractor, your customers deduct twenty per cent from the labour element of every payment and send it to HMRC on your behalf. That money is yours. The question is when you get it back.

A limited company can set CIS deductions suffered against its monthly PAYE and National Insurance through the employer payment summary. Whatever's left over at the end of the tax year is reclaimed. The problem is that a lot of companies only ever do the second part. They pay PAYE in full every month, then reclaim a lump in the autumn, months after the year has ended. For a two million pound subcontractor that's an interest-free loan to HMRC of fifty or sixty thousand pounds, made every year, for no reason at all.

I once took on an electrical contractor who'd been doing exactly this for six years. Thirty-eight thousand pounds sitting with HMRC at the point we started. Moving to monthly offset took one form and one process. The autumn overdraft peak that the owner had assumed was just how the business worked disappeared the following year.

The second leak is reverse charge VAT. Since 2021, when you supply construction services to another VAT-registered, CIS-registered business

that isn't the end user, you don't charge VAT. The customer accounts for it themselves. Get it right and it's a non-event. Get it wrong and one of two things happens. Either you charge VAT to a contractor who should have been reverse charged, the invoice gets bounced, and you're paid six weeks late. Or you reverse charge a customer who's actually an end user, and you've under-declared VAT.

The common mistake is not asking. End-user status has to be confirmed by the customer in writing. If they haven't, and the other conditions are met, the reverse charge applies. Most contractors have never asked, so they're guessing invoice by invoice.

There's a knock-on. If most of your sales are reverse charged and most of your purchases carry VAT, you'll be in a repayment position every quarter, and you're waiting three months for money HMRC owes you. Move to monthly returns. It's a form.

The exercise is a list. Your top ten customers and top ten suppliers, with columns for VAT registered, CIS registered, and end-user status confirmed in writing. Mark whether you're invoicing each one correctly. Then pull your last twelve CIS statements, total the CIS suffered, and compare it to what was offset. The difference is cash you're owed.

And if you're a subcontractor with turnover above the threshold and a clean compliance record, apply for gross payment status, so nothing is deducted in the first place. It's the longer-term answer. Keeping it means passing the compliance test every year, which is a decent discipline in itself.

Chapter 3

The retentions ledger

A retention is a loan you make to your customer. Interest-free, unsecured, for anything up to eighteen months. Across a live order book it usually adds up to more than the overdraft.

The maths is simple and brutal. Five per cent on a two million pound contract is a hundred thousand pounds. Half comes back at practical completion, half at the end of the defects period, typically twelve months later. Run six jobs like that and you've got a few hundred thousand pounds of your own money sitting in other people's bank accounts at any given moment.

That would be bearable if it always came back. It doesn't. Retentions get lost for the dullest reasons imaginable. The job finishes, the team moves to the next one, the release date passes and nobody raises the invoice. Or the client disputes a defect, the conversation drifts, and eighteen months later nobody can remember who was meant to chase it. Or the main contractor above you goes under and takes your retention with them. Industry estimates put unrecovered retentions in the hundreds of millions of pounds a year, and it's mostly small contractors funding it.

I took on a six million pound fit-out contractor with three hundred and forty thousand pounds in retentions across nine jobs. Nobody had a list. Nobody had a release date. Two of the amounts were already eighteen months overdue and the client had simply never been asked. We recovered two hundred and ten thousand in six months. It was never a hard conversation. It was just a conversation nobody had scheduled.

The fix is a ledger. For every job in the last three years: customer, retention percentage, amount deducted, first release date, final release date, status, and a name. The status is one of four things: released and received, due but not invoiced, invoiced but unpaid, not yet due. Anything in the second category gets invoiced this week. Anything in the third and over thirty days gets a chase this week.

Then name one person who owns it, put a monthly reminder in their diary, and never let it lapse. The whole thing takes an afternoon to build and half an hour a month to run.

Two more things. In your accounts, retentions should be shown separately from ordinary debtors, with their release dates, and excluded from the short-term cash forecast until they're actually due. And on every future tender, ask for something better: a retention bond instead of cash, a lower percentage, a shorter defects period, or a cap. Not every client will say yes. Some will. Nobody offers it unasked.

Chapter 4

The 13-week cash forecast

Construction cash flow is lumpy in a way that almost no other business has to deal with. You pay labour weekly. You pay materials on thirty days. You get paid on certification, which happens monthly at best, on a date the client's QS decides, for an amount the client's QS decides. In between, you're the bank.

Most contractors manage this on instinct and a bank balance. It works, roughly, until the business grows past the point where one person can hold the whole picture in their head. Then one week in every quarter turns into a scramble: a supplier on stop, a payroll that needs the overdraft, a phone call to the bank on a Friday afternoon.

None of that is necessary. The tight week was visible two months in advance, to anyone who'd built a forecast from the actual payment schedules of the actual contracts.

Thirteen weeks is the right horizon. Long enough to see the next quarter's low point, short enough that the numbers are real rather than hopeful. Start with today's bank balance. For each of the next thirteen weeks, list what's coming in: certified applications by their contractual payment date, retention releases that are genuinely due, VAT repayments, anything else. Then list what's going out: wages, subcontractors, materials, plant hire, finance, PAYE and CIS on the twenty-second, VAT on the seventh, rent, everything regular. Closing balance each week. Circle the lowest.

Then run one scenario. Your biggest receipt arrives thirty days late. It will, one day. Recalculate. If the low point goes below zero, that is the conversation to have with the bank now, calmly, with a spreadsheet, rather than then.

The forecast should be updated on the first working day of every month. Once it's built, that's under an hour. It should be the first page of your monthly pack, and the one you look at before any other.

A cash forecast changes how you tender, too. Before you commit to a large contract, model its cash profile: mobilisation costs, stage payments, retentions, and the labour and materials you'll fund before the first certificate. It'll tell you whether you can afford to win the job. Sometimes the answer is no, or not on those payment terms, and it's far better to know that before you've priced it.

Part Two

Second Fix

Making it pay

Second fix is the visible work. Sockets, switches, skirting, doors, the finish people judge you on. In the business, it's the work that turns a set of true numbers into more money: margin by job, pricing, labour, plant and overheads. You can't do second fix properly until first fix is in. Plenty of coaches will try. It doesn't hold.

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Chapter 5

Margin by job

Company-level margin is an average, and averages hide things. A business making nineteen per cent across the board might be making thirty on three jobs and losing money on the fourth. The fourth is the one that matters, and the average will never show it to you.

Job costing is the answer, and it's less complicated than it sounds. It means every cost is coded to a job at the moment it's incurred. Every purchase invoice carries a job reference. Every timesheet is allocated. Every plant hire, every subcontractor payment. Then, once a month, each job's costs are set against its certified value and you have a margin, by job, while the job is still running.

That last part is the point. Year-end accounts tell you which jobs made money after the job has finished, which is interesting and useless. A monthly margin by job tells you at month two that a job is slipping, while you can still submit the variation, change the crew, or renegotiate. It's the difference between a post-mortem and a diagnosis.

The first time you do this, you'll find at least one thing that's been costing you money for years. A roofing contractor I worked with had six regular customers and a company margin of nineteen per cent. By customer, the range was thirty-one per cent to minus four. Two housebuilders with slow payment and heavy retentions were losing money on every single job, and had been for as long as anyone could remember. Nobody knew, because nobody had ever split the number.

The exercise has two parts. First, the process: check that job references are captured at source. Count last month's transactions without one. Fix whatever's letting them through, because a job costing system with gaps is worse than none. Second, the analysis: for each live job, split cost into labour, materials, plant and subcontract, and calculate each as a percentage of certified value. Compare it with the tender assumptions. Where labour is over, ask why. Productivity, rework, weather, scope creep? Where there's scope creep, list the uninstructed extras and raise the variations this week, not at final account.

Then make it a rhythm. Fifteen minutes per live job, monthly, with the site manager in the room. They know why the labour's over. They've just never been asked in front of the number.

Chapter 6

Pricing and the customers who cost you money

Most contractors price with a percentage on top of cost that was set years ago and never tested since. The business has doubled, the overheads have tripled, and the mark-up is the same as it was in the van days. That's how a busy company with a full order book can still end the year with nothing.

The number nobody calculates is the overhead recovery rate. Take every cost that isn't charged to a job: office, yard, vehicles that aren't on site, admin salaries, insurance, professional fees, finance. Divide by expected turnover. That's the percentage every job has to carry before you've made a penny of profit. For most contractors between one and fifteen million it lands somewhere between ten and eighteen per cent, and almost none of them have it built into their tenders explicitly.

Once you know it, pricing becomes arithmetic. Direct cost, plus overhead recovery, plus the profit you actually want, equals the price. If the market won't pay that price for that job, the answer isn't to shave the margin. It's to not do the job.

Which brings us to customers. Rank them by margin, not turnover. Turnover is vanity. Your biggest customer is often your worst, because size buys them the right to pay late, hold heavy retentions and squeeze the rate. Look at the bottom three and, for each, decide one of three things: reprice, change the terms, or stop.

Stopping is the one people struggle with. It feels like throwing away work. But a customer who generates a million pounds of turnover at minus four per cent is costing you forty thousand pounds a year for the privilege of keeping your people busy. Replace them with nothing and you're better off. Replace them with a customer at twenty per cent and you've transformed the business.

Review your last five tenders against three tests. Did labour go in at real cost, including employer's NI, pension, holiday and the unproductive hours? Did the overhead recovery rate go in? Did a profit margin go on top, separately? If the answer to any of those is no, you've been pricing at cost plus optimism.

Finally, write down a minimum acceptable margin and agree it with whoever prices work. Anything below it needs your signature. It's a small rule that stops a lot of bad jobs.

Chapter 7

Labour: productivity and the status question

Labour is the biggest cost on most jobs and the biggest tax risk in the business. It's worth taking both halves seriously.

Productivity first. What did a labour hour actually cost you last month? Not the hourly rate. The fully loaded cost: gross pay, employer's NI, pension, holiday, sick, training, allowances, divided by the hours that were actually productive rather than travelling, waiting or standing down for rain. For most employed labour the fully loaded figure is thirty to forty per cent above the headline rate, and if the tender used the headline rate, the job was underpriced before it started.

The measure to track is certified value per labour hour, by crew, monthly. It's a single number, it's easy to produce once job costing is in, and it tells you more about how the business is actually running than any other metric. When it drops, something has changed on site, and you'll want to know what before the margin tells you.

Now the status question. CIS status and employment status are different things. A labour-only subcontractor can be perfectly compliant under CIS and still be, in HMRC's eyes, your employee. If they are, the PAYE and National Insurance that should have been paid is your liability, going back years, with interest and penalties. It's the single largest tax exposure in most construction businesses and the one least often looked at.

The factors are well known. Do you control what they do, when and how? Can they send a substitute? Are you obliged to offer work and are they obliged to take it? Do they carry any financial risk, provide their own tools, or could they make a loss on a job? Do they look like part of your workforce to the outside world? No single factor decides it, but the picture usually isn't subtle. The bloke who's turned up every day for three years, uses your kit and takes instruction from your site manager is not self-employed, whatever his invoice says.

The exercise is a list of every labour-only subcontractor with honest answers to those questions. The high-risk ones get a decision: move to payroll, engage through a compliant umbrella that operates PAYE, or restructure the arrangement so it genuinely reflects self-employment. Document the review, the decision and the date. Keep it. If HMRC ever ask, that document is the difference between a conversation and a bill.

Do it once a year. The cost of getting this right is a fraction of the cost of an enquiry.

Chapter 8

Plant and overheads

Plant is where construction companies quietly lose tax relief and quietly overspend, often at the same time.

The tax part first, because it's the easy win. When you buy plant and machinery, the cost is deductible against corporation tax, in full, in the year you buy it. Full expensing covers new kit, the annual investment allowance covers second-hand. Vans and commercial vehicles qualify. And, crucially, kit bought on hire purchase qualifies on the full price the moment it's brought into use, not as the instalments are paid.

I've lost count of the businesses where none of this has been claimed. A groundworks firm at four million had bought excavators, dumpers and a lorry on hire purchase over four years and claimed nothing on any of them. The asset register in the accounts didn't match what was in the yard. A hundred and forty thousand pounds of corporation tax, recovered by amending two years of returns and putting a process in place for the future.

The exercise: walk the yard with the fixed asset register from your accounts. Mark anything on the register that's gone, and anything in the yard that isn't on it. Then, for every asset bought in the last four years, check the tax computation for a claim. Amended returns can usually go back two years.

Now the spending part. Owned plant sitting in the yard at thirty per cent utilisation is a slow leak. For your five most valuable items, estimate utilisation honestly: days on a job last month divided by working days.

Below fifty per cent, hiring is often cheaper, even before you count the maintenance, insurance and the yard space. The buy-or-hire decision is a cash and utilisation question first and a tax question second. Never buy a hundred and twenty thousand pound excavator to save thirty thousand in tax. It still costs ninety.

And overheads generally. List them line by line and ask three questions of each: is this charged to jobs where it should be? Could it be smaller? When did we last check the price? Insurance, fuel cards, phone contracts, software, the yard lease. Nobody's looked at half of them since they were set up.

Part Three

Forever Fixed

The rhythm that keeps it standing

Everything in first and second fix decays without a routine to maintain it. The ledger stops being updated. The forecast slips a month, then two. The margin review gets bumped for a site visit. Within a year the business is back on instinct and a bank balance. Forever fixed is four things that stop that happening: a monthly pack with an hour to act on it, a tax plan with the money set aside, a structure that protects what you've built, and a one-page plan for the year.

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Chapter 9

The monthly pack and the hour that matters

Information you get once a year is history. Information you get every month, on the same page, in the same format, with an hour set aside to act on it, is management. The pack is the single output the whole method has been building towards.

One page. Certified sales for the month. Margin by live job against tender, with anything slipping flagged. The retentions ledger, with anything overdue. CIS and VAT position, so you know what's due on the twenty-second and the seventh. The thirteen-week cash forecast, with the low point marked. Tax set aside against the forecast bill. And three actions, with names and dates.

The detail sits behind it for anyone who wants it. The page is what you look at.

Two deadlines make it work. The pack lands within ten working days of month-end, every month, without exception. And the review call is booked for the day after, at the same time every month, for the next twelve months, and it isn't optional. The pack without the hour is a report. The hour without the pack is a chat. Together they're the thing that makes everything else in this book stick.

After the first pack, do a five-minute audit. What didn't you look at? Remove it. What did you want to see and couldn't? Add it. The pack should get shorter and sharper over the first three months until it's

exactly the six or seven numbers you'd want if you could only have one page.

Decide who else sees it. Your co-director, obviously. Your site managers for their own jobs' margin, which changes their behaviour more than any team meeting ever will. A finance manager if you have one. Not the whole company. The pack is a management tool, not a newsletter.

Chapter 10

The tax plan

A corporation tax bill that arrives as a surprise nine months after year-end is not bad luck. It's a sign that the planning never happened. The number was knowable a year earlier, to anyone who'd looked.

The plan has three parts, and none of them are clever.

Know the number. From the monthly packs, forecast profit for the current year. Apply the corporation tax rate. That's your provisional bill, and you should know it by month six at the latest.

Set it aside. Open a separate bank account, call it tax, and transfer a twelfth of the forecast bill every month. If VAT and PAYE are also a struggle, put those in too. The business will feel poorer month to month and richer at every deadline, which is the correct way round.

Make the decisions before year-end, not after. Three months out, book a planning meeting with your accountant. On the table: plant purchases and their timing, pension contributions, salary versus dividends, whether an R&D claim is worth making (more construction work qualifies than people assume: temporary works design, groundworks solutions, new methods), and anything that can sensibly be accelerated or deferred. Write down each decision, its tax effect and its cash effect.

That last column matters. Tax planning has a way of turning into spending money to save a fraction of it. A thirty thousand pound saving on a hundred and twenty thousand pound excavator still costs ninety

thousand pounds. If you needed the excavator, buy it before year-end. If you didn't, don't.

Put next year's planning meeting in the diary before you leave this one.

Chapter 11

Structure and protection

A construction company carries risk in a way that most businesses don't. A bad job, a client going into administration, a contract dispute that goes to adjudication. Any of these can take a healthy business down in a quarter. Sensible structure keeps the things you've built up, the plant, the property, the cash reserves, out of reach of that risk.

Start by quantifying the exposure. For each of your top five customers: certified but unpaid, retentions held, work in progress. Add it up. That's what you lose if they go under tomorrow. Compare it with your reserves. For most contractors the first number is a multiple of the second, and that's worth knowing.

Then the reserve itself. Most construction businesses should hold at least eight weeks of overhead in cash, in a separate account from the tax money. Set a monthly transfer until you're there. It's dull, and it's the thing that turns a bad quarter into an inconvenience rather than a crisis.

Structure is the longer conversation. If your plant, your yard and your reserves sit in the same company that carries the contract risk, they're all exposed. A holding company above, with assets held separately from trading, is the usual answer. It isn't free: there are costs and tax implications in moving assets, and it needs doing properly. But for a business with real assets and real contract risk, it's usually worth it, and it's much easier to do before you need it than after.

Director pay belongs here too. Salary, dividends, pension, benefits. Most owners either take too little, leaving everything in the business and living on an overdraft, or take it in the most expensive way possible. A plan for the year, agreed with your accountant, is tax-efficient and, more importantly, actually pays you properly for the risk you're carrying.

And protect the contracts. Credit insurance on the big customers. Retention bonds where you can get them. Payment terms and adjudication clauses that you've actually read. None of these are exciting. All of them are cheaper than the alternative.

Chapter 12

The one-page plan

Everything in this book becomes a habit only if it's measured. The plan is one page, and it's the last thing to build because it depends on everything before it.

Four annual targets. Certified turnover. Gross margin percentage. Year-end cash reserve. Secured order book at each quarter-end. Set them with your accountant, from the last twelve months of packs, and be honest about what would have to be true for each one to happen.

Three Monday numbers. Choose three things you'll check every Monday morning before anyone else gets to you. The usual picks: bank balance against the forecast, certified value applied last week, and overdue retentions and debtors. Set up whoever produces them to send them by eight o'clock. It takes them ten minutes and it takes you two, and it means nothing drifts for more than a week.

Five decisions. Out of everything you've done through first and second fix, pick the five that will move the numbers most. The customer you're dropping, the price you're changing, the excavator you're selling, the foreman you're moving, the retention bonds you're asking for. Each one gets a date and an owner.

Four quarterly reviews. In the diary, with your accountant, for the coming year. Targets against actual, what changed, what next. It's the same hour as the monthly review, once a quarter, with a longer horizon.

Write it on one page. Pin it up. Give a copy to anyone who needs to deliver it.

That's it. Twelve fixes, in order, over about ninety days. The foundations, the finish, and the maintenance that keeps it standing.

Afterword: what happens next

If you've read this far you're probably doing one of two things. Either you're ticking off the fixes you already have, and finding a few gaps. Or you're looking at twelve chapters and wondering where on earth to start.

Start at chapter one. Not because it's the most exciting, but because nothing after it works without it. Every coach, consultant and clever idea you'll ever encounter for your construction business assumes the numbers are true. Make them true first.

Do them in order. First fix, then second fix, then the rhythm. Ninety days is realistic for most businesses at this size if someone competent is doing the accounting work and you're doing the decisions. Longer if you're doing both. It's still worth it.

And if you'd rather not do it alone, that's what we built Taxtful for. The 90 Day Profit Reset is this book, delivered: the twelve modules with a workbook each, an implementation accountant rebuilding the numbers while you make the calls, and the monthly pack at the end of it. Forever Fixed is the year after that, with nineteen other contractors at the same stage and your own accountant in the room. Both start with a thirty-minute call and your last set of accounts. If it's not right for you, we'll say so.

You're not failing. You've been let down. That's fixable, and now you know how.

Chris Neuman

About the author. Chris Neuman is the founder of Taxtful, accountants and advisers to UK construction companies turning over £1m to £15m. Taxtful runs the 90 Day Profit Reset and the Forever Fixed programme on which this book is based. The workbook, free tools and the Foundation Score are at taxtful.co.uk.

You're not failing. You've been let down.

Most construction companies between £1m and £15m are run on two instruments: the bank balance and the owner's gut. Both are real. Both lie.

This short book explains why a busy, well-regarded, apparently profitable contractor can still lie awake doing sums, and sets out twelve fixes, in the order that works, that put the business on foundations. First fix the numbers. Second fix the margin. Then a rhythm that keeps it fixed for good.

Three questions. What margin did your last job make? How much is held from you in retentions? What's your bank balance in eight weeks? If you can't answer them, read this.

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