

# #1

## benchmark bulletin



**Well it's the end of the second quarter in the financial year so we're beavering away looking at the benchmarking data. We thought we'd give you all an overview of how the profile information you submitted stacks up overall (for newer users that happens when you join, for users who started a while ago the profile is in the benchmarking forms). We've also added in some information on turnover. Here are a few things to get you thinking ...**

### Turnover:

The average income across all users was £5,000 for Q1 and £6,000 in Q2 ie about £20–25,000 per annum.

There was quite a bit of variation however with the minimum being a few hundred pounds and the maximum being some £11,000 in Q1 and £18,000 in Q2—that's about £70,000 per annum. Interestingly designer makers are doing better overall than fine artists.

### Hourly rates:

The average hourly rate across all users is £30. Designer makers come out below average at home £10–20/hour, artists come out above average at £42/hour. Service and consultancy based businesses such as product designers do best of all with the maximum hourly rate of £175. Anyone charging over £50/hour is in the top 25% of rates charged by MyCake users.

### Working from home:

We don't ask you where your studio is so working from home means different things to different people and sectors. We rather assume that designer makers and artists will have a studio whereas some of the more consultancy or serviced based folks may well work from a home office. The average across all My-Cake users is that you spend some 1.5 to 2 days a week working from home. With artists this is more like half the week, with jewellers more like 1.5 days.

### Time spent on other sources of income:

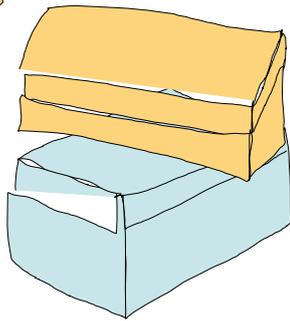
As you might imagine this is very variable at the extremes but the average is 1.5 days per week spent earning an income outside your main creative focus. Designer makers tend to spend more time than the average on these other activities ... about 2 days a week, whereas fine artists are below 1 day a week.

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## Crumbs!

In this bulletin we've focussed on the designer makers and visual artists as sole traders and microbusinesses in the Creative Industries. It leaves us with a couple of questions to the MyCake users and to other readers of this bulletin:



- At the moment it looks like those charging lower hourly rates are spending more days on their business and earning more per annum ... **but which would you rather have the turnover or the time?**
- It is pretty normal to earn part of your income elsewhere, not just at the start of your business but for quite a few years into it ... **is this a long term plan for you or is it supposed to be transitional? If the latter by when do you intend to earn all your income from your business?** Does earning your income elsewhere buy you freedom to grow your practice and your business or does it hinder your commitment and development?

As background ... of the 250 user accounts most MyCake users are running businesses where there are just one or two creatives, they are not VAT registered and do their own bookkeeping.

At the moment there are more designer makers and artists using MyCake than there are product design, media & broadcast or fashion folks. That's why, in this MyCake benchmarking summary we're only giving sector specific figures for these two sectors.

With new partners bringing new users from across the UK and across a wider variety of sectors this picture is starting to change.

In our next bulletin we'll do a more detailed breakdown of how the profit & loss sheet looks ... where your major expenditures are, what the average spend on elements like rent, phone and travel are.

If there is anything in particular you'd like us to look at do drop Sarah a line on [sarah@mycake.org](mailto:sarah@mycake.org)

... and of course you can login to your own account and look at your personal benchmark results any time of the day or night. From the landing page inside the login there are a series of links to benchmarking results ... one form per quarter. If you need a bit more help you can always drop Marion a line at [marion@mycake.org](mailto:marion@mycake.org) or come to the next monthly training session.



**All MyCake users can access their individual benchmarks once logged in at [www.mycake.org](http://www.mycake.org). To benchmark your business during your free trial (rather than wait until another year has passed) why not enter the data for your last financial year? If you are a sole trader your Self Assessment Tax return will contain most of the data you need to do this. If you run a limited company then your last set of annual accounts will provide the necessary information.**