Divided but determined.

wilson partners.

Confidence nudges higher, but many businesses are facing challenges.

Over six months into Donald Trump's second term, global uncertainty continues to dominate the backdrop. Policy U-turns on tariffs, volatility in the Middle East, and the ongoing war in Ukraine are fuelling caution. At home, fluctuating data on inflation, GDP, and speculation around further tax increases in November—on top of those announced in the Spring Budget—are adding pressure.

Confidence remains muted, but it's a game of two halves.

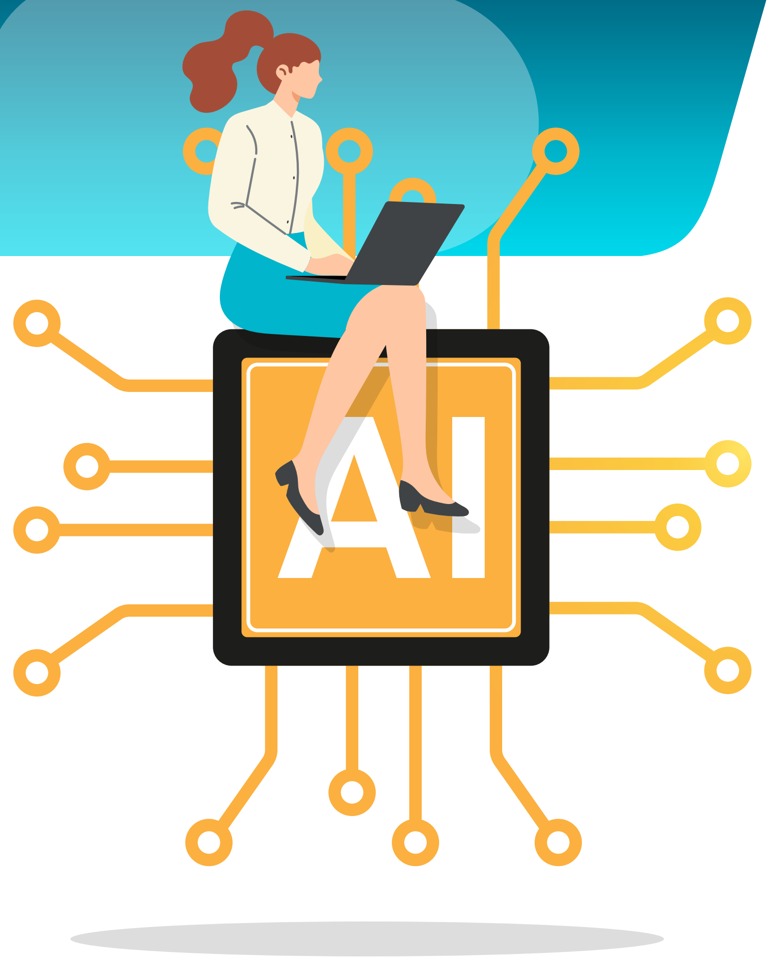
The average confidence score has nudged up to 60 (from 57 in January), still towards the lower end of what we've seen since our first survey in 2020. But, the split is telling: 30% of respondents scored their confidence at 50 or below, while 43% scored theirs at 70 or more—highlighting a clear divide in business sentiment.

36% of businesses are planning to increase their workforce before the year ends, with just 7% expecting a reduction. And while half of respondents anticipate a rise in turnover, only 37% expect profit to follow suit—reflecting the growing challenge of maintaining margins amidst persistent cost pressures.

Increasing sales remains the single biggest challenge (52%), followed by hiring, cash flow and rising costs. Yet many businesses are focused on the upside: 61% say their biggest opportunity lies in deepening relationships with existing clients, with others citing innovation, failing competition, M&A, marketing and AI as areas of growth.

When it comes to AI, sentiment is shifting. 29% of respondents believe it will elevate their work and client service, and a further 41% plan to adapt their businesses over time.

What's next?



As we move through the second half of the year, businesses are navigating tight margins, talent challenges and unpredictable markets. For some, it's a question of survival. For others, a chance to leap ahead.

But across the board, one theme remains constant: opportunity favours action.

Now is the time to double down on client relationships. To clarify your sales and marketing strategy. To build a brand that earns trust in uncertain times. And yes—to explore where AI can unlock efficiency and value without losing what makes you human.

So, what should you be thinking about right now?

1. **Focus on depth, not just breadth**
   Doubling down on your existing client base remains your biggest opportunity. Think upsell, cross-sell, and loyalty—how can you add more value to the people who already trust you?

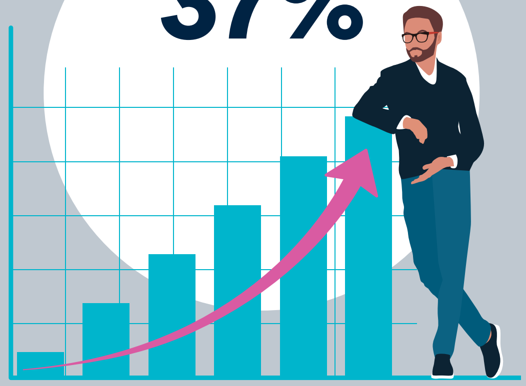
2. **Protect your margins**
   Turnover doesn't mean much if profits aren't following. With input costs still high, now's the time to review pricing, renegotiate contracts, and keep a tight grip on your cash flow.

3. **Start small with AI**
   You don't need a full-scale AI strategy—but you do need to start exploring where it can save time, reduce errors, or enhance your client experience. The tools are evolving fast and your competitors are watching.

4. **Invest in the right kind of visibility**
   When sales are harder to come by, your brand, your messaging and your marketing matter more. Make sure your business is showing up in the right places, with the right voice.

20% increasing prices to counter NI hike

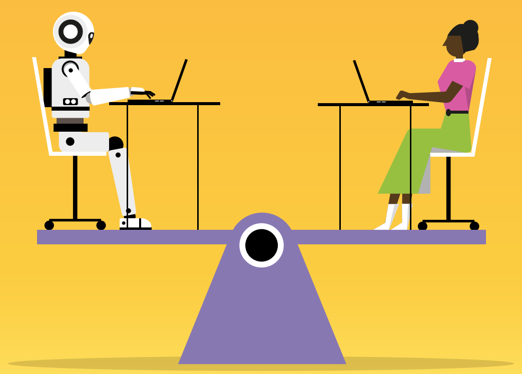
37%



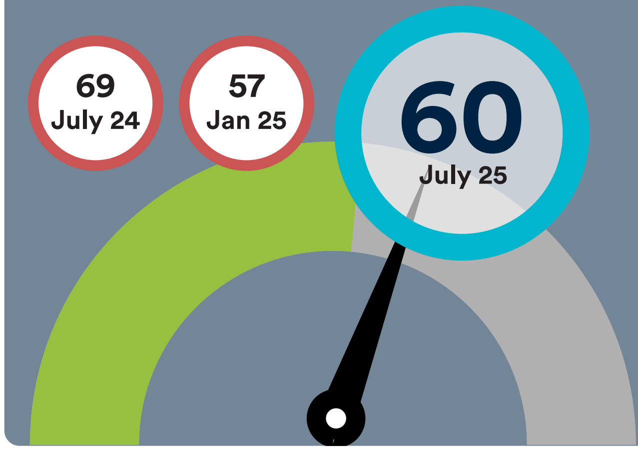
Increase in profits

25% of respondents re-evaluating how shareholdings are structured

29% AI will enhance their business



Confidence barometer



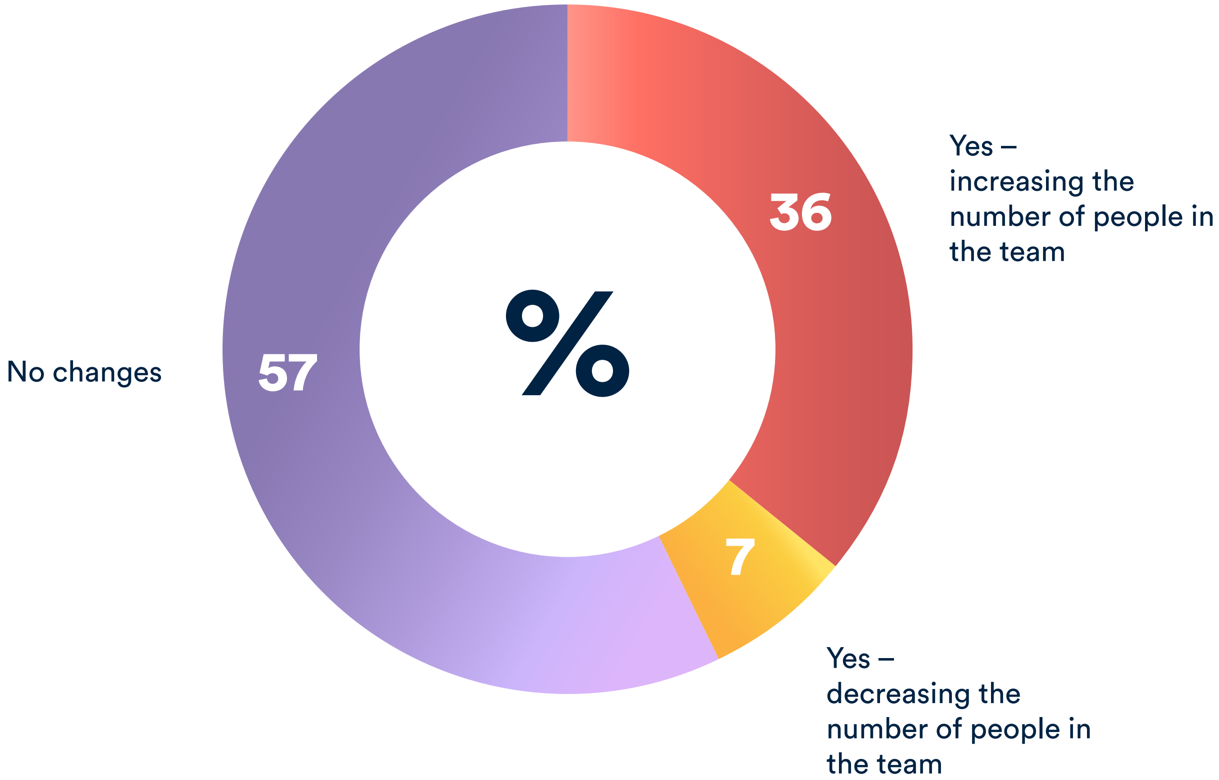
29% Cash flow worse than 12 months ago

W. The results.

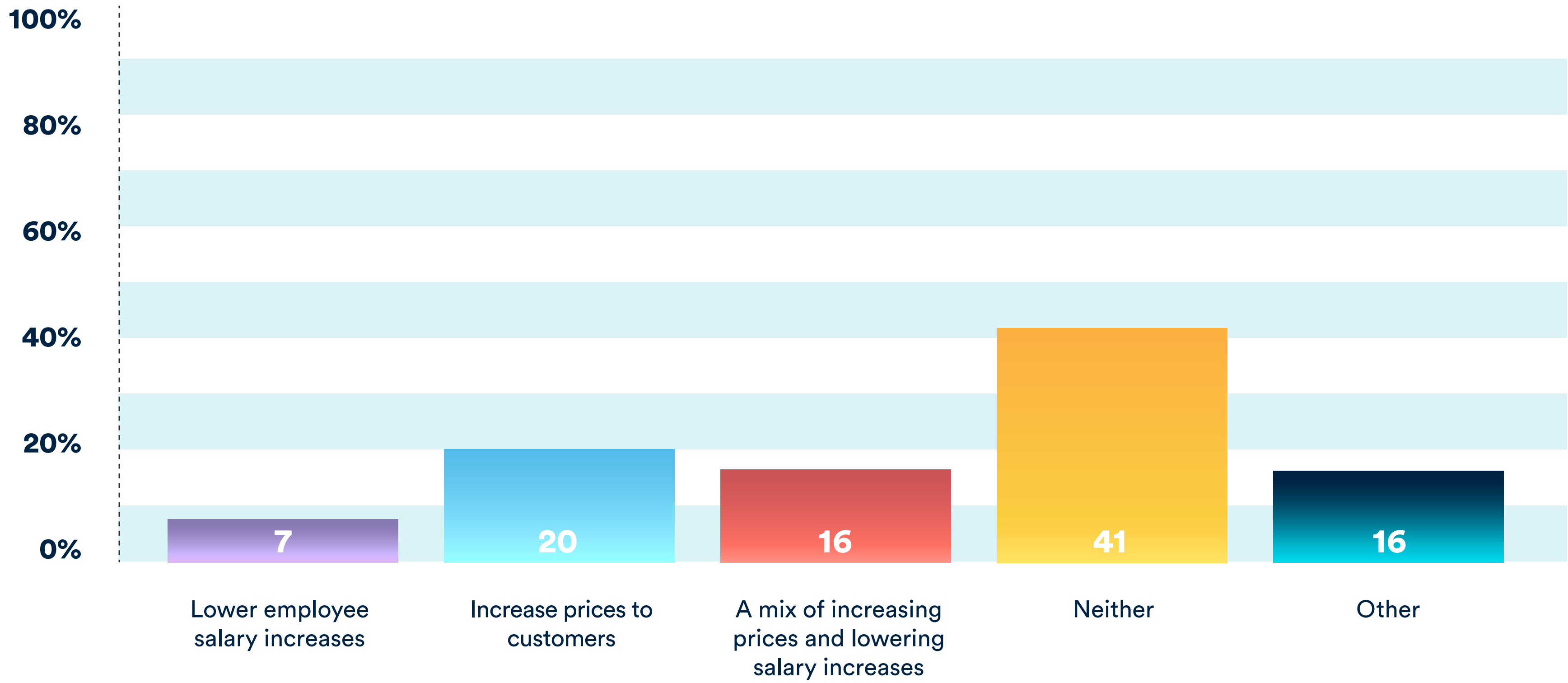
Q1

On a scale of 1-100 (1 being terrible, 100 being fantastic), how are you feeling about the prospects for your business in 2025?

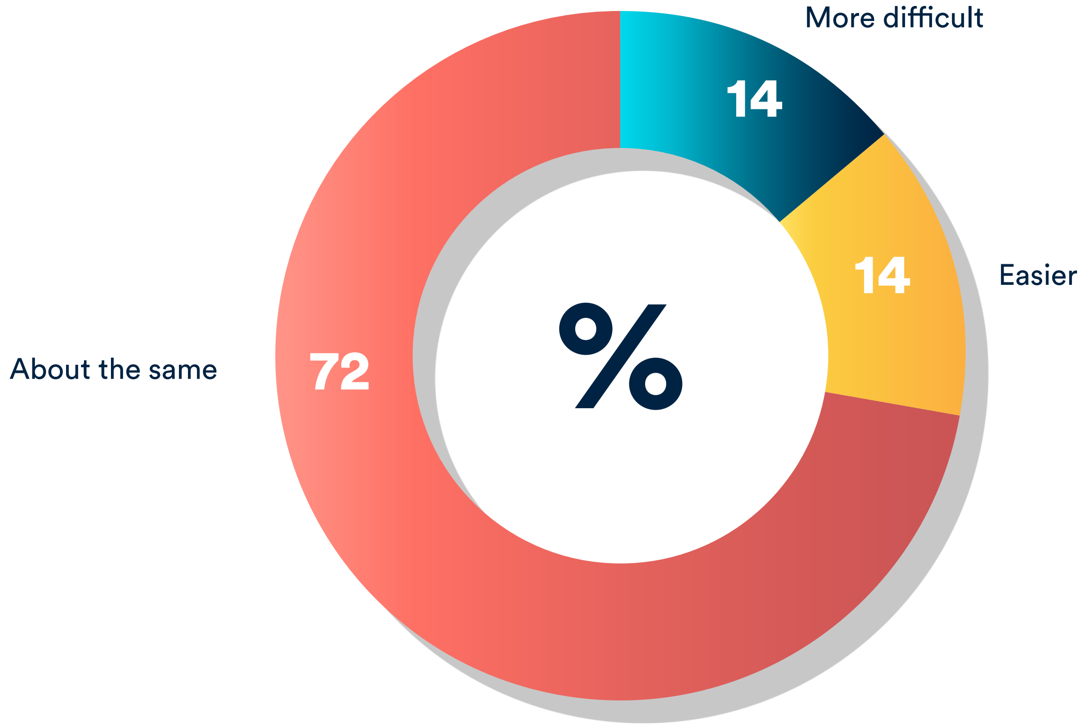
Q2 Do you plan on making changes to your workforce over the next 6 months?



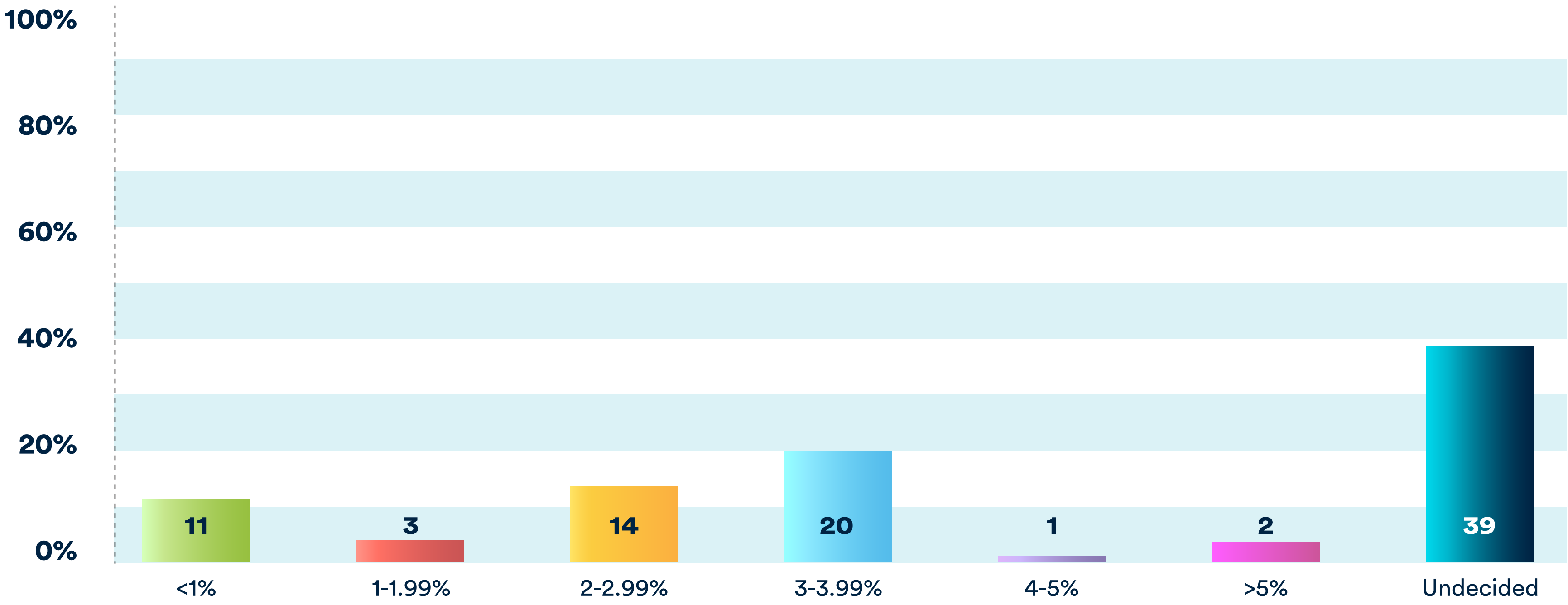
Q3 Following the increase in Employers' NI announced at the October Budget, which came into effect from April 2025, what mitigating actions are you likely to be taking?



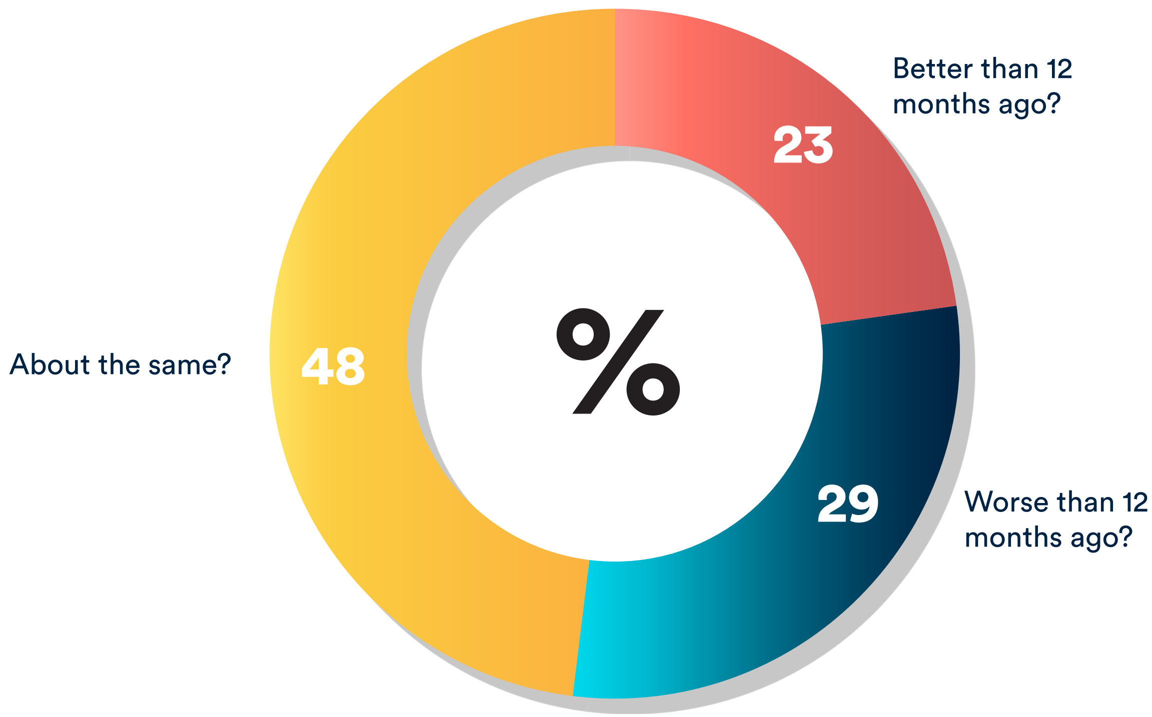
Q4 Compared to 2024, are you finding it easier or more difficult to recruit?



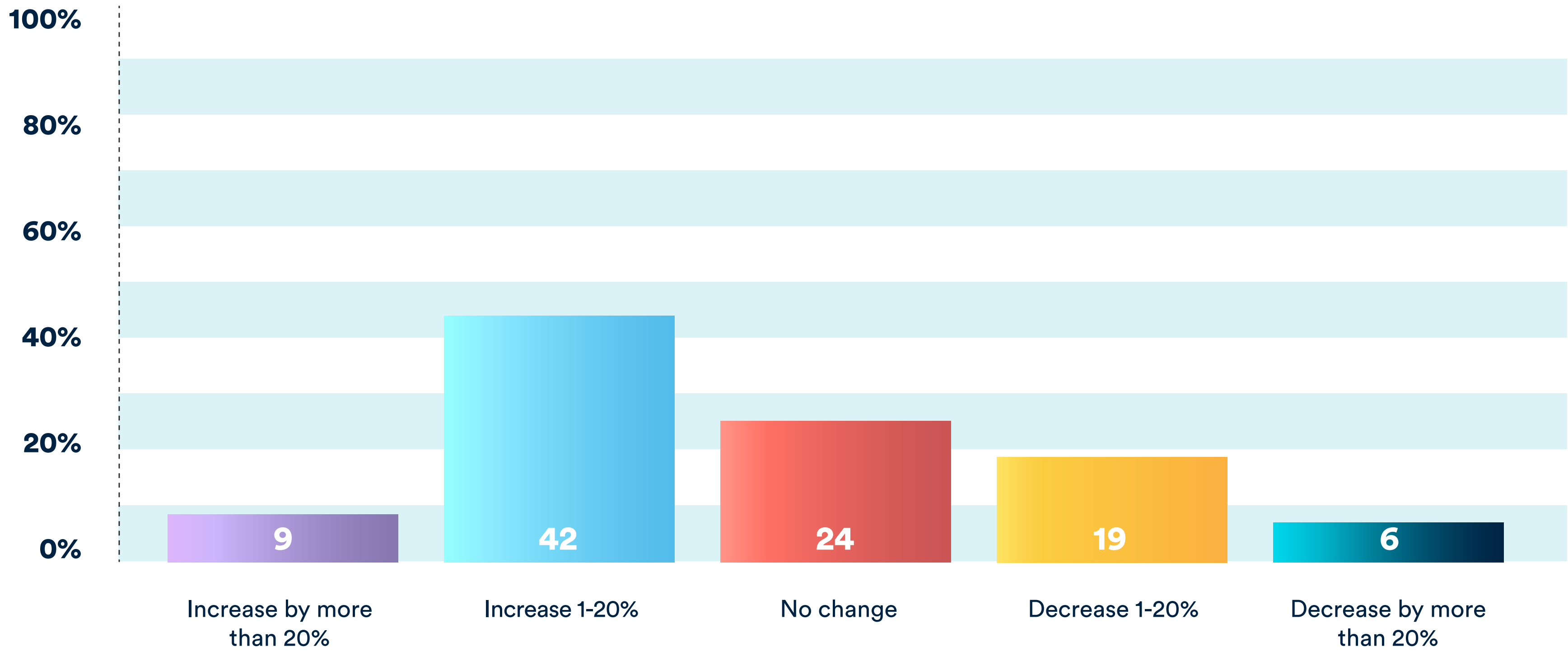
Q5 What salary increases do you plan to make in your next salary reviews?



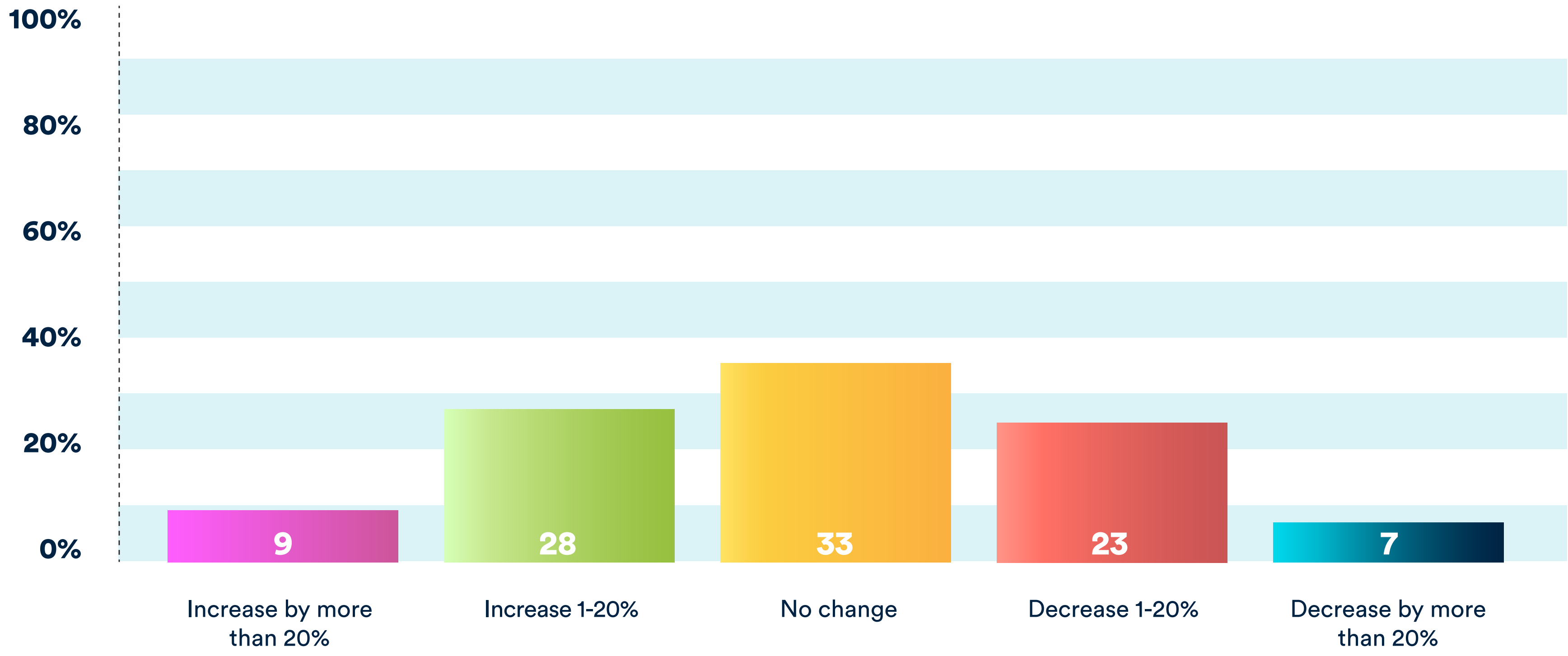
Q6 Is cash flow...



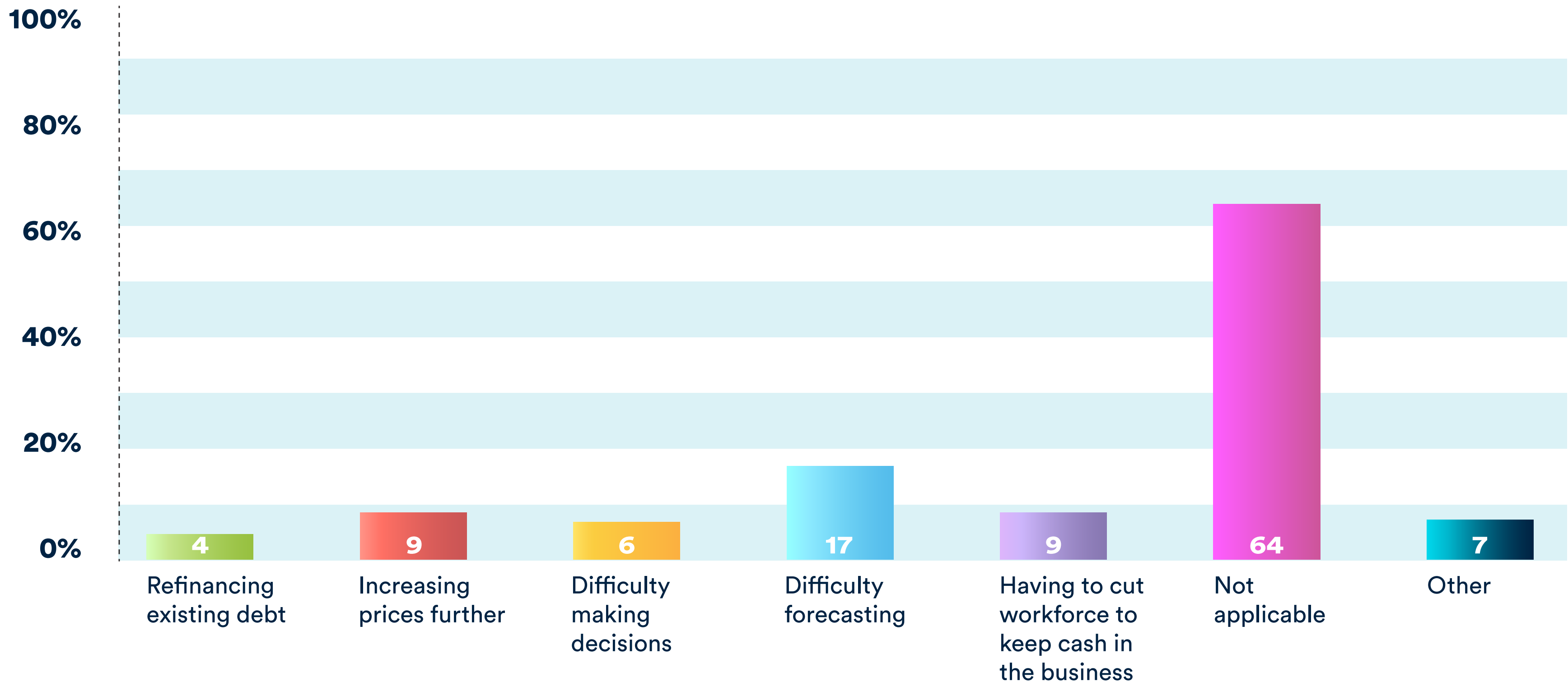
Q7 How do you think turnover in 2025 will compare to 2024?



Q8 How do you think profit in 2025 will compare to 2024?

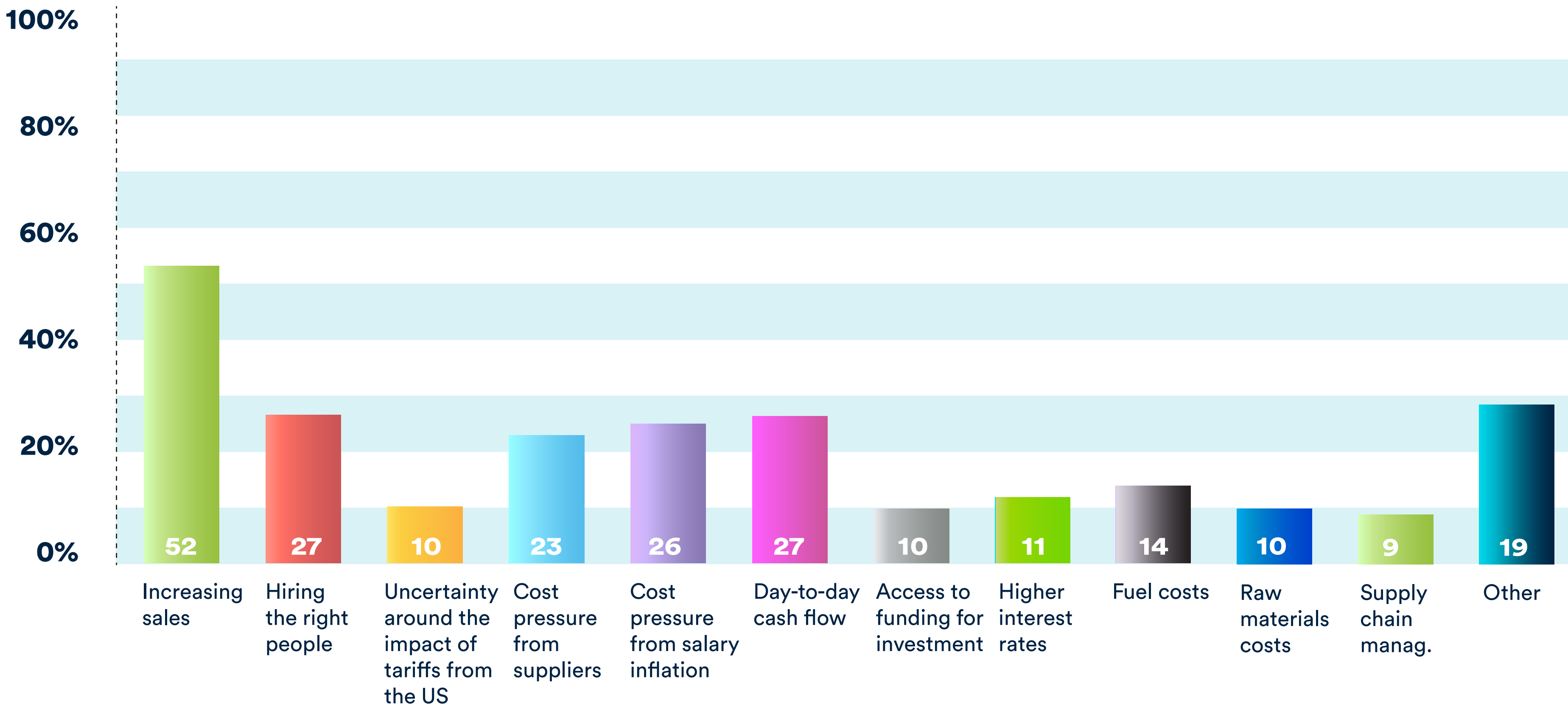


Q9 With interest rates still much higher than three years ago, please tell us how it is affecting your business.



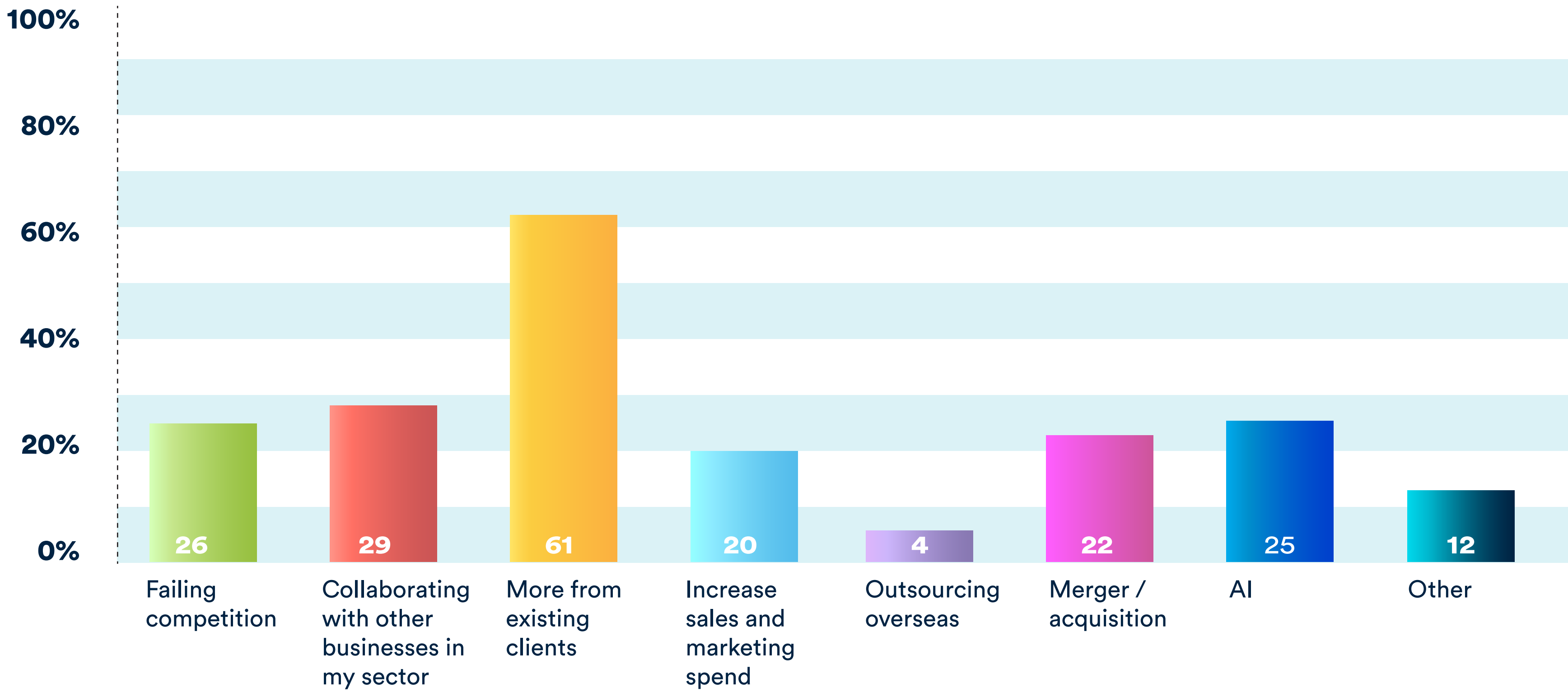
*Respondents ticked all that applied.

Q10 What are the biggest challenges you're facing right now?



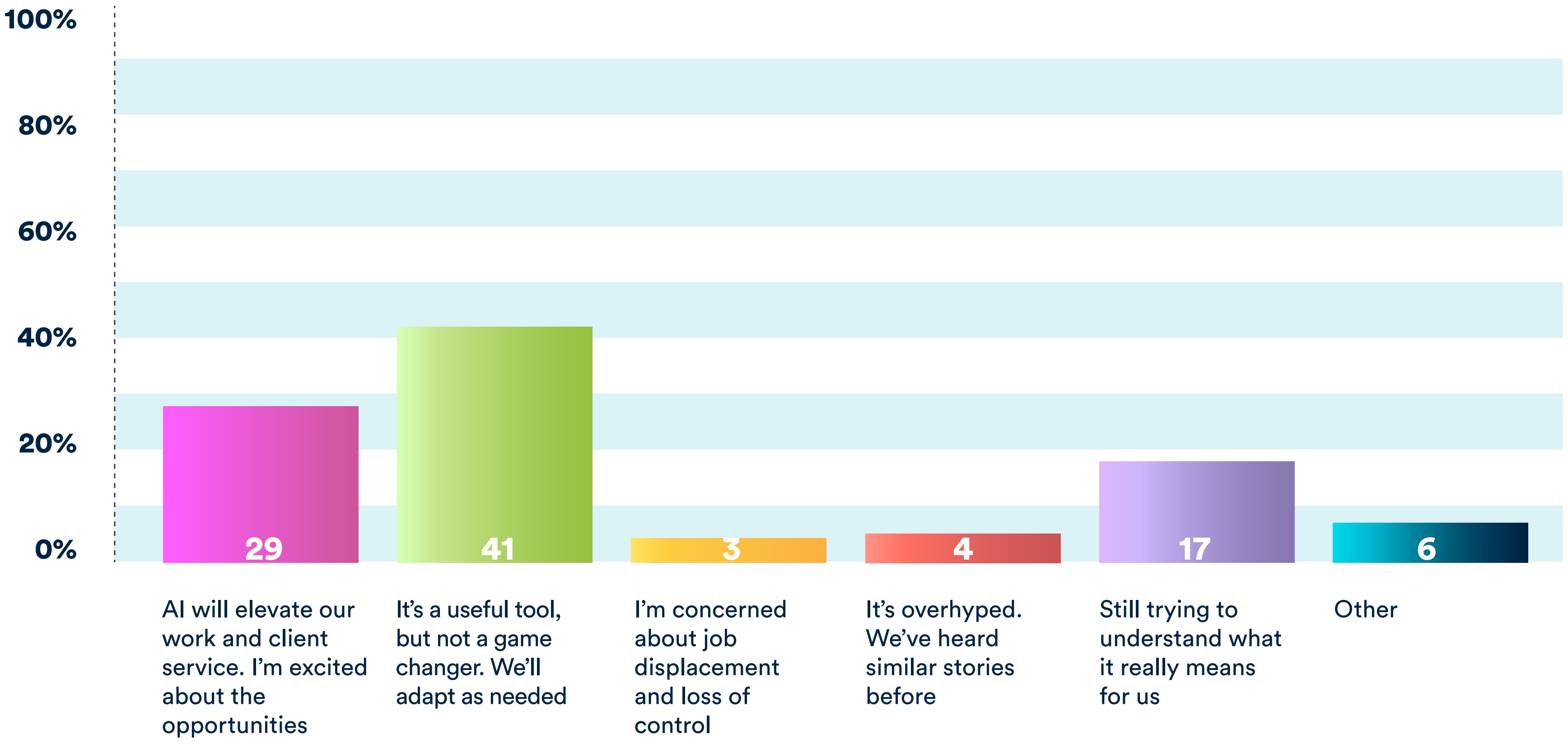
*Respondents ticked all that applied.

Q11 Where do you see the biggest opportunities for 2025?

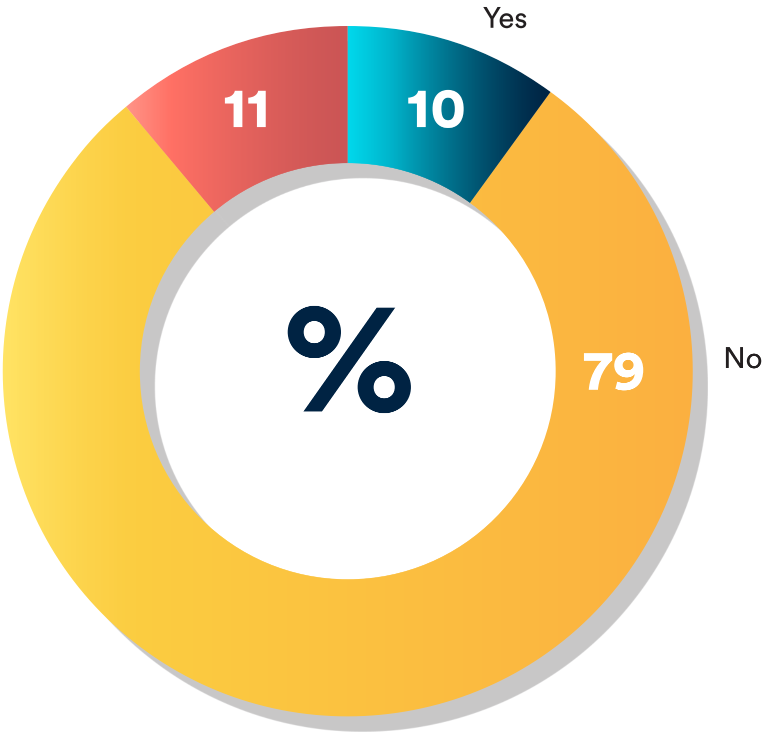


*Respondents ticked all that applied.

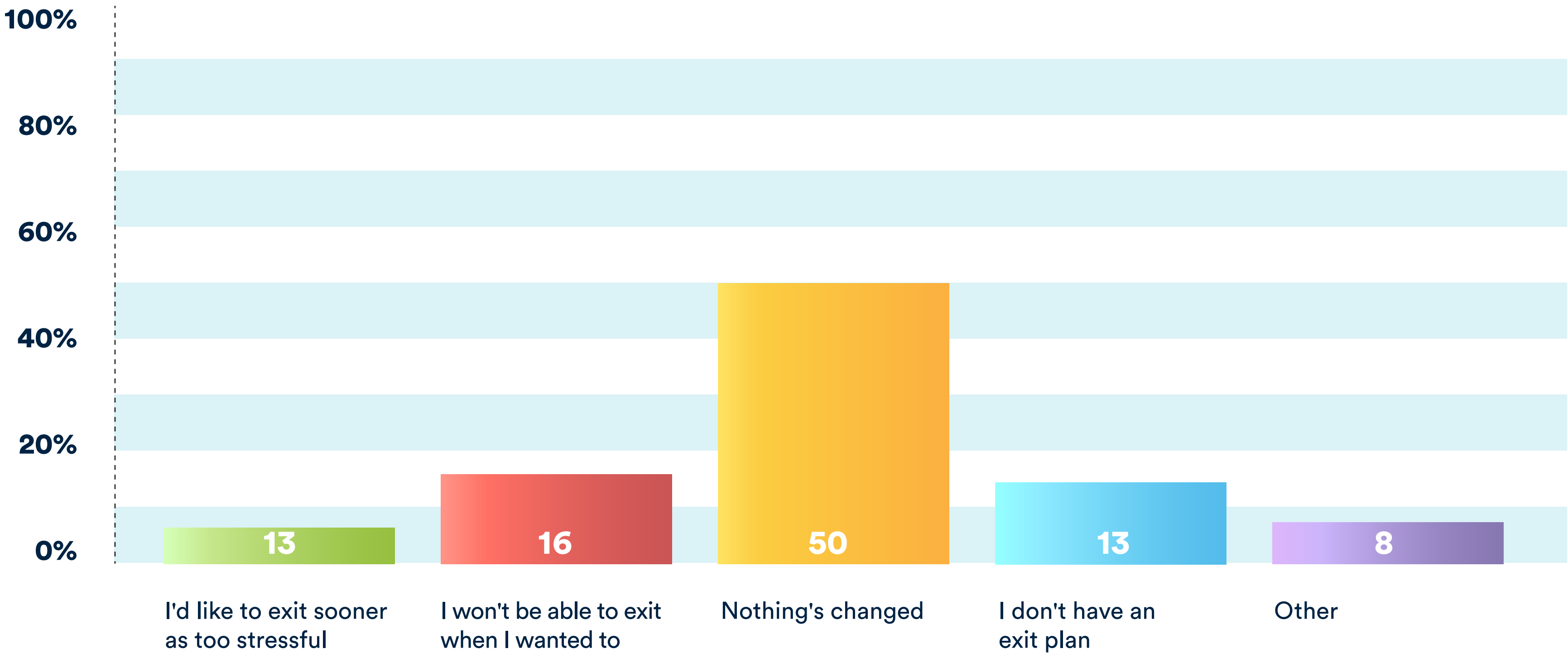
Q12 How do you currently feel about the impact of AI on the future of your sector?



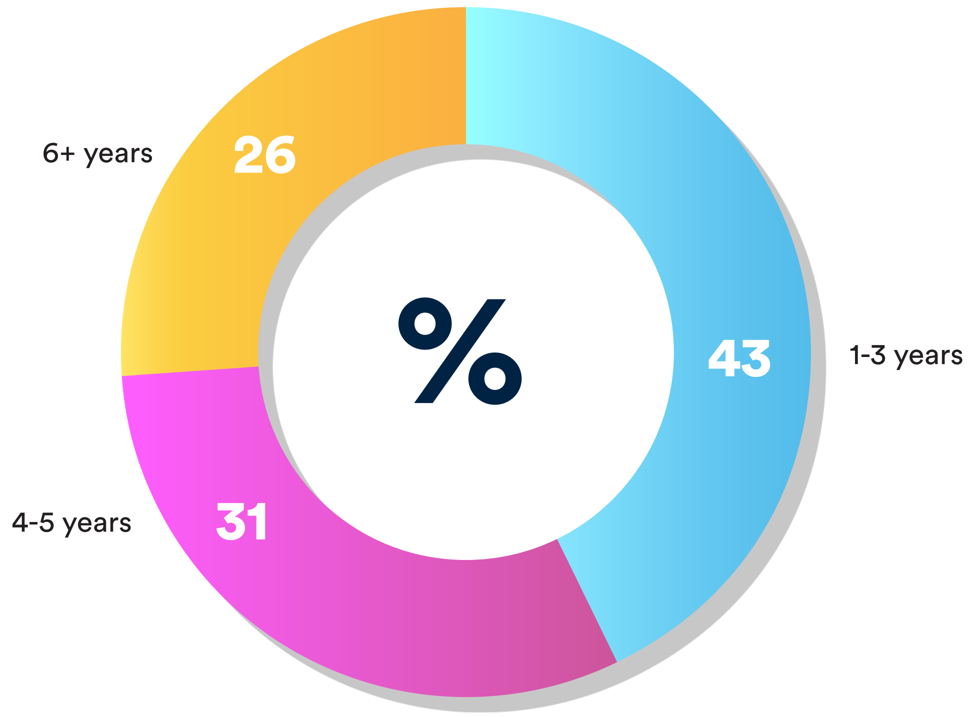
Q13 Has the development of AI led you to make significant changes to your business model?



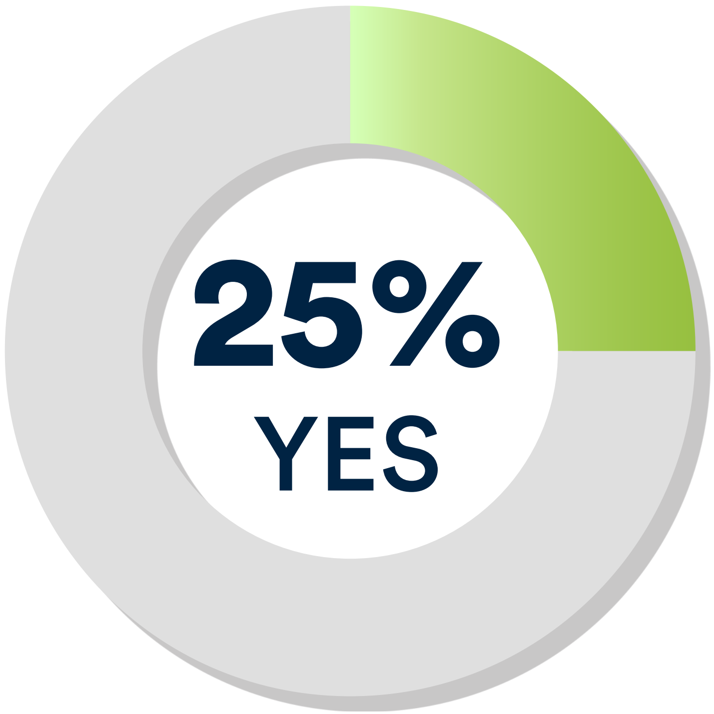
Q14 How are the current conditions affecting your exit plans?

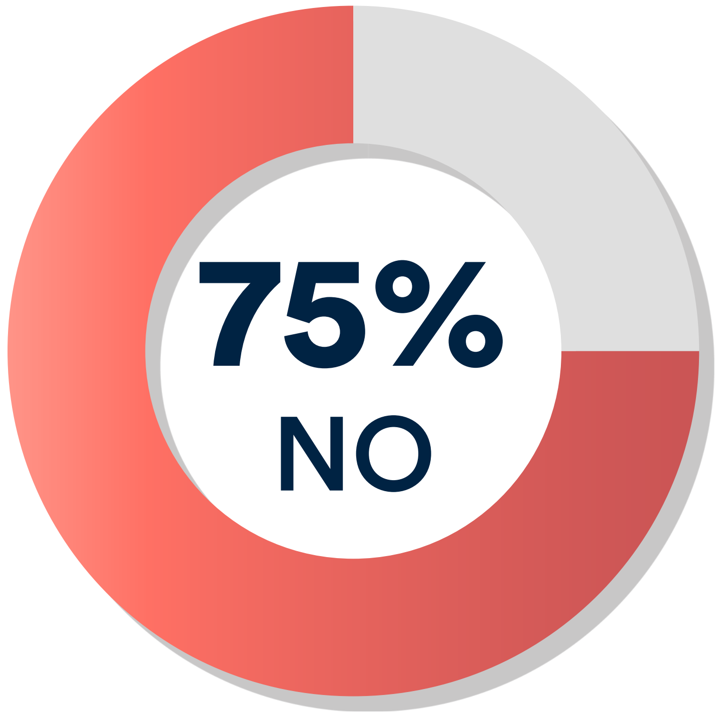


Q15 If you have an exit plan, when are you hoping to exercise it?



Q16 With proposed changes to Inheritance Tax, and the taxation of business assets, has it made you re-evaluate how shareholdings are structured?





Q17 Lastly, what in your business keeps you awake at night?

One of the questions we love to ask our clients is ‘what keeps you awake at night?’. Aside from the comic answers, there’s generally consistency in the responses we get. Cash flow is always on people’s minds as well as sales and quality of talent. There are too many answers to share them all, but here’s a select few of the most common responses:

- How to win work against cheaper competitors
- Meeting targets
- Changing staffing structure
- Running out of cash
- Profit margins being eroded
- Finding a successor
- Finding new revenue sources
- Rachel Reeves
- Banking Relationships
- Short Pipeline
- Constant business headwinds
- Retaining and growing workforce
- Supply chain issues
- Managing clients
- Cyber security risks

Who we are.

We are Wilson Partners. We combine the financial expertise, experience and accessibility of our talented team with a deep understanding of our clients to help achieve their goals.

We provide a suite of integrated, innovative and value-added accounting, tax and corporate finance solutions that empower businesses, investors and private clients to make better decisions.

We don't do grey suits, operate in silos or spend all day counting beans. On the contrary, we operate with fully engaged directors who are passionate about client success and want to make a positive impact. Our people are business enthusiasts who just happen to be accountants and span across our offices in the South of England.

Life is short, so we don't just want to make up the numbers.

We are a business that makes a real difference to the relationships we build and helps to make life count for our people and our clients.

Each one of us is dedicated to challenging, inspiring and supporting our clients to live the lives they want and enjoy the success that will benefit those they care about and the wider community.

Maidenhead
TOR
Saint-Cloud Way
Maidenhead
Berkshire
SL6 8BN

01628 770 770

Cambridge
Windsor House
Station Court
Station Road
Great Shelford
Cambridge
CB22 5NE

01223 849 099

Sevenoaks
1st Floor
One Suffolk Way
Sevenoaks
Kent
TN13 1YL

01732 468 670

Woking
Chancery House
30 St Johns Road
Woking
Surrey
GU21 7SA

01483 797 337

Plymouth
7 Sandy Court
Ashleigh Way
Plympton
Plymouth
PL7 5JX

01752 220979

Oakham
The Ketton Suite
King Centre
Main Road
Barleythorpe
Oakham
LE15 7WD

01572 770727

Reading
Unit 8
The Aquarium
1-7 King Street
Reading
RG1 2AN

01189 47 90 90

wilson partners.

01628 770 770 | info@wilson-partners.co.uk | wilson-partners.co.uk