



In their own words:  
Two years as a limited  
company contractor

## Looking back at two years as a limited company contractor

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We recently had the opportunity to speak to Miguel Garcia, a contractor in the banking sector, who's been using PayStream's accounting services for a little over two years.

We were keen to discover how Miguel's life has changed in the two years since he decided to become a limited company contractor. Has he noticed any major difference between his first and second year of contracting? Were there any unexpected hurdles he's had to overcome? Has his work/life balance improved? He was keen to share with us his experiences, so let's delve right into it!

### Enjoying the freedom and financial gains offered by contracting

As a professional who's been involved in several different roles during his time as a contractor, the ability to work on his own terms and the flexibility it provides are just some of things that Miguel has found especially appealing.

"When I first started contracting it was all target-based and quite stressful. There were a lot of demands on you, a lot of pressure" Miguel explains. But having stuck with it and gained experience, he is now able to enjoy being his own boss and has settled into a role that works best for him.

"Now it's become more stable. I know exactly what I'm going to be doing. I've weighed things up and it does give me more flexibility, and the money I earn now is brilliant. Where I'm working now is also much nearer my home, it's very flexible, and I can do more or less what I want as long as I meet the targets."

"I'm earning more and I have more flexibility. I can manage my own work. It's target-based, but no-one interferes with me. I don't have to report to anybody and the money - if I compare it to what I was getting before... I'm in a far better position."

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## Making a successful transition

Making the transition from permanent employment to contracting wasn't without its challenges. Miguel admits that he had to quickly adapt and faced some steep learning curves, both in terms of getting to grips with a new role and with managing the additional responsibilities that come with being the director of his own limited company.

However, after being recommended to PayStream, he was able to receive the help and support he needed to get up and running as a contractor and, as he's gained experience, he's also become more confident in looking after his own limited company accounts - though PayStream is still always there when needed.

"I was a little apprehensive when I decided to go limited, but I was reassured on the phone by one of the guys at PayStream which put me at ease. They talked me through what I had to do, how to do process things, etc."

## Working in an evolving environment

Even though Miguel is still relatively new to contracting, he's already noticed changes in how the sector operates, with issues surrounding new legislation something he is keeping a close eye on. The ongoing government changes to areas such as tax, dividends and how contractors are classified, has made his relationship with PayStream even more crucial.

For those considering following in Miguel's footsteps, he notes it is important to consider all your options and how important it is to have a clear plan in place. Although issues such as less job security and greater demands for travel come with the territory, having a clear plan and building experience can address any potential reservations.

Miguel says he initially had concerns about losing some of the security that comes with being an employee, such as sick and holiday pay and pensions. But having worked for a couple of years as a contractor, he's gained the confidence to manage everything himself. While there are certainly risks, there are also big rewards to be gained.

As far as the service he's received from PayStream he says he's been very happy. "Whenever I've emailed them they've got back to me pretty quickly, the same goes for phone calls. There's also a very simple to use online platform."

"[Contracting is] working out well for me. As far as I'm concerned, it has been great ... When I weigh up what a permanent person gets and what I get, it's a no-brainer."

For Miguel, the positive aspects of contracting far outweigh the concerns. With the support of PayStream to answer any questions surrounding changes to his circumstances and guide him through any uncertain times, Miguel has no doubts that contracting has been the right option for him.

Miguel agrees that it's vital to have expert advice from a partner like PayStream when deciding what path to take as a contractor. They can help explain what your obligations are as the director of a limited company and help you prepare for any upcoming legislative changes, allowing you to focus on the work you really care about.

Speak to a member of our team today about our limited company and accountancy services.

Call us on **0161 516 5378**.



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