



November 2014 Newsletter

The publishing deadline caught me out last month.

This time I've tried harder, earlier.

The Sage does purpose

Small children and a big mortgage creates an instant sense of purpose at that stage in life, but what about those in different scenarios? You might just have to think about what you are doing and why:

<http://www.thepositiveapproach.info/positive-approach-developing-purpose/>

Plenty of good video links if reading is not your thing.

And if you like the subject, try:

<http://cashmanleadership.com/the-pause-principle-book/>



BBR hits the Hereford Times

Having comprehensively rubbished BBR's marketing ability, I have to concede that they did in fact make the front page of the Hereford Times with a story remarkably similar to mine. If less well written:

<http://m.herefordtimes.com/news/11509875-Routine-eye-test-saves-Hereford-man-39-s-sight/>

I was also very impressed when our favourite dental hygienist spotted my gum infection by just talking to me (at Sue's retirement party)

<http://www.baxendental.co.uk/>

Think 10,000 hours.



Jack Ryan: Shadow something or other

Poster boy for the audit profession, our hero comes out with the immortal words:

"Of course I was on my own. I'm a compliance officer: I do everything on my own."

But then he gets to shoot people/get friendly with Keira Knightley, which is not like your average audit. At least, not when I did them.

Conference season

I've been to 3 seminars in the space of 2 weeks, which is not great for workflow, but has generated some interesting ideas, even if not new.

From the 2020 conference:

This is actually a TED talk by Simon Sinek

<https://www.youtube.com/watch?v=sioZd3AxmnE>

The key to being successful in business (and life generally) is to understand why you are doing something. Then you can engage your passion?

We don't (generally) use time sheets, but the professions are wedded to them. So, a firm of solicitors (albeit in Australia), who don't bill by the hour is pretty unusual. Finally, lawyers who get it?

<http://www.marquelawyers.com.au/>

And I've borrowed their disclaimer.

Choosing an accountant: the 7 biggest mistakes

http://www.tayabalitomlin.com/online-resources/TT_7%20Biggest%20Mistakes_FLNAL.pdf

So, have you made them?

Random thought

Can we rename the Boyscout the "Prince of profit"?

Answers on a postcard.

KPIs galore

Somebody with an impressive level of recklessness has suggested that I should

bring KPIs into the domestic arena as "Kitchen performance indicators".

The flaw with the idea is what happens if the tables are turned. Indicators for:

- Putting out the bins
- Mowing the lawn
- Helping with the washing up etc

Performance angst? Just doesn't bear thinking about.

CRM – customer relationship management (software)

The banks made the mistake of assuming that knowing things about customers was a substitute for having a relationship with them. Software sellers seem intent on rerunning the argument:

<http://www.techrepublic.com/blog/smb-technologist/free-crm-small-business-tools-that-boost-efficiency/>



Millennial checklist

Not sure if this is particularly useful, but apparently you can use this list of questions to establish your likely level of empathy for the under 30s:

- Do you dress up for work?
- Are you happy to work for a big business?
- Do you like to be told what to do?
- Do you think work is no place for

having fun?

- Do you watch TV?

Sexist, misogynist accountant is a label that works for me.

PfP tax investigation conference

This was a significantly more sober experience and featured Lin Homer, head of HMRC, as the star speaker. Naturally, what she said was eminently reasonable. HMRC has to collect in £5.5bn of tax on an annual basis on a staff roll of 50,000 employees (half as many as in 2006 when the Revenue and Customs merged). They therefore have to focus on making the system work as efficiently as possible whilst preventing the rogue element in society from taking the mick. So, in the past couple of years, HMRC has been given enhanced powers. In fact, these enhanced powers have been conferred as a result of the tax avoidance industry and HMRC still struggles with those who refuse to play along at all. Anyway, the big risk is that these powers will be used against ordinary taxpayers who are not involved in tax avoidance by anybody's definition. The obvious danger area surrounds "follower notices". Intended to catch everybody in a given tax scheme, they can also be used to close an ordinary enquiry based on an Inspectors assessment of the technical issues at stake. The taxpayer then has to pay the tax demanded and face a 50% penalty if he wants to keep on debating the point. We'll wait to see what happens.

There was a lot of excitement at the conference over HMRC's new data collection and comparison system named "Connect". There's an article on our website by PfP

<http://www.chrisduckett.co.uk/hmrcinteligence.html>

But the gist of it is that Big Brother really has arrived. Nothing new here, except that what we've assumed was the case is now working in practice.

One final statistic: there are 70,000 agents in the Tax Return system, only 40,000 of whom are qualified in any shape or form (and "qualification" is a broad church in itself). So agents are assessed by HMRC. Where do you think they are concentrating their efforts?



Book of the month

Tip from renowned local keynote speaker
Tim Kidson

<http://www.timkidson.com/>

"For those who don't get motivation and the work/life balance, try reading *Happiness by Design* (Paul Dolan). It is subtitled **Finding pleasure and purpose in everyday life** and that is the key."

Changes to the pension rules

This caused something of a fuss when announced by the Government some time ago (12 months?). Naturally, ever since the announcement, the rules have been evolving. Let's be clear: if you take everything in your pension, you will pay tax. Conceptually, pensions have morphed into savings schemes rather than tax deferral mechanisms. Maybe no bad thing.

Anybody wanting to get to grips with the detail may like to talk to Mike, our tame IFA.

Debt collection

One of HMRC's (already) more controversial proposed powers is its ability to suck tax direct from your bank account if it believes it's owed. Given HMRC's established ability to make mistakes, this must end in tears. A petition is being put together to object to this and I encourage you to join in:

<http://epetitions.direct.gov.uk/petitions/6838>

4

A good example of a typical error happened to us recently. I deliberately paid our Class1a NI a couple of days before the main NI bill in July. That way they could see it. Whoever did

the allocations missed the point and we recently got a snotty note from Northampton Debt Collection Unit chasing £500 or so with interest added. So I got Whiplash to check our account with HMRC, which showed that, 5 days after the notice had been issued by Northampton, somebody reworked the allocations and we owed precisely nothing. Would HMRC have whipped that money out of our account in the meantime if the new powers were already in place? I suspect we'll find out next year.

Sue's retirement

Incredibly, it's happened. And we've had the party to celebrate it.

Assuming she comes back from her extended holiday, she may be available for the occasional assignment, but she will be fabulously expensive. Be warned.

International ratings

Would you believe there's a "Bribe payers index" by country? At least the UK is not in the top 10.

Disclaimer

We disclaim nothing. In fact, we're rather pleased with the (grown up) advice we give.



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