

# SPA NEWS



..... *Strength in Numbers*

**October 2001**

*Issue 25*

## *HIGHLIGHTS*

*ICAEW should do better*

*6th AGM at Spurs FC*

*Stakeholder deadline is here!*

*Your comments on FS & MA 2000!!*

### **99.5% SAY OUR INSTITUTE SHOULD HAVE DONE MORE**

Of 220 Answerback and other responses to the article by Peter Mitchell, 219 suggested that private limited company share activity and advice was not an area that required monitoring or regulating under the Financial Services and Markets Act 2000. It is however too late to change our Institute's Rule Book now.

Many members despaired at the prospect of further valueless bureaucracy plus attendant costs, and that our Institute had failed to consult with affected small practitioners to include their views in negotiations with the FSA.

SPA advises all small practitioners to seek protective Registration by 30 October 2001 to avoid inadvertent criminal breaches, and will lobby in the coming months to clarify government's intentions and needs in this respect.

**(See Letters)**

### **6th AGM – Friday 30 November 2001**

We are pleased to confirm that our 6 AGM will be held at the White Hart Lane Conference Centre at Tottenham Hotspur Football Club and, following the successful format of the past two years, we will kick off with a free CPE session in the morning on N2 – To advise or not to advise, that is the question! We anticipate that the venue and hot topic CPE will encourage many members to attend and would ask that you complete and return the attached Answerback as soon as possible.

A hot buffet lunch and tour of the ground will follow the morning CPE. Those wishing to join the tour must pre-book on the attached Answerback. Dedicated parking at the ground is available and again must be pre-booked. Trains run from Liverpool Street station directly to White Hart Lane.



Our President, Michael Groom, had been invited to address the meeting but unfortunately had a prior engagement to attend in Leeds.

The AGM pack is enclosed and the Steering Committee looks forward to welcoming you.  
**RSVP**

### **A Snapshot in Time - 5 Years on**

In 1996 SPA circulated a questionnaire asking potential members what they wanted from such an association. The response to this was published in SPA's 'Survey & Report' in September 1996 and was the foundation on which we built the structure of SPA and the services we offer. Many of the objectives tabled within the 1996 survey have been achieved and we may all be justly proud of our progress.

SPA is currently reviewing its strategy and will be sending all members a short questionnaire to gather opinions so that we can sharpen up our objectives for the years ahead.

## Group Services Flourishing

Reports received for the year to 30 June suggest that group services are of increasing benefit to members:

- Over 400 practices are in our Professional Indemnity Insurance scheme
- Approaching 100 practices using Formations Direct
- Some 20 practices used our pre-JMU visit service
- Over 400 individuals have joined our Private Medical scheme
- Over 70 practices and their clients have designated the SPA Stakeholder Pension scheme for their company

If you want any further information on these or any other of our group schemes please get in touch with Daphne - see Answerback on back page.

### Stakeholder Deadline is here!

The deadline for nominating a Stakeholder Pension scheme is 8 October 2001! The government is warning of fines for companies not complying with the regulations.

**8th  
October  
Is  
Here!**

If you or your clients haven't nominated a scheme and may require to do so, contact our affinity scheme advisers – Financial Management - immediately on:  
**FREEPHONE 0800 585601**  
See FM's enclosed information leaflet.

### Falling foul of the JMU is not recommended

Recently our Chairman Peter Mitchell supported a SPA member at a meeting with the PSO. Matters had gone beyond the point where SPA could influence decisions – the best we could offer was damage limitation!

We have stressed in the past – and repeat again here – the importance of getting independent external advice before your JMU visit, and whilst there is time to ensure your practice is fully compliant with the regulations. The PSO can and will withdraw registration certificates if your practice is found wanting. You have been warned - AGAIN!

## Flyers

Enclosed is an information sheet from ACT who are offering a 'health check' on the investment business your practice carries out to ensure you comply with the new regulations under N2 – the hot topic. Roy Kemp from ACT will be present at our AGM.



### Letters to the Editor

Email

Can anyone help us please?  
We have a client in the travel business, who organises recreational holidays. Clients complete an application/enquiry form and return together with a cheque or standing order form to ensure payment for the holiday is made before the day of departure. A database is maintained for each planned holiday which includes a record of applicants together with the state of their account. All monies received in advance of the holiday are banked in a 'Trust Account', until the holiday has been completed when transfer is made into the general finances of the business. At that point the client raises a 'sales' invoice which is basically a bookkeeping device to record the holiday revenue in the nominal ledger.

Due to various factors the volume of transactions is unlikely to grow considerably in the future. Currently the total clients number approximately 2000.

We have suggested to the owner of the business that it would be an advantage to the business to have an integrated accounting system that would dispense with the external database which is considered (by ourselves) to be prone to errors. Can anyone offer any suggestions or has anyone experience of resolving a similar problem?

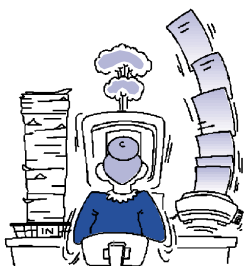
*Editor*

*If you can help your fellow member Robin Wallhouse, please contact him directly on 01494 716671 or email him at [robin@robinwallhouse.co.uk](mailto:robin@robinwallhouse.co.uk)*

## FS & MA 2000 – Your Comments!

We give below just a small sample of the comments we received following Peter Mitchell's recent article and the Answerback included with the July Newsletter.

- What would the rules achieve in terms of client protection, satisfaction and public interest?



- Why, oh why, does small business have to become burdened with more paperwork and regulation?

- I rather thought that passing the Institute's exams entitled me to give such advice, but if our qualification has become so devalued we would be better off not being members of such a worthless body!



- It's good to know the ICAEW is at least consistent – still out of touch!
- There was no consultation – the people who made the rules presumably work for the Big 5.
- If there is to be a £4.8m threshold for audit should there not be a threshold for investment advice?
- Commonsense seems to have died!

... and many more in the same vein. Most worrying was the number of members who were FIRST aware of the new regulations AFTER reading SPA's July Newsletter!

*Editor*

***Don't forget N2 is the CPE topic at our AGM***

## Your Website Greater Use is Encouraging!

You have learned from earlier Newsletters about significant recent updates to the website. The message appears to be getting through as:

- the number of visits to the site is increasing – nearly 500 in August
- greater use made of the members' area
- first instances seen of new members printing application forms from the website

The Steering Committee believes SPA's investment in the website is worthwhile as it:

- portrays an appropriate corporate image to all concerned
- informs and supports members
- attracts new members
- enables you to promote your practice economically
- A free Practice Profile is available whether you are on the web or not!

If you haven't looked at our website recently, why not spend a few minutes to see for yourself what is there. Even better, please send us your views on improvements for 2001/02.

**[More on spa.org.uk](http://spa.org.uk)**

## MAKE SURE YOUR PRACTICE IS ON TARGET FOR FS & MA 2000



**SCORE WITH OUR FREE CPE AT  
TOTTENHAM HOTSPUR FOOTBALL CLUB  
FRIDAY 30 NOVEMBER 2001**

**ANSWERBACK TOPICS**

To: SPA  
**FREEPOST**  
Great Missenden  
Bucks HP6 0BR

**Date:** October 2001

**Firm:** \_\_\_\_\_

Fax: 01494 864454

Membership No .

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Help us help you by completing and returning this fact find sheet urgently

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Please send me details on the following SPA Group Services:

Professional Indemnity Insurance

Private Medical Insurance

Stakeholder Pension Scheme

Government Investigation – Fee Indemnity Scheme

**See 2001 Membership Yearbook for further details**