

# SPA



# NEWS

..... *Strength in Numbers*

**December 2001**

## **Firstly**

A warm welcome to those members joining us through SPA's autumn recruitment campaign. Response to this has been very encouraging – our message seems to be getting through with a further 80 new members strengthening our numbers to date. (See letters)

*Issue 26*

## *HIGHLIGHTS*

*Hot Shot AGM!*

*Website -*

*Practice Profile*

*Member2Member*

*FSMA 2K -*

*Our President Replies*

*Help is at Hand*

*Another Council*

*Member joins SPA*

*PMI Scheme Renewal -*

*Healthy Outlook!*

*Full AGM Pack*

## **6th AGM - A Hot Shot Event!**

This year more members than ever attended our AGM at Tottenham Hotspur Football Club.

The morning CPE session on the Financial Services & Markets Act 2000 was led by Peter Burton, ICAEW Professional Standards Directorate (and West Ham), with a lively question and answer session developing.

SPA was very pleased to welcome Roger Purcell from the Financial Services Authority (and Spurs) who joined us for the CPE. Our Chairman Peter Mitchell (Wycombe Wanderers) and Legal Adviser Dr Raymond Ashton (Man. City – well someone has to!) met with Roger in October to discuss the new regulations under N2 and had a very frank and fruitful exchange. Roger also took questions from the floor and members found the exchange very useful. Our thanks to him for taking the time to join us.

Following the morning session and a hot, expansive, delicious buffet lunch, a tour of the ground -generously sponsored by FT Interactive Data - was arranged for interested parties. (Yes some members preferred to stay in the bar!) with only gentle banter and inter-club rivalry - no red cards had to be shown! We returned refreshed to face the AGM with Daphne (QPR – never mind) voted 'Man? of the Match' for her adroit organisation.

In all a very successful day – next year we will be back in Birmingham.

A synopsis of the CPE, plus notes on the question and answer sessions are enclosed with this Newsletter, together with the Chairman's report, Accounts and Marketing report.

## **Our Sponsors Scored Heavily**

SPA is most grateful to our AGM sponsors for their support and was pleased to welcome representatives from:

*ABG Professional Information - Hull & Ipswich  
- shame!*

*ACT Accountancy Services - Chelsea*

*FT Interactive Data – Spurs & Leicester oh dear  
Financial Management – Spurs & Arsenal!!!*



We also thank *SBJ Stephenson* who, although unable to be in attendance (Paul Gillett was not amused – he is a Spurs supporter!) treated us to the tasty lunch!



### **Tax Helpline Charges**

**F**ollowing our announcement in January that SPA would need to charge members for calls in excess of four per year to the above helpline, invoices for the period to 30 September have been posted out. Many have already been paid and we shall be grateful to receive early payment for any still outstanding.

Some members queried how calls are charged and we have received the following guidance from SBJ Stephenson – the scheme administrators:

Calls are charged on a ‘per call’ basis once connected to a consultant for more than one minute. Should your initial query require research by IRPC and they need to call you back, this is still charged as the same call. If you then find it necessary to call them again with another query on the same or different topic this will be charged as a separate call.



Hopefully the above clarifies the situation, however Stuart Dunn of SBJ Stephenson has asked that if you believe our invoice is inaccurate you should write to him giving details of the calls made, and he will investigate the matter further.

### **A new Member to Member Service on SPA’s Website**

**F**ellow SPA member Leonard Finn is offering video CPE training seminars in London on accountancy news; auditing standards; tax practice and information technology. Occasionally ‘live’ speakers are invited to address the audience of not more than 30. If you would like to join Leonard et al see his advertisement in the Member to Member Services section in the Members’ Area of SPA’s website.

(If you have a service to offer other SPA members you can post your advertisement in this section

from as little as £25 + VAT. Contact Daphne at the office to discuss the details).

### **Practice Profile Pages for SPA’s web**

**M**any members have sent in their practice profiles to be uploaded to our website for which there is intended to be a ‘public’ launch next spring. This is a unique opportunity for you to give the public an insight into the services you have to offer – AND IT’S FREE!

If you haven’t already submitted your profile (no more than 300 words) it’s not too late. Either email it to us or send it on a floppy and we will do the rest. If you would like any further information call Daphne at the office.



### **Our President Replies ...**

**W**e certainly attracted the attention of our Institute recently with our comments on FSMA 2K in SPA News (July & October) and in the BBH Times. Below is the response from our president Michael Groom:

### **Financial Services Legislation**

**I**n your last Newsletter, you reported that 99.5% of respondents to Peter Mitchell’s article and survey said they were against the Institute regulating in connection with private limited company share activity and advice.

I am not surprised – who would not answer in the affirmative when asked ‘Do you want to be regulated or not?’

Let me correct some misconceptions by making three points:

1. The question in the survey was the wrong one! The Institute is not imposing regulation – legislation is.
2. The need to be regulated in relation to certain advice about private company shares – the issue Peter wrote about – is not new. The current legislation requires regulation of the provision of advice on shares, with no distinction between listed and private company shares. The new Act does the same. As now, there will continue to be certain work

related to private company shares which will not raise the need for a DPB licence. An Institute mailing in September went to all firms, including those currently unauthorised, and included material allowing firms to decide whether they need licensing under the DPB arrangements.

- Carefully reasoned argument from the Institute has meant the Treasury accepted that regulation should generally continue to be left to our Institute, except where mainstream investment business is involved.

Consequently, regulations will remain much less onerous than present or future FSA regulations, and should not impose additional burdens on firms. In addition, our negotiators have successfully negotiated some deregulation. Details are being supplied to Peter.

*Editor*



*Our AGM's CPE suggests that many areas dealt with by practitioners will not be regulated. Two areas are still likely to cause problems –*

*shares transferred or sold at a value greater than nil and the giving of advice to minority shareholders.*

### **To Advise or not to Advise – Help is at hand**

From 1 December 2001 small practices wishing to offer investment advice, will generally be forced to become licensed under our Institute's DPB arrangements. There will be an annual fee, compliance records, annual returns and monitoring. An alternative might be to take FSA authorisation direct - but this brings with it significant further costs.

Either way, many small firms, who have limited involvement with investment services, may feel that neither of these options is warranted and a preferred alternative may be to introduce clients to Independent Financial Advisers (IFAs). No doubt many accountancy firms will have their own local connections, however for those that do not, we would like to inform you that Financial Management, the administrators and advisers to SPA's Stakeholder Pension scheme, have offered

their services to members in respect of the full range of investment matters. Contact them at:

Financial Management The Old Post Office Wycombe Road Studley Green Bucks HP14 3XA	Tel: 01494 485820  Fax: 01494 485825
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### **Audit Reports After 22 December 2001**

Amended wording becomes standard from 22 December 2001 as it applies to all auditable companies whose year starts after 22 December 2000. You may already be using the new format voluntarily – but if you're not sure what is required, a copy can be found on our website at [spa.org.uk](http://spa.org.uk) in the 'Library', or on request from our office.

### **Congratulations ...**

... to Ron Enticott of Airde Accountancy, an SPA member in Surrey, on receiving the *Everybody Counts Award*. Ron spends much of his free time helping two schools and two charities within his community.

This ICAEW award is given to chartered accountants providing voluntary help to those in need of assistance, and recognises the time and effort freely given.

*Editor*

*It is believed that a SPA member may have won the award last year! If he makes himself known we should like to sound the trumpet for him too! We should all be impressed that SPA members are so generous with their time!*



### **Yet Another Council Member Joins the Fold!**

We are pleased to welcome ICAEW Council Member Jat Wasu as a member of SPA, who together with Tony Bennewith and Sam Narula, and of course our Chairman Peter Mitchell, strengthens your representation at Council.

## Private Medical Insurance Renewal – Getting Better!

Our first two years' contract with Universal Provident has proved a great success with over 300 individuals joining – but the news gets better! Premiums from 1 January 2002 remain the same but, subject to contract, we will be switching our scheme to none other than BUPA under terms identical to those previously enjoyed.

Early in the New Year it is anticipated that a further free, valuable 'bolt on benefit' will be added to the policy – watch this space!



### Letters to the Editor

Dear Sirs

I have been meaning to get round to joining you for almost as long as you guys have been around and since I first started receiving your mailshots. Very many thanks indeed. SF

Editor

*Obviously our message hits home eventually!*

Dear Peter & Daphne

I enclose a copy of a letter received from Stephen Thomas, Head JMU.

I wish to express my sincere appreciation for the part you both played in achieving a postponement of the JMU visit from 8 January 2002 to mid/late March.

Sad to say, I have been a member of the Institute for in excess of 20 years and do not feel that I have received any benefit, help or assistance from that august body. This is in marked contrast to the help, support and consideration received from yourselves.

Thank you once again. MR

Editor

*The important extract from Stephen Thomas' letter is as follows:*

*'...In the light of the detailed matters you mentioned in your letter, I have reviewed your firm's file and staff numbers and reasons for the visit, and on the basis of your confirmation of your firm's heavy involvement in self assessment work, as well as accounting work in January, I am content that the proposed audit monitoring visit be deferred to March 2002.'*

*The JMU does have a heart after all! Remember always contact them early if you need to postpone a visit.*



Dear Peter

I am semi-retired with a few clients mainly for whom I do record keeping and taxation. I deal with one big charity but all the investments have just gone into a nominee name under discretionary management.

I am a trustee of two small family trusts and have executorships from time to time. I was registered for Investment Business when I ceased to be with a large firm but when the Inspector came he said I was not doing investment business, just administration with brokers and trustees making decisions.

I have not had a response from our Institute to the above question – can you advise me whether I have to do anything under the new Act.

JR

Editor

*It would appear from the information provided that you may not need to register under FSMA 2K for the investment work carried out for the charity if this is sub-contracted out to an authorised IFA or other competent individual, and your trustee /*

*executor work is outside the remit of this Act and thus does not fall under the regulatory umbrella.*



# Flyers

- FT Interactive Data are making the Stubbs Securities Taxation reference available to SPA members at a discount of 23%.
- CPE 2002 courses from Mercia. SPA members who become full members of Mercia's Training Group, or book a minimum of 10 places will qualify for a £25 discount.

- ACT are offering a full 'health check' service on your practice.
- and
- Kestrian's Essential Publications

## **...And Finally**

**W**e hope we haven't swamped you with this bumper issue of the Newsletter – we promise not to bother you again until February!!

We trust you have a trouble-free January. What happens in January? Oh yes a minor detail of self-assessment! *Good Luck!*

*The Chairman, Steering Committee & Staff  
Wish you all*

*Seasons Greetings*

*and a Very Peaceful New Year*

