

May 2002

Issue 28

HIGHLIGHTS

SPA Marches On

Practice Assurance!

Golf Day Date Change

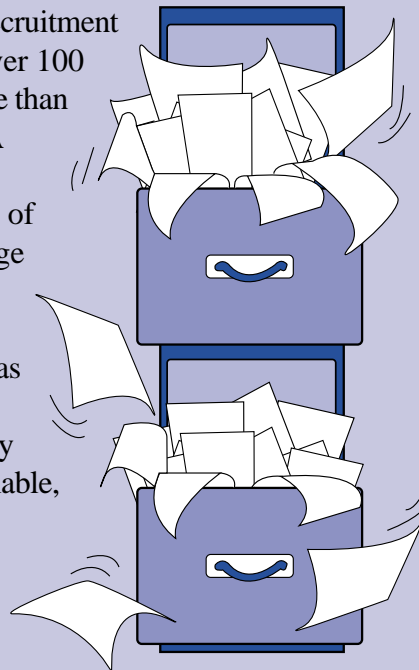
Updated Website

Equity Release Survey

SPA MARCHES ON – ACTIVE MEMBERSHIP PASSES 1500!

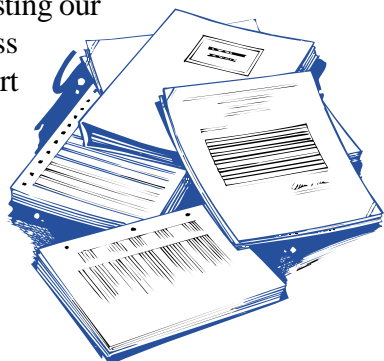
Wow - What a response! Our spring recruitment mailshot certainly hit the mark with over 100 practices joining in the first week – more than we would expect in several months! A warm welcome to you all – especially Thomas Munn who takes over the role of our ‘youngest’ member at the tender age of 88 and still going strong!

Our apologies that the 2001 Yearbook has run out - the 2002 Yearbook will be published this June but, if you need any information on products or services available, please look at our website at www.spa.org.uk or call the office on 01494 864414.



COMPLETED QUESTIONNAIRES POUR IN

Our website’s front page has a counter showing the number of new members and questionnaires returned - both updated weekly. If you haven’t yet sent back your questionnaire please return this as soon as possible - it isn’t too late – we really do want your input both for response to our Institute on Practice Assurance, and within our Report to be published later this year contrasting our professional progress with our initial Report in 1996 (a copy of which is in our website library).



PRACTICE ASSURANCE – A SOLUTION LOOKING FOR A PROBLEM?

Almost all the comments added to questionnaires are about this proposed regulation – with few in favour, and many pointing out where public interest lies and public confidence is being damaged. Various concerns have been raised by you and also at both the GPP and Council briefings attended by your Chairman. This is not a done deal – and is a long way from being ready to present to members for acceptance – if at all.



(See Letters)

CAN YOU HELP SOLVE THE PROBLEM?

Our Institute seeks volunteers to sit on working parties to develop aspects of such proposed regulation – please will you contact our office if you can help.

SPA GOLF OR WORLD CUP?

What a quandary! Our golf day was agreed last year for 7 June 2002 - but would you believe it, that's the day FIFA decided England should play Argentina in the World Cup - with kick off at 12.30 BST!! Our Chairman (not being a footie fan) was keen to go ahead anyway, but Daphne (being a very keen footie fan) persuaded him to change the date to the following Friday, 14 June – problem solved!

A new booking form for the golf day is enclosed -so those of you

who had a problem knowing what to do can now do both! We look forward to seeing you on the 14th – some of us might even review the match in the bar!



EQUITY RELEASE – ANSWER BACK SURVEY

With an increasing amount of our and our clients' wealth tied up in the unrealised gains in our homes the use of 'Equity Release' schemes are widening to provide:

- Healthcare for the elderly
- Supplementary pensions
- Inheritance Tax Planning
- Means of Funding children through University etc



Such schemes are properly run by respectable building societies and ease cash flow as the interest 'rolls up' to date of sale.

Enclosed is a mini-survey seeking your interest in a group scheme for SPA members and their clients which would be run by Financial Management, who have already demonstrated a successful track record with SPA's stakeholder pension scheme. Please let us have your responses by 31 May.

ANOTHER GROUP SERVICE PROVIDER 'CASHFLOW MANAGER'

Alongside our growing membership is the ever widening range of products and services we are able to offer at preferential rates. We are pleased to announce an agreement between SPA and 'Cashflow Manager' whose brochure and special offer letter are enclosed with this Newsletter. 'Cashflow Manager' is a simple 'starter' bookkeeping software package for you or your clients - and is also available in a paper format for any small clients still without a computer! It handles bank, cash, VAT and invoicing activities.

MEDICAL COVER - CLARIFICATION

Several members have taken up our PMI cover since changing our provider to BUPA. May we please clarify the position for those who are already insured with BUPA and wish to transfer into the SPA scheme. Because our premiums are so competitive, anyone joining now must do so as 'new business' – that means there is no cover for pre-existing conditions even if you were previously covered by BUPA - and you will be required to fill in an application form and declare all relevant information. If you have any queries concerning this please call Daphne at the office.

... AND TRAVEL COVER

Worldwide Travel was included as part of the change over to BUPA and we apologise that the full policy details have only just been sent out. The letter from

BUPA is not crystal clear! So to clarify the situation – all people named under the health scheme are covered under the travel insurance and it is for both business and leisure travel. If you have a family policy then all members named are covered.

If you have any queries please call Daphne – she is getting to be quite an expert (and will soon need the psychiatric cover herself!!)



ABG DISCOUNTS STILL AVAILABLE TO SPA MEMBERS

Following the sale of ABG to Croner CCH, SPA is pleased to confirm that the previous discounts on ABG products are still available to our members.

SPA.ORG.UK

Have you visited our website recently? If you have you may have noticed the 'face-lift' given to the 'public' area and we hope you approve of the new look. Simpler access is provided to the database of members, our library (containing reports, press releases and newsletters), and brief details of products or services available to members. Let us know what you think – we hope to smarten up the 'members' area later this year.



We are adding a new search facility to the 'Find your Local Accountant' to include the specialist skills you have identified within your practice. At present this can only include one specialism but this will be developed over the coming months to include all areas you specify. If you wish to change a particular skill listed please call the office and let us know.

WOULD YOU LIKE TO GET MORE INVOLVED? NEW BLOOD SOUGHT AT SPA HQ

Are you willing to join the small SPA team and become more actively involved in driving our Association forward? Currently we have five loyal Steering Committee members and three Regional Representatives, who meet for no more than two and a half hours most months at a Regus office two minutes from Watford Junction Station, for an honorarium based on 80 hours p.a. plus travel expenses. We need to hear from any members – old or new – willing to give similar time to support the existing committee.



If you would like to discuss this further please call Peter Mitchell or Daphne Letheren on 01494 864414.

'PRACTICE SOCIETY' TO BE FORMED BY OUR INSTITUTE?

The GP Panel in March 2002 remained insistent that such a society for small practitioners (subscription based and up to 20 partners!) will be proposed and developed entirely separately from SPA – although based on an almost exact copy of SPA's 'blue print'! Only the future will tell what this proposal will deliver - and all SPA's offers to 'kick start' such a Society have been declined. We rest our case.



Letters

UK – YOU'RE ON EURO'NE!

Our 'foreign correspondent' obviously has a lot of time on his hands now in sunny Crete – this is his latest offering on the Euro:

The 28th February has come and gone and with it the death of the drachma, the franc, lira, various marks and assorted other currencies. In the place vive le 'you row' or, as we call it here, evro.

(By the end of January over 80% of the stock of drachmae had been returned to the banks and we are in the middle of a car purchase and housing start boom as mattress money starts to be recycled!) So, 2 months into the euro, how is it working? I think the answer, here in Greece anyway, is better than anyone could have hoped. The drachma was a monumental coin, rather like the pre-decimalisation pennies, more substance than value. If you had a tenners worth of drachs in your pocket you had a serious list to starboard.. The notes are easy to read and well designed from a security point of view - even if not of great aesthetic value. The coins have all got different sizes, colours or edges, so those visually impaired (including yours truly) should have no difficulty distinguishing one from another.

Come on in Brits, the water's fine. The days of standing in splendid isolation ended when there were no longer 10 D-marks or 4 US dollars to the pound!

(PS petrol is still only 44p a litre here – but there again we don't make the stuff!)

JH

PRACTICE ASSURANCE!*! – THE PRINTABLE COMMENTS ONLY**

Thank you to the many members who responded to our request in SPA News (March 2002) for views on the proposed Practice Assurance, and we apologise for not replying to each of you



individually – we have been inundated with new member applications and questionnaire responses (but we are not complaining!)

We include below extracts from comments received!

- I am concerned the Institute is relying more and more on its website as a means of communication – this is not satisfactory on such ‘essential’ matters

- The whole process of Practice Assurance is not justified
- I suggest SPA members reply to the Member Focus questionnaires to show how strongly we feel about Practice Assurance
- I am tempted to abandon my Practising Certificate, resign from ICAEW and become ‘unregulated’!
- My clients are very appreciative of the personal service they receive
- This proposal should be vigorously resisted.
- In the real world most clients do not know about Institute regulation – still less do they care
- It is the low standards within the large firms which make the headlines
- Provided it is voluntary it may be helpful

And on higher subscriptions:

- Membership subscriptions, we are told – only £1 more than a registered gas fitter (£165) – how come I’m paying £682?

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MAYDAY RALLY BY SPA CHAIRMAN

Your Chairman Peter Mitchell addressed the ICAEW Council meeting on 1 May informing Members of your concerns about practice assurance proposals – his address will appear in full in our web library (Reports section) at spa.org.uk

Peter highlighted his address with statistics extracted from your returned questionnaires which showed a consistent expression of incredulity in the suggested benefits emanating from such an Institute scheme. It is proposed to issue a separate SPA report in the coming days to brief Members and others on this topic.

Council agreed that practice assurance will be placed back on the agenda for the June Council meeting to reconsider the decision taken in December when only 16 of the 60+ Council Members were present, and we strongly suggest that you lobby your local Council Member to make your feelings known about this issue. A list of Council Members and their contact details is also in our web library (Reports section).

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ANSWERBACK TOPICS

To: SPA
FREEPOST
Great Missenden
Bucks HP6 0BR

Date: May 2002

Firm: _____

Fax: 01494 864454

Membership No .

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

Background

Your input is sought whether an Equity Release Scheme managed by one of our Group Service Providers might offer added value to you and your clients. We are currently considering this topic which appears relevant to most practices and, in particular, the following situations:

- Retired individuals, with under funded pension schemes
- Retired individuals, but suffering ill health requiring residential / nursing care
- Individuals concerned about inheritance tax planning, but with limited free capital other than their property to consider lifetime gifts

After early misgivings, Equity Release has evolved into a properly regulated and responsible element of the financial services industry, and is able to offer a financial lifeline to those retired or nearing retirement. Below is a table of capital release values for given age groups:

Values released at age	% of property value of property
60 - 66	20%
67 - 71	25%
72 - 76	30%
77 - 79	35%
80 - 84	40%
85 - 88	45%
89 and over	50%

Is this subject of interest to you or your clients? Y / N

If we were to arrange a series of free local seminars would you anticipate having any clients interested in attending? Y / N

If yes, approximately how many?

Have you recommended Equity Release schemes in the past? Y / N

If so, which financial institutions have you used?

PLEASE PHOTOCOPY THIS FORM IF OTHER PARTNERS FROM YOUR FIRM WISH TO ATTEND, OR IF YOU WISH TO BRING A GUEST

To: SPA
FREEPOST
Great Missenden
Bucks HP16 0BR

Fax: 01494 864454



FOURTH ANNUAL SPA GOLF MEETING
FRIDAY 14 JUNE 2002
HAREWOOD DOWNS GOLF CLUB, LITTLE CHALFONT, BUCKS

- Meet 10.30-11.00 a.m - Coffee & bacon rolls on arrival
- 9 hole Greensome Stableford Competition
- Ploughman's Lunch
- 18 Hole 3 ball individual Stableford Competition for

THE CHAIRMAN'S CUP
PLUS OTHER PRIZES

- 6.30 p.m. - Dinner and Prizegiving (Jacket and tie please)

Cost £60, please send cheques with application form to SPA. A map and tee-times will be sent to all attending. If you have any queries, please contact Daphne Letheren on 01494 864414.

Name _____ (BLOCK CAPS PLEASE)

*Member / *Partner / *Guest - (*please delete)

Golf Club _____

Handicap _____ **I enclose my cheque for £60 payable to SPA**

SPA Membership No. _____ (If a guest please supply address below)