



SPA Newsletter

...Strength in Numbers

February 2018

Welcome

to the first SPA newsletter in 2018

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A new home for SPA

From 1 November 2017 SPA has moved in with Howard's firm Gross Klein at:

5 St John's Lane, London, EC1M 4BH

Tel: 0207 5491698

Email remains the same: mail@spa.org.uk The move to London will mean that SPA has 5 day a week phone cover. As well as Howard, Sofia may also take your call.

In the Press

SPA Chair Howard Gross on the demise of Audit in January's *Economia*

Nigel Hughes on the impact of technology on audit firms, in September's edition.

Congratulations

To David Sandground on becoming Vice Chairman (not chair, he insists he is not a piece of furniture) of the North London Society of Chartered Accountants


ICAEW Practice Committee (IPC) Elections

Please support SPA members Rachel Davis, David Cleaver and David Grunberg in the IPC Elections - voting closes 17:15 Friday 2 March 2018.

New roles for the team

Howard Gross - Chair
Nigel Hughes - Vice chair
David Cleaver - Treasurer
David Sandground - SPA responses to consultations especially all things tax

Goodbye - to Helen Shaw SPA's loyal administrator for the last 17 years who leaves us following SPA's move to London. We will miss her calm presence in all things administrative.

SPECIAL OFFER
FOR MEMBERS OF 


INCOME PROTECTION WITH A 10% DISCOUNT

How would you live with no income?


With the Income Protection Plus Plan you don't have to worry

Top 5 reasons to have Income Protection Plus with HMCA Care

- 1 No one ever expects the unexpected to happen...**
No one likes to think about illness or accidents, but by taking out cover, you're prepared for the unexpected to happen.
- 2 If you're off work sick, or due to an accident, you don't need extra financial stress...**
We give you peace of mind to focus on recovery, not financial worries.
- 3 Income protection cover costs less than you think...**
Cover can start from £10 a month, or can be tailored to suit you - what you can afford to pay, or what you need to have coming in.
- 4 You get more than just income protection from our plan...**
The plan also includes an investment element, that pays you a lump sum at the end of the policy, and subject to your circumstances is also free from Income and Capital Gains Tax under current law.
- 5 You can have a plan tailored to your requirements...**
Talk to one of our friendly team members, discuss your options and choose a plan that provides cover to suit you.



For an individual quote call 01727 228571 or go to ip.hmca.co.uk/quote
For a company quote call 01727 228571



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Things you really need to know

Top of our list of things which should be on your radar are:

Anti-money laundering - The 2017 regulations became law on June 2017. The regulations can be downloaded at

<http://www.legislation.gov.uk/ukxi/2017/692/made>.

If you do nothing else, please read regulations 18, 19, 20 and 21. They require you to have written policies, procedures and controls in place.

GDPR - The successor to the data protection act which comes into force in May 2018. Much has been written about it in scare-mongering terms. In our view everyone should have a long hard look at what data they hold on individuals and why they hold it. You also need to think about your systems, how vulnerable they are to hacking, how you would know if they have been breached and what you have to do if this happens.



You also need to make arrangements for informing people whose personal data you hold, gaining their permission to hold it and having procedures in place for deleting data at their request, correcting it if it's wrong and not holding on to it for too long. We are in the process of preparing our guide to the things in GDPR which are most likely to affect SPA members.

Tax - So the scary MTD threat has gone away - **no it hasn't**, although it's been delayed and simplified. Nevertheless we think that those members who have not considered how client data can be submitted digitally to HMRC should make use of the delay to look at their systems and ensure that they do have digital capability.

Audit - if you're still audit registered and your clients have (or may have) material stock, make

sure you attend the stocktake or have a really good, well documented reason why attendance is unnecessary. It's effectively compulsory under ISA 501 and the QAD have been taking a strict line on it. Also, if you had a QAD visit more than 4 years ago, your next visit is approaching fast. Look at the recommendations they made which you agreed to and make sure you can demonstrate that you have done what you said you would

Accounts - On the accounts front, for small companies, FRS 102 has generally not been the nightmare many expected and, on the whole, the software companies are now more or less up to speed. Our tips are:

Be careful with investment properties and unrealised gains
Know your 1A accounts from your abridged accounts, from your filleted accounts, from your micro accounts



Private Medical Cover For You and Your Employees

Dear Member

SPECIAL OFFER FOR MEMBERS OF



You rely on your employees to help you offer a first class service to your customers. So what happens when they are absent due to illness or needing an operation?

You and your business feel the effect and more importantly so do your best customers.

HMCA have produced a low cost and affordable medical plan for you and your team. You can receive the significant benefits of the private medical plan by contacting HMCA who will be happy to provide a quote.

In future you can be confident that if you or your team do need time off work due to sickness or injury, then you will get quick treatment at a time that suits you and beat the NHS waiting lists enabling a fast return to work. Good news for you, your business and your customers.

- No medical examination is required
- No age restrictions are imposed
- Sports cover is included
- A personal claims service is provided
- An NHS hospital cash benefit is included
- Guaranteed transfer facility

Our schemes provide a full range of benefits for in-hospital and out-patient treatment. HMCA have a low overall cost base and only minimal advertising costs because they deal directly with membership groups.

If you are interested in a no obligation quote and finding out more, please contact Mark Upton at HMCA
Phone on 01423 799942
or Email company@hmca.co.uk



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ICAEW Disciplinary matters -

We continue to be concerned about the level of “sanctions” (heaven forbid they should be thought of as fines) and costs awarded against ICAEW members particularly in “no loss cases”.

The current regime (Executive Director Duncan Wiggetts addressed our AGM in 2016) has implemented some positive reforms -

- better training for those sitting on quasi judicial tribunals,
- a regime for dealing with cases where the member is suffering from health issues,
- a sensible time limit to prevent unreasonably old complaints having to be dealt with (coming soon)
- but it is still all too easy to find yourself enmeshed in the disciplinary system, either because of matters raised by QAD or complaints by a disgruntled client.

We have recently seen cases where both we, and our legal adviser Chris Cope, have reacted with “they can’t live in the real world” or issues arising from simple, straightforward errors in completion of returns or negotiating the regulations which result in no harm to clients or the public.

If SPA members find themselves in a position where disciplinary action against them by ICAEW seems possible, please contact Howard or Nigel at SPA as soon as you are aware of the situation. This will be, of course, at no cost to you. Whilst we are not able to offer legal advice, we have seen a number of these cases and we can offer a sympathetic ear and give some tips.



The usual strategy is:

- Notify your PI insurers immediately and follow their advice.
- Respond promptly to communications from ICAEW (even when they seem to take a long time to respond to communications from you).
- Try to establish a personal relationship with your case officer - speak to them on the phone if you need clarification on exactly what it is they want or you need a deadline extended.
- If you have agreed to abide by conditions imposed by QAD or a regulatory committee, do what you have said you will do.
- It may often make sense in terms of time, trouble and, yes, cost, to accept a consent order at an early stage, even though this may seem hard to bear.
- If you do find yourself in a tribunal, ICAEW will have legal representation - usually in-house legal staff who are not expensive QCs but they do have legal training and you therefore need to consider being represented too. There is nothing of the cosy chat about these tribunals
- The further along the appeals/review process you go, the higher the level of ICAEW costs being racked up - if you lose, and sometimes even if you win, you will have to pay these and they can be substantial.

At the absolute discretion of the steering committee, SPA may offer help to members with their costs in defending disciplinary and regulatory charges in certain circumstances.

An advertisement for 'Private Medical Cover' by HMCA. It features a list of 18 benefits, each with a checkmark icon. The benefits include: choosing your own specialist and hospital, avoiding NHS queues, unrestricted hospital visiting times, private rooms, prompt claims settlement, guaranteed transfer facilities, 93% savings by transferring to HMCA, excellent customer service, acceptance of all ages, family plans for children under 26, tax-free NHS cash benefits, overseas and sports coverage, dental treatment, free medical helpline, long-term illness grants, excess availability, moratoriums, and a £50 M&S gift card. It also mentions an 'EXCLUSIVE OFFER FOR MEMBERS OF SPA' with 'LOW SUBSCRIPTIONS' and provides a contact number (01423 799949) and website (www.hmca.co.uk/quote). The ad includes the HMCA logo, the SPA logo, and a silhouette of a family walking in a field.

CHURCH TAX - THE GIFT AID SMALL DONATIONS SCHEME ("GASDS")

David Cleaver writes:

Members who are involved in Accounts or Tax for Churches, Charities or community Amateur Sports Clubs (CASCs) need to be aware that the time limit for a GASDS claim is only 2 years compared with the time limit for Gift Aid claims of 4 years. For GASDS the earliest claim now possible is for the tax year to 5th April 2016 and for Gift Aid claims 5th April 2014.



The GASDS started in April 2013 and enables, for example, a PCC to claim a Gift Aid style repayment on small cash donations of £20 or less up to a maximum of £5,000 (Tax £1,250). From 2016/17 the maximum rose to £8,000 (Tax £2,000). The scheme is to allow Charities to claim "top up" tax repayments on small cash donations where it is difficult or impractical to collect a Gift Aid Declaration.

PCCs (Parochial Church Councils):

- 1 Need to be recognised by HMRC.
- 2 Have existed for at least 2 tax years prior to the year of claim.
- 3 Have made a successful Gift Aid claim in at least 2 of the previous 4 tax years.

Small Donations

To be eligible, donations must be **small, cash** donations only from individuals received in the Community Building, and on which no Gift Aid claim has been or will be made:

Small - donations of £20 or less

Cash - in coins or notes

Giving/donations only

Given only when 10 or more people (of any age) are present at a service (these do not need to be the same 10 people each time).

Cash collections (including donations received in regular giving envelopes) received during services, including baptisms, weddings and funerals, will be the most common examples of qualifying donations for churches.

The main exclusions from being a "small Donation" are:

A Gifts by Standing Order, cheque, text, online giving or bank transfer.

B Money from raffles, tombolas, sales and other income (including trading receipts from bookstalls, magazines etc) that would not qualify for Gift Aid.

C Charity or CASC membership fees

There was a change of rules on 5th April 2017 and the following GOV.UK sites should be consulted for full details:

Pre 5th April 2017: Chapter 8 sections 1 — 28.

[Go Here](#)

Post 6th April 2017: Chapter 8 sections 1 — 10. in particular the maximum amount of GASDS top up you can claim is 10 times the total amount of Gift Aid donations claimed on by the charity or CASC in that tax year. For example, to claim a top-up payment on £100 of small donations you

CASC in that tax year. For example, to claim a top-up payment on £100 of small donations you need to successfully claim Gift Aid on at least £10 of eligible donations in the same tax year.

[Go Here](#)

SPA AGM 2018 - 21 June 2018 at historic Hatfield House



Our AGM this year will take place at Hatfield House, where Elizabeth I spent much of her youth.

It's a beautiful setting, with good accommodation for both the AGM and the other activities which will happen as usual in the morning.

There will be lunch and, in the afternoon, tours of the house, and plenty of time to visit the grounds. There is ample parking.

As last year, there will be no charge for the event.

Full details will be available very soon.

The SPA Steering Committee needs new blood

We need your help to develop the services which SPA offers to its members. Please contact Howard or any of the steering committee, if you would be interested in joining us.



This is our first newsletter without our founding chairman Peter Mitchell, who lost his battle with cancer in September. We apologise for a couple of months of radio silence whilst we pick ourselves up and move into a new era without Peter's guiding hand.