



sackmans

**Are you getting the
best deal from your
Accountant?**

Introduction

It's human nature to want the best deal.

Whether you are buying a mobile phone, going for a meal or paying an accountant, it's good to know you're getting great value. Especially now, cash is tighter than before because of the Credit Crunch and Recession.

Today, for many of us, it's about looking after the pennies so the pounds will look after themselves.

The good news is that most people can get better deals on many things because before the Credit Crunch there was a lot of slack.

If you think back over the last 15 years, when the economy was buoyant, the pace of life was so fast, it was sometimes easier to just agree to a deal, rather than question it.

So, the chances are that if you have not reviewed your options, you are probably missing out on a better deal for many of your goods and services.

Now is an opportunity for you to take stock, review what you spend and what you receive on all your outgoings. This report is about the support (or lack of) you get from your accountant, how much they charge, what advice you get and the service standards you experience.

The key to getting the best deal from your accountant is making sure you consider that your payment is an investment, not a cost.

To do this, not only do you need to make sure what you pay is not unnecessarily high, but you also need to ensure that what you get as value, is as high as possible.

The gap between what you pay and what you get is your profit. The best deal is when this gap is maximised.

As a businessperson, your accountant should be on the top of your list of expenses to review. They can directly and indirectly, impact the amount of money in your pocket more than anything else.

With your accountant, it is not just how much they charge but they also determine how much tax you pay (which is likely to be one of your biggest expenses). And, they could have the key to helping you increase your profits by sharing practical ideas of what works with their other clients.

This report poses a number of questions for you to consider about your accountant.

What is a good deal?

As mentioned, this not really about the fee. A great deal is the gap between what you get and what you pay.

A good deal is when what you get is worth more than you pay. The best deal is when the gap is maximised. So, you need to be on the lookout for an accountant who will pack value into your service and work with you to make sure your fee is as low as possible.

Have you had this open type of discussion with your current accountant on what you can do to reduce your fees?

It's important to remember that the best deal for one person may not hold the same value for another. There is an infinite set of criteria that dictates whether a deal is amazing, bad or terrible and the criteria can only be established through a level of understanding between you and your accountant.

A survey by Sage Software (the leading financial software company) of over 2,000 businesses found that business owners place most importance on an accountants' ability to understand them. So, the first question is:

Question 1 - does your accountant really understand you?

Do they know what your goals are? Are they aware of your key frustrations? Are they offering you any advice and practical ideas on how to deal with these issues?

Next comes tax.

Question 2 - are you getting a REALLY proactive tax planning, management and protection advice?

According to the Oxford English Dictionary, the definition of proactive is 'creating or controlling a situation rather than just responding to it'. When it comes to tax, is your accountant really proactive?

Does your accountant control your tax bill by telling you what needs to be done before you ask?

Is the advice given by your accountant wide and deep enough?

By this, we mean does your accountant have a deep enough understanding of your situation to cover all the bases?

Tax, like a lot of things, has changed a lot over the last ten years but many accountants are working in old fashioned ways. In today's world, it's not just about regular tax anymore.

A good proactive accountant should be exploring every area of your tax exposure. A good example of this over the last few years has been advanced tax planning with the utilization of Employee Benefit Trusts.

Is your accountant offering you a wide range of tax advice, before you ask?

Finally, there is tax protection.

Is your accountant providing you with tips to protect yourself from the taxman? This can include offering you insurance to cover tax enquiries but also how to organise paperwork to prevent the taxman challenging your tax planning.

Many business trade as a limited company and extract profit with dividends because it is saves tax. But, a large percentage are not doing the administration correctly and this means the door is open to the taxman to reverse the tax planning!

Imagine having a tax bill going back many years with interest and penalties. Your accountant and any insurance will not cover this.

Next comes service.

Question 3 - what service options does your accountant offer you?

We've found the best way to understand someone is to take the time to find out what's important to them and why.

We also believe it's a good idea to check regularly. People and circumstances change. With regular communication, people can be treated as individuals.

Does your accountant take time to offer the style of service that matches you as an individual?

This level of your service requirements can only be defined by good communication between you and your accountant.

Do you feel communication between you and your accountant is open, relaxed and effective?

Does your accountant 'speak your language'?

Do you understand what they are telling you?

Is he or she approachable and friendly?

There are also customer service issues to consider when evaluating your current deal.

Are your calls and emails returned within a reasonable (or even agreed) period?

The final question is:

Question 4 - is your Accountant helping you grow the top and bottom line?

When business owners were asked if they thought their accountant could help them to grow the top line, 76% said "no" and the majority are right. Most accountants are not good at marketing because they rely on the same fees from services they know people must buy. And, they rely on the same clients year-in, year-out.

Why is Sackmans different?

Because our reason why is to help our clients gain financial independence. To play an effective role we need to do more than accounts and tax returns so we have taken the responsibility and widened our knowledge base.

We have made it our business to understand good and best practice on a wide range of topics outside just accounts and tax.

If you think about it, although accountants are not specifically trained as business growth and profit advisers, they are ideally placed to help. They come into contact with large numbers of profitable businesses that make practical and sometimes innovative business decisions that help grow their top line.

We feel that accountants, however unwittingly, have access to a large and vital knowledge pool. Especially, when a network comes together to share knowledge.

Wherever possible, you should be able to tap into your accountant's experience of successful businesses to grow your own top and bottom line.

Does your accountant belong to a network?

Does your accountant offer practical business advice?

Moving Forward

Review the questions outlined in this document and assess your current deal.

There are some questions below that you can score in order to rank your current accountant. Please feel free to call us and ask us the same questions so that you can make a comparison.

If your accountant is not giving you the best deal ask yourself why? Have they taken you for granted? Do they really care about your business? Many owners of small business are with large firms of accountants who are best set up for dealing with larger clients.

Perhaps you need an Alternative Accountant. Perhaps it might be us.

Sackmans

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Compare Your Deal

Use this checklist to help choose the **best deal for you**. Give each firm a score in the right column – score 1 as the lowest and 5 as the highest. The **best** deal will be the one with the highest total.

To score Sackmans please feel free to give us a call and ask us the questions.

Question about the firm

Detail

Question about the firm	Detail	Score -10 to +10	Your Current Accountant	Sackmans
1. How much do you feel that the firm cares about you and your business?	For example, how much contact with the accountant do you have? Do you speak with your accountant during the year other than year-end? Do they seem interested in your business?			
2. How do you rate the people in the firm?	Did you feel comfortable and can you trust them? Do they seem enthusiastic about their job?			
3. How do you rate their service standards?	For example, do they actively seek your feedback on the service they provide? Do they constantly strive to improve their service?			
4. How much of a priority is tax planning?	The cost of an accountant is not just the size of the bill. Lost opportunities can be more expensive.			
5. How helpful are the tools they have (if any)?	For example, can they provide you with bookkeeping software or training?			
6. How helpful are the payment terms?	For example do they offer payment by standing order?			
7. How focussed is the firms on helping you adopt the best technology?	Using the latest and best technology will reduce your accountancy fees and put you in control.			
Question about the firm	Detail			
8. How easily can you communicate with your accountant?	For example we use plain English in all our communications. Do e-mails and letters from your accountant make sense to you?			
9. How proactive is the firm?	Do they look to offer wide and deep advice before you ask for it?			
10. How much do they help you grow your top and bottom line?	Do they network or run seminars or presentations on business growth and best practices? Do they share their knowledge pool of practical business advice?			
TOTAL		Maximum: 100		

We will protect you!

You can't prevent a tax investigation starting but you can reduce your chances of being selected.

Use appropriate, manageable bookkeeping software or find a flexible bookkeeper to help you keep your paperflow in order.

Luckily for you, we will do all of the above.

We have our own software, so we can teach you how to use it and coach you how to do your bookkeeping with maximum care and efficiency.

Or, we'll take it off your hands completely! We'll work out the details during a consultation session.

If your business fluctuates by the season, we can do a job share; we'll do the books when it's busy, and you can do them when it's quiet.

In addition;

Whilst completing your accounts we automatically carry out risk management checks to highlight areas of concern. If necessary we will discuss these with you.

We can recommend additional disclosure notes on tax returns to pre-empt questions.

We will manage your tax affairs and help you ensure your accounts and tax return is sent in on time.

We can give you mid-year or quarterly tax forecasts so you can budget for tax bills and make sure you are able to pay your tax on time.

We know the detailed rules and procedures of investigations and can help you if you are investigated.

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