

# Clarity



THP'S BUSINESS AND PERSONAL VIEW

September 2013

## Do you want to build a business – or create a job?



**WHEN WE DECIDED TO GIVE THIS ISSUE OF CLARITY A 'CREATIVE' THEME, IT GOT ME THINKING ABOUT THE CREATIVE QUALITIES YOU NEED TO BUILD A GREAT BUSINESS.**

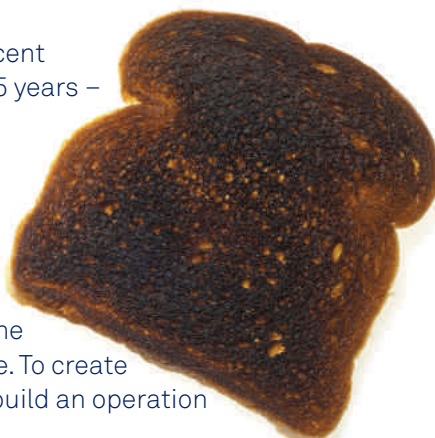
Many of THP's most successful clients started out working for themselves. Some, in the words of business guru Michael Gerber, had what's known as an 'Entrepreneurial Seizure' – which I guess could be another way of describing a very positive Eureka moment!

Whatever their motivation, it's not surprising that people who spend years building up experience in a particular field – whether it's graphic design, copywriting, social media or something completely different – wake up one day and decide they'd be better off working for themselves.

The only problem is that, according to a recent survey, 55% of new businesses fail within 5 years – or cease to trade with no real value.

But why does this happen? And how can you make sure it doesn't happen to you?

I think the skills you need to create a successful business are very different to the ones you need to excel at a particular trade. To create an enterprise with real value, you need to build an operation that can function in your absence.



(continued overleaf)

### NEWS IN BRIEF

#### SMALL BUSINESSES DEMAND BETTER ACCOUNTANCY SERVICES

Over one in four small businesses want their accountant to engage with them better, according to recent research by software giant Sage. 28% of respondents said they would like their accountant to contact them more often by phone or email, while 39% said they'd like technology to be used more effectively. At THP we work hard to keep you up to date and offer advice, but if you have any questions please pick up the phone or drop us a line – we're always here to help.

#### ONLINE SALES TAX UNLIKELY

Treasury minister David Gauke has stepped in to soothe fears that the government might introduce a new online sales tax – for products sold via the web. In a letter seen by the Sunday Telegraph, Gauke wrote: "we favour an approach which aims to ensure common principles apply to all businesses whether operating online, from physical premises or a combination."

#### OTS RECOMMENDS EMPLOYEE BENEFITS REVIEW

The Office for Tax Simplification has urged the government to radically overhaul employee benefits tax. Among almost 50 ideas for reform is a suggestion to 'payroll' benefits, so tax is paid as benefits are awarded – not at the end of the tax year. The OTS also recommends abandoning or substantially increasing the £8,500 'higher paid' earnings threshold – the level at which employees (apart from directors) are taxed on benefits. Final recommendations will be published before the March 2014 Budget.

### ISSUE

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# NEWS ROUND-UP

## ACCOUNTANCY AND FINANCIAL NEWS AND UPDATES FOR THP CLIENTS

### DO YOU WANT TO BUILD A BUSINESS - OR CREATE A JOB?

Continued from the cover

To put it another way, if your business would cease to exist if you got run over by a bus, you don't really have a business – you have a job.

You may be earning more than you would by working for someone else. But in all likelihood, the added responsibilities and pressures of running a business will more than outweigh the reward – and you won't be able to sell it on when you reach retirement.

So how do you transform an occupation into a true business?

#### A gateway to a better life?

The key is to be very clear about your aims. Look ahead and decide what you want to achieve in five and ten years' time. Do you want a better life, more money and freedom?

If you don't think this through properly at the outset, you could find your business becoming more of a burden than a gateway to a better life.

But even if you do set off on the wrong foot, you can still transform your business for the better. If you have the determination and will to change, it's rarely too late to learn and to apply a fresh approach.



A good place to start is with Michael E. Gerber's book, *The E-Myth Revisited: Why Most Small Businesses Don't Work and What to Do About It*. His advice is invaluable for anyone struck by that 'Entrepreneurial Seizure', helping you to work on your business rather than just within it.

Once you've read it (or even before!), give your contact at THP a call and arrange a meeting. They'll be able to show you a very entertaining video I discovered a few years ago called 'Seven Steps to Business Success' – and to work with you to apply these proven principles to your own enterprise.

After all, there's nothing more reassuring than knowing where you're likely to be in 10 years' time!

Jon Pryse-Jones

### THP SPONSORS NATIONAL COPYWRITING CONFERENCE

THP is sponsoring the first annual conference of the Professional Copywriters' Network, the only association for UK-based freelance and agency copywriters.

The event will be taking place at the Haberdashers' Hall, London, on 11 October 2013 and features a stellar line-up of speakers. Topping the bill is advertising legend Dave Trott (see page 4), currently Chairman and Executive Creative Director at The Gate London, and author of the bestselling *Creative Mischief* and *Predatory Thinking*.

Also speaking are marketer Dee Blick, whose Amazon-topping *The Ultimate Small Business Marketing Book* is a must-read for anyone wanting to win clients and increase sales, plus well-known direct-response copywriter and author Andy Maslen.

Up to 200 copywriters, marketers and businesspeople will be at the event, and THP will be on hand with a special 'finance clinic' to offer advice on all aspects of tax, accountancy and bookkeeping.

If you would like to learn more or book a place, please visit [www.procopywriters.co.uk](http://www.procopywriters.co.uk)



### UK BUSINESSES OWE £2.5BN IN VAT

Businesses struggling to pay their bills now owe some £2.5bn in VAT to the taxman, according to recent research.

While this figure is down on last year, it's partly due to increased seizures of business assets by HMRC. In the year to March 2013, assets were seized on 4,746 occasions – almost twice the amount of the previous year. HMRC also doubled the amount it spent on external debt collectors to nearly £13m.

Separate research also suggests that HMRC has become more aggressive in pursuing VAT payments. However, of 30,345 penalty case appeals in 2011/2012, 60% were overturned – meaning large numbers of businesses are having to contest unfair fines.

If you are having problems with paying your VAT, or you would like advice on avoiding late payment penalties, ask your THP Client Manager for advice.

### £950M UNCOLLECTED AFTER REAL-TIME PAYE INTRODUCTION

Have you made a smooth transition to real-time PAYE reporting (RTI)? HMRC is certainly hoping that the new system will not only be more efficient, but also make payments easier to collect. It needs to be: as RTI was introduced, the taxman wrote off £950m of payments, stretching back over the last seven years. The decision to forgo the payments came after HMRC struggled to work through a backlog of unresolved cases within the legal timeframe.

### TAX EVASION PROSECUTIONS RISE 100%

Middle class tax avoiders have been the focus of a new clampdown by HMRC on evasion. In 2012/13, 617 people were prosecuted – up from 302 the previous year – with business people and buy-to-let landlords increasingly targeted.

While HMRC frequently spends more on prosecution than the tax being evaded, it believes it sends out a strong message to others. So if you're worried that your tax affairs aren't fully shipshape, be sure to give us a call before the taxman comes knocking!

# Signs of the times

How new technology is giving SignAway more than a sporting chance

**H**ave you seen those incredible 3-D signs on rugby, football, cricket and other sports pitches?

They work thanks to a clever optical illusion. Although they lie flat on the pitch, when they come into shot on your TV, they spring to life in three dimensions – giving sponsors eye-catching advertising space anywhere from the centre spot to the goal line.

The technology behind 3-D signs is strictly patented. Owned by a company called LogoPaint, the exclusive supplier to the UK and Ireland is THP client SignAway.

SignAway was set up six years ago after owner Greg Craigen got a lucky break – he was asked to paint the Etihad Airways logo on the roof of Twickenham Stoop, the home of Harlequins rugby.



Since then, the business has grown rapidly and is now a market leader in four main services areas. In addition to providing 3-D signs, SignAway is

first port of call for stadium signage and perimeter boards, 2-D field painting and digitally printed carpets. Clients include the Rugby Football Union, Aviva, Vauxhall, Investec and many other blue-chip brands and major sporting bodies.

The journey has been a breakneck one for Greg and his team, as he explains: “We literally started out from my room in a two-bed flat in Epsom. As the orders came in and the business grew, we moved first into nearby stables and then into a 100m2 unit in Weybridge. We’re now in a 300m2 unit and are about to move to one with more than three times the space.”

## A GROWING TEAM

The team has grown too. He now has a team of twelve permanent staff, with between another two to ten helping out during any given weekend. The company is popular with Greg’s fellow South Africans, many of whom bring skills like carpentry (and enormous enthusiasm for sport) to the firm.

THP has been on hand to help Greg grow his business since the early days. “A friend of mine had a business selling fire extinguishers. He introduced me to THP and I asked them to help me. They’ve been incredibly supportive from day one.

“My main contact is Kate Brassler at THP’s Cheam office. She knows the business very well, and she also knows that accounting and tax aren’t my strongest skills – although I’m always putting pressure on her to make us as tax efficient as possible!

“I trust and rely on Kate. She takes care of everything from our VAT returns to processing our National Insurance and tax. She is also very familiar with the machinery we use, so advises us well on what capital allowances and depreciation we can claim.

“Over the years, the balance of Greg’s business has changed. “We were originally heavily reliant on 3-D signs,” he recalls, “and they accounted for a good 80% of our work. That figure has now gone down to about 30% as our other activities have grown.”

## ‘WELCOME TO OUR TURF’

One of the biggest growth areas has been in digitally-printed carpets. Very popular with businesses and sports clubs that want to print their logos or other designs on carpet, they’re used in entrance foyers, for short-term exhibitions and events and – increasingly – in shopping centres. “THP helped us to gain an R&D grant for our printed-carpet work,” explains Greg.

“We saved a significant amount of money as a result.”

Increasing numbers of SignAway clients are also asking the company for highly-creative field paintings. These designs are much bigger than the 3-D designs on sports pitches, and are instead used to create gigantic graphics on fields at international airports, near popular flight paths, at horse racing venues and on farms next to major traffic routes.

Perhaps the most famous field painting the SignAway team has created was for British Airways’ #HomeAdvantage Olympic campaign. This image of champion athlete Jessica Ennis was completed over two days using over 600 litres of red, white and blue weatherproof paint – and it welcomed visitors on all flights into Heathrow Airport with the message “Welcome to our Turf”.

But what of the future? “It’s very much going to be digital,” says Greg. “As well as developing our core services, we’ll be looking to offer LED signage and helping stadiums and other businesses upload images onto buildings. Even our field painting is digitised now – we’re in a development partnership with the inventor of a pitch painting robot, which will make our work faster and more accurate.”

One thing’s for sure, in six short years, SignAway has made a major mark in the sporting and business worlds. We’re looking forward to supporting the team over the next six – and beyond.





# Are you out-thinking your competition?

If not, it's time to put predatory thinking at the heart of your business, says Ben Locker

Two explorers are walking through the jungle. Suddenly they hear a tiger roar. One explorer sits down and takes a pair of running shoes out of his backpack. 'You're crazy, you'll never out-run a tiger,' says the other explorer. 'I don't have to out-run the tiger,' he replies. 'I just have to out-run you.'



**T**hat's a story often told by Dave Trott, the creative brain behind some of Britain's most famous ad campaigns – from "Ello Tosh, got a Toshiba" and "Ariston and on and on" to "Does you does or does you don't take Access?"

Dave might be an ad-man, but his thinking about creativity, brand and problem solving can help you if you're in business and want to out-think your competition.

That's the point behind the story of the two explorers and the tiger. If there's a big cat bearing down on you, don't waste time thinking of a way to outpace it. You need to change the problem – in this case by out-running your competitor, so he gets eaten instead.

Dave calls this concept of rethinking a problem you can't solve – and turning it into one you can – 'predatory thinking'. It's an approach that's essential in ad-land, simply because 89% of adverts go unnoticed.

We don't notice most adverts because they are too similar to most of the others competing for our attention. No matter how well they persuade, if they have no impact they won't register with customers in the first place.

Businesses themselves have the same problem. If your brand and language are too similar to your competitors', you don't stand out and you get missed.

## Daring to be different

But being different takes courage. As a copywriter, I sometimes hear clients say, "That looks (or reads) like nothing else that's being done in my sector." Their temptation is to play it safe, adopting a brand that blends in with the competition and a tone of voice that sounds just like everyone else's.

That might be okay if you're the market leader and have the resources to retain pole position. But if you're the underdog, you need to be more creative – like the ad agency Allen Brady and Marsh (ABM), which once pitched for the British Rail account against some much bigger agencies.

Dave Trott explains that, to win the account, ABM couldn't just do a normal pitch like the bigger agencies. They had to find a way of proving they had something different to offer.

So on the day of the presentation, when the British Rail top brass turned up at ABM's offices, they found it deserted. The reception area was covered in litter and cigarette ends and the cushions had holes burnt in them.

After a while, a scruffily-dressed woman came in and ignored the group of increasingly impatient rail executives. As she rummaged in a drawer, the British Rail chairman coughed several times – but she continued to ignore them.

Eventually he said, "Excuse me, we're here to see..."

The woman said, "Can't you see I'm busy?"

The chairman said, "Right, that's it. We're leaving."

And at that exact moment, the creative director of ABM stepped out of an office and shook the chairman warmly by the hand.

"Gentlemen," he said, "you've just experienced what the public's impression of British Rail is. If you'll come this way, we'll show you exactly how we're going to turn that around."

They got the job. Not by competing with the other agencies on their own turf, but by looking at the problem from the other end – the customers' end.

## Creating a story for your brand

Another business that did this is an off-licence in Oxford, which drummed up a roaring trade that made it the envy of its competitors.

You would probably assume that selling beer to students isn't difficult. And you'd be right.

But if you're selling mostly the same beer, at roughly the same price, and your shop is rubbing shoulders with similar outlets – then how do you become the off-licence that everyone wants to buy from?

The solution was to put a scoreboard outside the shop. Every time a student bought beer from this particular off-licence, another point would be added next to their college's name.

So when the undergraduates at Balliol saw the students at Jesus had got a higher tally, they'd go and buy beer to bump their own score up. And when the drinkers at Christ Church saw that Jesus had snuck up the rankings, they'd make it a point of honour to redress the balance.

The off-licence itself hadn't changed. But its brand story had. It became the 'Offy' that ran a collegiate beer-buying competition – a viral narrative none of its competitors could match.

So next time you launch a product, design a service or market your business, ask yourself what problem you're solving – and whether someone has beaten you to it already. And if they have, rethink the problem until it becomes one you can solve.

Like Steve Jobs, who wanted all the coolest people in the public eye to buy the new iPod. He realised that the moment they put an iPod in their pocket, no-one would know what device they were listening to.

So he rethought the problem. He made the headphones white. Then everyone knew what the cool people were listening to, and bought iPods themselves.

Jobs out-thought the opposition. He was a predatory thinker. Are you?

*Ben Locker is co-founder of the Professional Copywriters' Network. For a chance to hear Dave Trott speak about 'predatory thinking', see 'THP sponsors national copywriting conference' on page 2.*

# 25%

**THE NUMBER OF PEOPLE WHO BELIEVE THEY ARE LIVING UP TO THEIR CREATIVE POTENTIAL.**

More than half of us believe creativity increases when the economy dips – so is it time to unleash your inner creativity?!



**CAN YOU SPOT CREATIVITY?**

Not every creative person gets recognised early on in life. Einstein was 4 years old before he could speak and 7 before he could read. Beethoven's music teacher once said of him: "As a composer, he is useless".



**FOUR FIFTHS OF US BELIEVE WE'RE UNDER PRESSURE TO BE PRODUCTIVE RATHER THAN CREATIVE AT WORK.**

But creativity is one of the most sought after traits by top headhunters – so be sure to make the most of your colleagues' imaginations.



**Enjoy Your "Phased Retirement", CDJ.**

Having initially met with Chris Johnson in Wanstead to discuss our prospective partnership, I warmly remember the evening late in 1986 that Chris came to my home to meet with Nessa and Tony. Our partnership had been a very close relationship between Tony, Nessa (Practice Manager) and me. We needed to ensure that Chris would fit in with our way of doing things (little did we know!). Tony became more expansive as each bottle of red wine was opened, which gave Chris a chance to see the real Tony through the facade.

Chris was at that time the Finance Director for W H Allen plc (now Virgin Publishing) and had previously been with Coopers & Lybrand & Clark Whitehill, having first qualified with Lancaster Littlejohn. Chris had decided that he wanted to have more say in his own future and a local partnership seemed the answer.

From those initial meetings it was obvious that Chris was a hard working, very steady individual with strong convictions, ideas and principles. Nessa, Tony and I were aware that my and Tony's approach to auditing needed to be 'taken in hand' and Chris was exactly the right man to do this.

Chris certainly had to fight his corner when it came to upholding auditing standards and keeping strictly in line with Institute regulations. Tony and I regularly gave him a hard time. I know that Chris frequently went home from management

meetings needing a stiff drink or three. However, Chris was well up to the task of sticking to his guns; for 25 years he single-handedly dealt with all our compliance and Professional Regulation issues and he has ensured that the firm's audit systems now rank with the very best in the country.

If Chris has a fault, it is his continued aim for perfection, which takes its toll on the hours he has worked. Sue and the children must have often felt as though he was only going home to sleep.

Not only was Chris a perfect balance to the partnership, he was and remains great company both at work and on every social occasion. He is a steadfast friend and a brilliant family man. Chris' infectious laugh can be recognised anywhere.

Some of Nessa's and my favourite memories are the Christmas Eves when all went back from the pub to the Johnson home for a takeaway meal – usually accompanied by entertainment from his younger son Martin with his latest magic tricks. There was one Christmas Eve when Sue was thrilled to show off her new cream lounge carpet. Nessa carefully carried her plateful of Chinese on a table mat into the lounge but, as she was lowering it onto a coffee table, the plate slipped and fell upside down on to the carpet!

Chris's family responsibilities have always competed successfully for a fair division of his time and no parent could be prouder of Steven, a qualified accountant, Martin, an architect, and Catherine, a qualified doctor.

We're all looking forward to 15 September when Chris celebrates his retirement with all the THP team on The Yacht, Temple Pier for a Thames evening extravaganza.

Finally, thank you again, Chris, for keeping Tony, myself and all the professional team at THP

on track for nearly 27 years. You have played a major role in supporting and building THP into the successful company it is today. I wish you happiness to spend more time with Sue, although she is going to have to share you with your music, your tennis and, of course, that state-of-the-art model railway!



**Dave Harrison retired from THP on 31 July 2013**

and in true Dave style made sure that everyone enjoyed themselves at his retirement party with the highlight being Dave's 40 minute chronological account of his working career from boy to man.

Dave has been with THP for 3 years and over that time has made sure with Tony Alldis' invaluable assistance that they became a key part of our Cheam office, introducing our colleagues to our mutual clients over time with the best encouragement and handover to carry on his trusted adviser role.

We wish Dave a very enjoyable retirement and I know he will continue to keep in touch on a personal level, his retirement party showed that many of his working relationships have developed into long standing friendships, a sign of someone who truly cares.

ACCOUNTANCY TAKES SKILL, BUT IT'S CLOSE RELATIONSHIPS THAT MAKE THE DIFFERENCE – SAYS THE TEAM AT THP CHEAM

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# 'OUR CLIENTS TELL US MORE THAN THEIR FAMILY DOCTOR!'

KATE



Continuity, customer service and bringing major accountancy firm expertise to a friendly, local branch – these are all the priorities of the THP Cheam team. They're also great fun, caring colleagues and a real pleasure to talk to. We asked them what makes their practice tick.

We talked to:

**Lee Daley:** Cheam's newest Client Director, who joined THP after leaving school and hasn't looked back since.

**Kate Brassier:** Client Manager and rising star, with a knack for finding new ways to save her clients money.

**Tony Alldis:** A chance game of golf in 1999 set Tony on the path to an accountancy career. Now a client manager and avid perfectionist.

**Tom Brereton:** Tom's been with THP since 2008 and has since qualified as a Chartered Accountant – and developed a keen interest in tax affairs.

**Q. THERE'S ALWAYS A PURPOSEFUL ATMOSPHERE IN YOUR OFFICE. WHAT'S THE SECRET BEHIND IT?**

**Lee:** It's the work ethic. We're not 9-to-5 people – we have to work outside those hours regularly – but we pull together to get it done.

**Tony:** Yes, it's the relationships that make the difference. Not just with the rest of the team, but with the clients too.

**Lee:** That's true. We're on first name terms with many of our clients, and we all have long-lasting friendships among them. It's very different to most accountancy firms.

**Q. CLIENTS MUST FIND YOUR APPROACH REFRESHING. IS THAT WHY THEY STAY WITH YOU FOR SO LONG?**

**Kate:** Yes, but it also helps us do our job much better. Often you'll pick up something relevant in an informal chat with a client, and that can help you find ways to save them money.

**Tony:** That's true. Some of our clients tell us more than their family doctor! But it does allow you to deliver a much better service – and clients frequently recommend us for it. I'd say that 95% of our new clients come via referrals from our existing clients. In return,

we're very good at putting them in touch with each other – one client recently built a house extension for another!

**Q. SURELY SERVICE LIKE THAT COMES AT A PREMIUM?**

**Tom:** I'd say we give great value for money. We're not necessarily the cheapest, but we've got plenty of clients who have got fed up with bargain basement accountants and come to us instead. Smart businesspeople don't mind paying for a good service – especially when we save them much more than their previous accountants.

**Tony:** I agree. Fees aren't really an issue. Clients tend not to ask "how much will this cost?" They're more likely to ask, "how much will you be able to save me this time?"



TONY



## THE MOST AVID READERS? ACCOUNTANTS!

Did you know that accountants are the most avid readers by profession? We spend an average of 5 hours 15 minutes per week with our noses in a good book – compared to only 4 hours 33 minutes for lawyers and 2 hours 40 minutes for the clergy. Though perhaps our choices could be a little more creative – almost every profession polled in a World Book Day survey chose Lord of the Rings or Pride and Prejudice as their favourite book.

**Lee:** The other thing to remember is that we keep a very close eye on our competitors. Many clients come to us because they're dissatisfied with the service they receive elsewhere. So we mystery shop other accountants to get a client's perspective on their service – and make sure we don't make the same mistakes.

**Q. WHAT'S YOUR RELATIONSHIP LIKE WITH OTHER THP BRANCHES?**

**Lee:** It's great. We pool our expertise to help both clients and each other. I'm new to the role of director, but Tim Housden – the Tax Director at our Wanstead branch – often comes down to support and advise me. THP is great for nurturing talent at all levels.

they began to use us for extra services such as help with acquisitions. That account has now doubled in size.

**Kate:** We also put in a lot of effort to help smaller clients cut their costs. Those who supply their accounts as spreadsheets, or even as receipts, can save a lot of administration costs if we show them how.

**Tony:** Yes, that's right. If we move clients like that to our Cloud-based Open Books service, they can use this software to manage their accounts – and we can access it from our office too, which makes it easy to administer. It also means we can spot opportunities for them to save money much more quickly.

**Lee:** It's great. Clients can even ask us to set up flags on the software – so if they spend more than an agreed amount, we'll be alerted and can give them a call. It's a good way of keeping your business's finances on track.

**Q. WHAT ARE YOUR PLANS FOR THE CHEAM BRANCH OVER THE NEXT FEW YEARS?**

**Lee:** We've been working hard on a smooth handover period. Three of our directors reached retirement age at about the same time, and we wanted to make sure we continued to manage their clients just as well as before. The relationships may be different now, but the standard of service is still excellent. This has given us a strong basis to serve current and new clients over the coming years.

**Tom:** Marketing and sales will be increasingly important to us as well. I've been undertaking sales training to help identify clients who would be a good fit for THP, and to help show them why our service can bring them extra benefits.



**Lee:** That's it – increasing the benefits of being a THP client is key to our future. I want to keep bringing good relationships and expert knowledge together to help our clients grow their businesses and save money. It's about offering the service of a top accountancy firm with the warmth of a local practice – you might call it putting people first.

**Would you like to talk to the THP Cheam team? Give them a call on 020 8652 1070, email [cheam@thp.co.uk](mailto:cheam@thp.co.uk) or visit <http://cheam.thp.co.uk>**

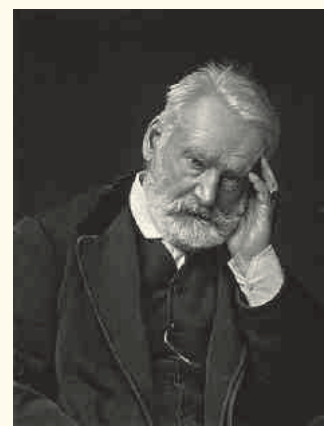
**ARE CREATIVE PEOPLE MORE DISHONEST?**

A recent study found that creative people are more likely to behave unethically when faced with ethical dilemmas. "We're not saying that creativity is bad," says study co-author Francesca Gino. "But we are saying that it can lead to problems. And so the question from a manager's perspective is: How do you get the good outcomes of creativity without triggering the bad outcomes?" Tell us how you manage it – we'd love to hear from you.



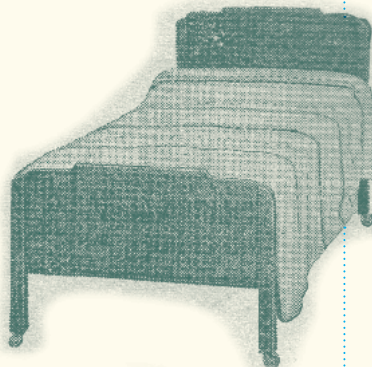
**CREATIVITY UNDER PRESSURE**

Need to be creative, but can't seem to force yourself to do it? Victor Hugo had the same problem – and a novel solution. He would give all of his clothes to his servant and instruct him not to return them until Hugo's work for the day was done!



**WRITER'S BLOCK? THINK HORIZONTALLY.**

"I am a completely horizontal author. I can't think unless I'm lying down, either in bed



or stretched on a couch and with a cigarette and coffee handy. I've got to be puffing and sipping. As the afternoon wears on, I shift from coffee to mint tea to sherry to martinis. No, I don't use a typewriter. Not in the beginning. I write my first version in longhand (pencil). Then I do a complete revision, also in longhand." Truman Capote.



**Tom:** Being part of a network of branches is also a major strength. At Cheam we're mostly general practitioners, but we can draw on specialist skills and knowledge from across the company. That means we can give clients access to a wide range of accountancy talent while maintaining a friendly, local office – it's a balance very few firms can offer.

**Q. HOW ARE YOU HELPING CLIENTS DEAL WITH THE DOWNTURN?**

**Lee:** It certainly gives us an even bigger motivation to get value for clients, and that makes good business sense on our part. One client came to us with audit requirements, and were so impressed that



## TONY LARCOMBE

21.11.1951 TO 12.07.2013

It's with a still abiding sense of disbelief and sadness that I write this

brief obituary for my valued friend and colleague, Tony Larcombe, who died so suddenly last month.

I was introduced to Tony in the early eighties by one of our employees, Janice Percival (nee Garner), who had worked with him for many years when he was a Senior Manager at KPMG.

Tony, Judith, Nessa and I became good friends and Tony joined me in (what was then) Adrian C Hart & Co as my first business partner on 1 October 1983.

Tony is fondly remembered by our 'early' Wanstead staff for his gravelly voice, abrupt sense of humour and the constant aroma of cigarettes escaping from the confines of his rear office – despite its extra strong extractor fan.

Even though Tony lived in East Sheen, he worked five days a week at the Wanstead office until we decided to open the Sutton office in March 1987.

In those early days it was sometimes possible to spot a mention of Tony in the national press for his cricket skills, which were just one of his success stories when it came to his excellent athletic prowess. Tony was a single handicap golfer long before I started to play the game and was adept at thrashing me in our weekly squash matches at Wanstead sports club.

Tony was an exceptionally private individual and few clients or staff at THP were aware of his true strength of character and the selflessness associated with caring for his dear wife Judith during the final years of her illness.

When Nessa and I went to Wimbledon each year, we would always travel via Richmond Park and stop at Tony and his

son Tom's home to be shown Tony's extensive range of potted plants or his latest piece of cooking equipment. Gardening, socialising and cooking was always a huge part of the Larcombe household.

My garden has two beautiful reminders by way of an acer and an olive tree, both gifts from Tony on special occasions in my life.

I cannot write these words about Tony without also making mention of the woman who loved and supported both him and Tom over the years since Judith's death; his friend and partner, Annie.

Tony was always immensely proud of his son Tom and it was only recently that he sent an email to all the THP staff to ask them to watch Tom in a TV quiz programme. Whilst participation in the programme was one of Tom's lesser academic achievements, it did result in him and his friends winning a prize pot of £50,000.

Tony's very sad and sudden death in July was just another example of the private man he had always been. Tony had been suffering poor health for several years but refused to accept or address any such problem, instead continuing to live his life in the way he enjoyed.

Tom certainly did his father proud with his reading at the service held at Mortlake Crematorium on 23 July. The day was so typically Tony, a tasteful venue at Cambridge Cottage, Kew Gardens, superb refreshments and the wine was flowing. Tony's family, friends, work colleagues and many clients were all there to remember a man who was larger than life and who was and always will be loved by those who really knew him.

To our dear friend Tony – rest in peace – you deserve it.

## THE TAX DOCTOR

Do you work in film, animation, TV or video games? Then you could qualify for Creative Industry Tax Relief, says TIM HOUSDEN.

Many creative projects need serious investment and development time, and with high up-front costs and no guarantee of success you'll want to keep your tax liabilities as low as possible.

The good news is that, if you work in certain creative industries, you may qualify for an increase in your allowable expenditure – or even convert some of your losses into a payable tax credit.

There are currently three kinds of tax relief available, with a fourth in the pipeline. The first, Film Tax Relief (FTR), applies to films made for theatrical release, where at least 25% of production costs relate to activities in the UK. It was first introduced in April 2007, and you can claim for any qualifying film – as long as the first day of principal photography took place on or after 1 January 2007.

The next two forms of relief are much newer, and were only introduced in April of this year. Animation Tax Relief (ATR) is available for any animated programme you make where at least 51% of core expenditure is on animation. Companies with deeper pockets may also be interested in High-end Television Tax Relief (HTR) for dramas, comedies or documentaries of more than 30 minutes duration, where average production costs are at least £1m per hour.

**Read the fine print** Like FTR, both ATR and HTR are available only to projects where 25% of production costs are spent on UK activities. There are exclusions for both too: you can't claim ATR or HTR for adverts, promotional, news, current affairs or discussion programmes, nor do you qualify if you make quiz, panel, game shows or similar. Likewise, competitive shows, live events and training programmes are all excluded.

The final kind of relief, Video Games Development Relief, was also due to be introduced this year. However, the European Commission has expressed doubts that the relief is necessary to stimulate the UK market – and its introduction will depend on the Government's response.

So what's the catch with all these forms of relief? In short, your films, TV programmes and animations have to pass a 'cultural test' to certify they are British. Formal certification is required to qualify in each case.

But it's worth it. Depending on your project you can claim back 100% of enhanceable expenditure (the lesser of either full UK expenditure or 80% of qualifying expenditure). If you make a loss you can claim back up to 25% of the loss, up to the amount of enhanceable expenditure.

And remember, these reliefs aren't the only ways creative industries can save tax. So if you'd like to find creative ways to keep your tax bills low, be sure to get in touch! Your THP account manager would be delighted to help.



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