Self-Assessment

No. Not your tax... your business! In the end, this is the engine that drives your income.

Is your independent business ready for the economy of the future? I have revised the infamous '12 questions' to take account of the needs of freelancers in tomorrow's marketplace. So the questions now number 15.

You can access them here

There is no requirement to input your email address or divulge anything about you or your business. It's exactly what it says: a self-assessment. As it's often used for the foundation session with my new clients, it appears on the NED page. So why not pour yourself a drink, and enjoy!

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The lowdown on event e-marketing: Subject Lines and Deliverability

genie-connect.com features a blog series on e-marketing strategy, the latest is titled; Subject Lines and Deliverability.

The idea behind the blog is that if your email isn't delivered or isn't opened then there's really little point sending it. Would you write letters to 10,000 people, put them in an envelope, then not put an address or a stamp on any of them? If you are interested in reading the article or have missed their previous event marketing blogs click here to read them now.

Digital Practice – Top 10 Tips

New technologies are changing our industry at an alarming pace and it's is vital that we keep ahead to maintain our place in the market. The changes go further than just practice wide, articles in journals like Accountancy Age are predicting that the CFO and CIO jobs will soon merge into one.

As Management Accountants running small practices, technical change, and whether we adopt it, is relevant to our future profitability. Does this mean that we have to have to acquire technical skills in iXBRL, Java, Microsoft Server etc.? Not necessarily, a basic grasp of the underlying concepts and a few signposts to the winning tools of the trade is enough. In addition we need to become technical advisers to our Clients to gain kudos and be their first port of call for business advice. This will give us an extra 'edge' over our professional competitors. It's is vital that we recognise what is going on around us and respond.
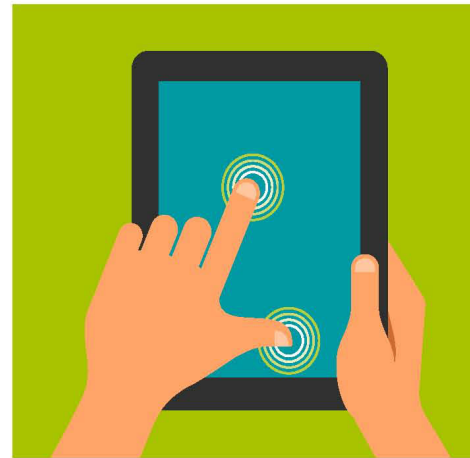
What is causing the rapid change? It is a picture of convergence of momentous technical developments, namely a mature internet, fast broadband, cloud infrastructure and new devices like smartphones and tablet computers. Add to this cost pressures such as Governments wanting to pass work to their customers (RTI, Online filing, Agent access) and the commercial drive to increase productivity which has moved on from manufacturers to service providers. (continues on next page)

Ray's Top 10 Tips

1. Abolish paper. The convergence of technologies has suddenly made the 40 year old dream of a paperless office not just possible but happening as we speak. In a few years the famous clip by the drifter in the film Waterworld, 'Paper, have you ever seen paper?' won't seem so strange.

2. Make your working area efficient. Laptops can be permanently used by professions like journalists and consultants but not by professionals like us who need to process numerical information. Unless you are travelling or browsing always use a device with a good keyboard and two or three monitors. After all in a non-digital environment you would not dream of working on a 20 inch desk. The same logic applies to your staff and your Client's staff so they can be more productive when they need several digital documents to be open and in view at the same time.

3. Get comfortable with one or more Cloud Accounting Systems. Off line versions of Sage and QuickBooks are now in the last stage of their product cycle. The business model of traditional suppliers will not survive the disruptive effect of the new upstarts, Xero, ClearBooks, Liquid accounts and the others. The big players are scrambling to catch up after being asleep at the start of the race. Cloud will not work for all your Clients but for those that are suitable you should start converting them now and enjoy the benefits to your practice.

'As management mccountants running small practices, technical change, and whether we adopt it, is relevant to our future profitability.'

4. 'App Up' and provide new services. The power of the Cloud is going to create opportunities that you never considered before. Put Receipt-Bank together with Xero and suddenly you have a bookkeeping system cheaper than an outsourced provider in Bangalore. Cloud will be a great leveller giving small businesses the cost benefits currently enjoyed by large organisations.

5. Take advantage of the new ways to communicate. Using VOIP, Remote Desktop and technologies like Skype allows you to provide a superior customer service. Significantly it also allows you to re-define your target market from a Geographical perspective. You should only visit Clients' premises to attend a meeting, not to prepare figures. Do that work from your base and save time and money.

6. Consider using Cloud payroll systems. Paper payslips are eliminated. The employee can log in to see their payslips up to 3 years back (depending on the system). If they move house they can change their address themselves. If you are (or are thinking of) offering a payroll bureau service this could be staffed by a suitable part time person working from home with a convenient dashboard to access all your payroll clients.

7. If you do compliance work, make sure you use quality professional software for Accounts Production and Tax with links to all the Government systems. Anything less will render you either uncompetitive or underpaid.

8. Use a digital signing application to get letters of engagement signed and tax returns approved. This works well as a secure Client area on your website. You upload the document and the system asks the Client to follow a link to read and approve. Client approvals are legally binding under the framework of the EU Directive 1999/93/EC and all commercial systems should comply with this framework. The plug in app that I use was simple to install on my website and looks after everything for £25 per month. Some systems charge per document. This can also be used as an easily accessible repository for your Client's accounts which impresses them no end.

9. Use an online payment system to make things easy for your client and to help you get paid quicker. A lot of work is going on at the moment by providers in this area. Systems exist for both credit card and DD online systems. I find that even Clients who get billed once a year like to pay monthly. Now it is easy to set up without having to use standing orders which are difficult to change.

10. Finally consider moving your desktops into the cloud. If you have a large network with staff, it can save the overhead of server support. If you are working on your own it allows you better access to your software and data. You might also change to a Cloud Office suite like Office 365 for the same reason. Best to consider this when it is time to refresh your IT infrastructure.

I am happy to reply to questions via email ray@baxterworld.com
Ray Baxter Jan 2014