

account for yourself

Why and when would you use an accountant?

What are your responsibilities as a self-employed artist?

These questions, and many more, were addressed by speaker Susan Royce at the Account for Yourself training day.

The following notes are taken from Susan's presentation. For advice on Income Tax and National Insurance, please visit their web site at www.hmrc.gov.uk/startup or call their helpline for the newly self-employed 08459 15 45 15.



making art work is a professional development scheme for visual artists in Suffolk, devised and managed by Suffolk County Council and part financed by the European Union European Social Fund and Arts Council England Grants for the Arts.

The training event was held as part of **making art work**, the professional development scheme for visual artists in Suffolk. For more information about the scheme, please visit the Suffolk County Council web site at www.suffolkcc.gov.uk and follow the link from Leisure and Culture to the Arts.

Susan Royce works as a chartered accountant and arts consultant for a number of organisations and individuals.

As an accountant, she is NOT a tax or VAT specialist — but she is a consumer, in that she uses the services of an accountant to do her books. As such, she is as interested in the services that she receives, as those that she is able to give.

The following brief notes outline the presentation she made.

Why use an accountant?

Generally, one would use an accountant for

- For their technical skills
- To access to best practice
- To save you time
- And to reduce the risks of getting the figures wrong

Under special circumstances, you might use an accountant because

- It's a legal or contractual requirement
- To protect the interests of the members of a group

- For investigative purposes
- To produce start-up or business plans
- To handle the sale or purchase of a business or assets
- And for personal financial planning, e.g. pensions and tax affairs

What can you expect from an accountant?

From a technical point of view, you can expect an accountant to handle

- Tax returns
- VAT set-up and advice
- Special issues

As far as business advice is concerned, accountants could handle

- Business plans - profitability & cashflow
- Tax planning
- Asset planning
- Pension planning

How to get the best from your accountant

- Agree up front what you want and how you will be charged — get a letter of engagement

- Keep your accountant informed of changes in your business
- Avoid surprises and last minute requests, if possible
- Don't pay them to sort your papers out
- And remember, accountants are human beings, too

Am I getting a good service?

Common sense is the best gauge of whether you're getting a good service, and the answers to the following questions should also help you decide.

- Does s/he understand my business?
- Do I get a good client service?
- Is the billing transparent — am I paying a fixed fee, or is it time based, i.e. rate per person x time

How to choose an accountant

- Size — both the size of your business and the size of the accountancy firm
- Experience — do you think they have sufficient experience of their own profession to offer a comprehensive service

- Cultural fit — do you feel at ease with them
- Your needs.
- These could include your existing business, the complexity of your income/operations and also the risk profile — what may happen over the next few years
- And your future plans — do you need to plan to expand or change your focus, will you need financing, will you need help producing a business plan

Useful websites

- www.inlandrevenue.gov.uk
- www.hmce.gov.uk
- www.aandb.org.uk
- www.businesslink.org
- www.voluntaryarts.org
- www.icaew.co.uk
- www.charity-commission.gov.uk
- www.artscouncil.org.uk
- www.sam-arts.demon.co.uk
- www.ksam.org.uk

Susan Royce

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