



## December 2003 Newsletter

***Christmas special. Official accountant's tip: when buying for the woman who has everything(?), avoid giving anything that she will have to pay somebody to dust.***

### Get with the program

My usual Christmas joke about workaholic meetings during the festive period is now (officially) worn out, but I can invite anybody who is at a loose end to join the team on our "stocktaking experience" (in sunny Kidderminster). Still, better than being kissed by the toothless aunt? Limited availability, so book early to avoid disappointment. [boyscout@chrisduckett.co.uk](mailto:boyscout@chrisduckett.co.uk)

### From the camp fire (Boyscout feature)

20<sup>th</sup> January – 'How to get people to do what you've always wanted them to do in three easy steps' - Business Development Club at Belmont Lodge. We had a full house last time. Sword sharpening included. Advert ends. [boyscout@chrisduckett.co.uk](mailto:boyscout@chrisduckett.co.uk)

20<sup>th</sup> January- 'Finance for the Non Finance Manager' or "Understanding accounts for the still breathing". The usual (excellent) session will be run by Tim Kidson in our boardroom. Details and bookings from [mail@growth-for-business.com](mailto:mail@growth-for-business.com)

### Good behaviour at work?

With the party season in full swing, it's worth noting the trend in the US back towards more formal business relations. They may even go back to wearing suits. According to "Miss Manners" (a US reincarnation of Mary Whitehouse?), if you know a colleague's taste in perfume, you're already way too close. [Especially if the colleague is male?] More disturbingly, this probably means that Sue can't bring her new puppy into work – and that would be disruptive. Best quote: "Learning manners from watching US films is a bit like learning traffic rules from watching car chases."

## Sweeter than expected

I very rarely get any significant response to a newsletter item, but last month's article on sweets was certainly an exception. The original article appeared in the technical press, but there was subsequently a full colour feature in one of the weekend glossies. Anyway, it would appear that sweet preference tells all about personality and is an essential question in any job interview. One of our clients demands black jelly babies (with their hands at their sides). Naturally, he bites off their heads first (to stop them staring at him?). Only the paranoid delusional survive.

## A dangerous job?

I'm sure Whiplash has got something to do with this, but there was a story in the national press about a 19 stone German actor who killed his tax adviser by falling on him. It's not clear whether that was because he gave good or bad advice. I wonder if I could get the guy to fall on some of our local tax inspectors? Disappointingly, the story turned out to be a publicity stunt by said actor. Presumably, this counts as "marketing"?

## Brain of the year

This may be a subtle Swedish joke, but there appears to be a "Brain of the Year" award – and people take it seriously. Bring back wife carrying. [www.unic.net/](http://www.unic.net/)

## Book of the month

"It's alive: the coming convergence of information, biology and business" by Christopher Myer and Stan Davis. This book is so full of wild ideas that it's hard to boil down an overview. The basic thrust is that biology works by creating diversity (variation) and then applying selection pressures to determine which variant works best. The same approach can therefore be applied to programming problems (the digital world) and real life problems (the business world). What's more, the 3 worlds are rapidly converging into a melting pot of creative progress. There are plenty of clever examples, but the story I like best involves the cloning of the gene for spider web protein into goats. The protein is produced in the goats' milk, extracted and used for "soft" body armour by the police and military. Pretty well anything will be possible. Back to the theory. The essential features of a successful business will be based on the following principals:

- Self-organise – manage from the bottom up
- Recombine – capture the value and innovation of diversity
- Sense and respond – sense changes and respond immediately, accurately and appropriately
- Learn and adapt – having sensed and responded, this information needs to be incorporated in your new way of doing things
- Seed, select and amplify – experiment, don't plan. You can't second guess the future
- Destabilise – disrupt the static elements of your business. Keep on changing things.

## Mike's new book

Mike Pegg's "The Mentor's Book: Helping people to achieve their picture of perfection". In the spirit of Christmas, I think we can run to a competition; I found this test in the Sunday Times: *How inventive are you?*

Using no more than 5 words in each attempt, complete the sentence below in as many ways as you can:

"Still holding the bar, the old man leaned forward and said to the boy..."  
People returning from holiday often take a day off because they feel too stressed to return to work. If you were in charge, how would you combat this?  
The origin of the word mentor is from:.....

A signed copy of Mike's book for the best answers? [Prize@chrisduckett.co.uk](mailto:Prize@chrisduckett.co.uk)

## Tax credits still wrong

Whilst Miss Sparkle has done a sterling job in sorting out working family tax credits (etc), the Revenue appear to have overpaid by as much as £2bn since 1999. And the National Audit Office has qualified the Revenue's accounts into the bargain. They should eat more jelly babies?

## Gloom and despair?

The audit limit has indeed been moved to a turnover of £5.6m, leaving most of the accounting profession wracked with worries about pending redundancy. The uncharitable might suggest that anybody who liked auditing had actually already died, but just hadn't noticed. The response of the Institute has been to bring in a system of "practice assurance" to treat us as if we were still auditing. Can anybody tell me what auditors did anyway?

[Savetheaudit@chrisduckett.co.uk](mailto:Savetheaudit@chrisduckett.co.uk)

## Tax practitioners are the enemy

Being an accountant is a tough job. The Revenue thinks you spend all of your time coming up with cunning ways to help clients avoid tax. Clients are convinced you are working for the Revenue on the quiet. So somebody actually did some research on the matter (in the States, naturally). They found that there were no more errors on DIY tax returns than on professionally prepared returns, but the size of the "error" was larger with the professional returns. In other words, accountants make less mistakes, but take bigger risks? How well this research applies to the UK market is a moot point. 9m returns get filed every year in this country (50% DIY) as against 165m in the US. Of course, all this compliance is actually very expensive and totally irrelevant compared to the £25 billion a year that big companies avoid by complex tax planning. It's a dirty job, too.

## Jim Collins goes climbing

Now I know why I'm so impressed with Jim Collins – he lives in Boulder, Colorado so that he can go climbing 3 days a week. He may be stretching the point a bit to draw too many parallels between climbing and business. Mind you, the chance of falling off (failure) is not related to the consequences of doing so. Most fatalities happen on easy stuff. And, of course, it's all about the difficulty of the route, not getting to the top. Good article  
[www.fastcompany.com/magazine/77/rockclimber.html](http://www.fastcompany.com/magazine/77/rockclimber.html)

## The dog ate my homework

Laptop computers have dramatically increased the range of excuses for not getting something done on time. Would you believe the following excuses?:

- I got so fed up with my laptop that I blasted it with a shotgun (US example, naturally)
- I dropped my laptop in the bath whilst finishing the company accounts (an FD)
- My laptop dropped out of my bag while riding my moped. It was then run over by a lorry.
- I left my laptop on top of the car and drove off

Anybody else got any good excuses?

## PDF converter

Don't you hate it when somebody sends you a document in PDF format and you can't edit it in Word? Well, now you can do it with the imaginatively named "PDF Converter" from Microsoft. £40 from [www.scansoft.co.uk](http://www.scansoft.co.uk)

## Computers in 2004

Gartner, the IT industry analysts, reckon we should watch out for the following developments next year and make the jump if appropriate:

- Switch to flat screens – not much more expensive and a whole lot sexier
- Start using public WiFi hotspots (are there any in Hereford?). But don't leave your laptop in the café.
- Consider virtual storage (via the web)
- Watch for the new generation of Itanium processors from Intel
- Linux on the desk top? (I know, it's a hobby horse of mine)
- Internet driven networks (VPNs) now work. Could you use one?

[www.gartner.com/eu/symposium](http://www.gartner.com/eu/symposium)

## Are you satisfied?

This may not come as a total surprise to you, but it's now official – complex customer survey questionnaires are a complete waste of time. The only question that actually matters is: *"How likely is it that you will recommend this company to a friend or colleague."* Research indicates that there is a direct link between company growth and its score for this question. Nothing else matters.

The Boyscout has been hammering on about this point for ages. In fact, he's looking for volunteers to attend the various Client Advisory Boards that he runs for clients. Anybody with the urge to pontificate without fear of ridicule should contact him on

[freeloaders@chrisduckett.co.uk](mailto:freeloaders@chrisduckett.co.uk)

## The pips are squeaking

Gordon's pre-Christmas present is driving the tax professionals spare. He appears to have wrecked both trust and dividend planning in one fell swoop, although his pronouncement was so vague that nobody knows what he actually intends. When he eventually decides, it's all to be backdated to 10<sup>th</sup> December. I wonder what the new name for "investment income surcharge" is going to be? Something snappier I trust.

Nearly forgot, Happy Christmas.

## Disclaimer

27% of statistics are made up on the spot.



## Chris Duckett Limited

Network House , Thorn  
Office Centre  
Rotherwas  
Hereford  
HR2 6JT



Telephone 01432 370 572

Email: [clients@chrisduckett.co.uk](mailto:clients@chrisduckett.co.uk)

Website [www.chrisduckett.co.uk](http://www.chrisduckett.co.uk)