

NEWSLETTER

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Contents

Exceptional Customer Service	1
Motivating your Team	2
Reducing Capital Gains Tax Bills	2
Telephone Skills	3
Accuracy of Records	3
Pension Scheme Contributions	3
CGT Annual Exemption	4
Anti-Virus for Free	4

DELIVERING EXCEPTIONAL CUSTOMER SERVICE

It is well known that forward looking companies focus on their customers and recognise regular dialogue with their customers is crucial in achieving growth. Some businesses have simple relationships with their customers / clients. Satisfaction can be measured in the quality of the product delivered, the method of delivery of the product and whether customer expectations were met.

In Service organisations this may be more complex as several different people may interface with the customer during the process (a hotel for example). What is important is that everyone in the business should portray a consistent message to customers and optimise the delivery of service. Everyone engaged in a customer relationship should be trained in the message and have good interpersonal skills. So how do you improve your customer satisfaction and deliver exceptional service? Firstly find out what your customers / clients *really want*. This can be done before during and after the delivery of the product or service. Before you do anything try and find out what your customer or client expects and their timelines. Discuss (if you can) the process and manage their expectations. Keep customers / clients updated on the progress of their order and let them know how things are progressing. After delivery ask them how it went? Use the telephone, postal questionnaires, on line surveys, feedback forms, face to face meetings etc.

It doesn't really matter what techniques you use what is important is that you ask customers / clients how they feel about the services / products you have provided. Once you start regularly getting feedback then you can examine what you need to do to change and therefore retain your competitive edge and successfully grow your business. The key questions to ask yourself are:

1. What do my customers really need from me?
2. Are we meeting those needs first time, every time?
3. If not, why not? and
4. How can we improve?

MOTIVATING YOUR TEAM FOR SUCCESS!

Great organizations start with great people. If you can motivate your team you will have the potential to turn your business into a powerhouse of efficiency and positive energy. Here are some tips and ideas that may help you to develop your team.

- **Talk to your people individually every day.** It's easy to think that we're keyed in with everyone on our teams, but most of us will find that we are closer to our key people than anyone else in the firm. In the interest of building great team chemistry, taking a moment out of each day to connect with your people is well worth the time.
- **Help with the menial tasks sometimes.** If you demonstrate to your team that you are not afraid to “roll up your sleeves”, they too will adopt a can-do attitude. That's not to say that the Managing Director has to wash the dishes every day – but being seen to change the odd light bulb in the office will encourage your team to do likewise.
- **Give your leaders room to lead.** We all know that micro-management simply doesn't work – there aren't enough hours in the day to do everything yourself. Identify your leaders, delegate work to them and give them room to take the initiative and get the job done. Remember – they want to impress you. Therefore they will do their job to the best of their ability.
- **Share positive news.** There seems to be a shortage of good news in the press these days. Your team could do with a lift and a great way to do this is to email everyone in the office at least once a week with a positive story. It might be news of winning a big contract or maybe a new-hire is joining the firm.
- **Remember,** communication is key to building an effective team within your organisation. Invest the time and you will see the results for yourself.

REDUCING YOUR CAPITAL GAINS TAX BILL

If you are expecting to pay CGT at the new rate of 28% on all or part of a capital gain on a sale in the current tax year, there may be scope to reduce the rate. This involves making a contribution to your pension scheme or a donation to a charity.

It works by reducing your taxable income for all purposes – including the rule that says your rate of CGT is found by adding the gain to your taxable income. If the latter does not exceed the basic rate band of £37,400 it means that some or all of the gain is taxed at 18% instead of 28%.

SMALL BUSINESSES FACE CHECKS ON ACCURACY OF RECORDS

HMRC are planning a programme of checks that will review the adequacy and accuracy of records kept by small and medium-sized enterprises (SMEs). The programme will use existing law regarding both record-keeping requirements and penalties for failure to comply, with sanctions imposed for significant failures.

The Revenue says it conducted a random enquiry programme that indicated poor record-keeping is a problem for 40% of the targeted businesses. The campaign would begin in the second half of 2011, with around 200,000 small businesses being selected for one of the new checks. HMRC expect to raise £600 million over its first four years. The new checks will be risk-assessed, and industry sectors will be targeted where HMRC has identified general problems in the past.

This is likely to result in cash businesses experiencing even more robust and intrusive investigation than previously.

At this point in time we are not sure how long the checks will take, how disruptive they will be and how will penalties be assessed. For a small business these checks could be quite burdensome.

There may be many ways in which we can mitigate this burden or help you protect yourself from it, so please talk to us about how we can help.

PENSION SCHEME CONTRIBUTIONS

We've now been told exactly what the new rules are to be for contributions from 6 April 2011 – in place of the previously announced rules from the old government where in particular there were to be restrictions in the rate of tax relief available if your income exceeded £150,000. Simplicity is the name of the game here (that's refreshing for a start), and tax relief will be available at your top tax rate subject to restrictions in what you can contribute as follows:

Lifetime allowance

2010/11 £1.8 million

2011/12 £1.8 million

2012/13 £1.5 million

Annual allowance

2010/11 £255,000 (subject to anti-forestalling measures)

2011/12 £50,000

The aim is to raise the same amount as under the previously announced rules – that was a somewhat ambitious £3.5 billion per year by way of loss of tax relief - but clearly still being able to get tax relief at your top rate on a maximum contribution of £50,000 is an attractive proposition.

Just one word of warning, but only if you are a member of a final salary pension scheme from a large employer where they have changed the way that an increase in your pension benefits can be measured in terms of the new and reduced contribution limit of £50,000. We will be pleased to advise on this.

Telephone Skills A Refresher **USING THE CGT ANNUAL EXEMPTION**

Whether you are the Managing Director, the receptionist or a customer service representative, you will have to deal directly with customers, suppliers or even the press at some stage during your career. Having good telephone skills is essential to everyone who works in a modern business. It's all about the basics

Enthusiasm: It is important to convey enthusiasm throughout the phone call. Be positive (don't overdo it though) and you will find that you get a positive reaction from the person on the other end of the phone. Remember to smile – despite the fact that you are on the phone, the other person can hear if you are smiling in the way you speak. Subconsciously they will detect this and react more positively to you.

Greeting: Your greeting will form an instant impression on the person on the other end of the line. Remember to say the name of your firm so something along the lines of "Hello, 2020 Group, Gordon speaking" is appropriate. Don't make them feel as if they are an interruption. If you are too busy, then let someone else or your voice mail pick up the phone.

Know your audience When talking to a customer, avoid company or technical terminology that they may not understand. This can put a customer in an uncomfortable position. They might not understand you. Or, they may feel frustrated and become impatient.

Transfer once only: From a customer's perspective there is nothing worse than being put on hold and then transferred to the wrong person and put back on hold again. If you are transferring a call do it once and get it right first time. If the transfer doesn't work then take a message and let the person in your company know to return the call.

This has always been worth considering towards the end of a tax year, but the potential tax savings are now substantial and careful planning can be highly effective.

Specifically, for a married couple or civil partnership it is worth up to £5,656 each tax year. The exemption is $£10,100 \times 2 = £20,200$ at a rate of 28% = £5,656.

If the exemption will not ordinarily be used by each spouse or partner, it is worth looking at creating disposals by 5 April 2011 subject of course to the costs involved. The asset sold can, if desired, be repurchased although there are special restrictions for quoted investments (even they can be avoided if the other party makes the repurchase).

Assets can be transferred between a married couple or civil partners without any CGT arising, and in that way the gains can be made by the right person so as to utilise two sets of the annual exemption. Please talk to us if you need further information.

ANTI-VIRUS FOR FREE!

As business people, we are all aware of the threats posed by computer viruses. In order to avoid losing valuable data, businesses spend thousands each year on the latest and greatest anti-virus software (usually supplied by one or two security software firms). However, most of us are also aware that installing these security programmes tends to slow our computers down.

There is a solution to this problem and it's free! Microsoft Security Essentials is free to download. It tends not to slow down your computers as it is designed to run very efficiently. Microsoft Security Essentials includes antivirus and anti-spyware, rootkit protection, and real-time detection courtesy of Microsoft SpyNet, the cloud-based service that compares file behaviour across computers.

The user interface is simple and straightforward with tabs for home, update, history, and settings. From home you can run a quick scan, full scan, or custom scan, and a link at the bottom of the window lets you change the scheduled scan. In the Settings window you can set schedules for scans, select default actions and create whitelists. An advanced tab allows you to set the programme to scan archives, removable drives, create a system restore point, or allow all users to view the history tab.

According to various industry reviews, the software offers good virus detection and is light on system resources. The fact that it's available free of charge makes it irresistible to businesses.

See http://www.microsoft.com/security_essentials/