

NEW YEAR'S RESOLUTIONS

Seven resolutions for improving your practice in 2020

1. Look at your storage

Many practices are in a period of transition from fully paper-based systems to using increasing amounts of electronic storage. There is no imperative to go fully paperless, and if you have clients who prefer to share information on paper, receive hard copy letters and so on, then an aggressive move away from paper could be uncommercial.

On the other hand this could be the time to embrace the



possibilities of scanning old items, using cloud-based storage and document sharing, and even just streamlining filing so that only necessary items are saved.

If, as for many firms, your files are partly electronic and partly paper, and if you are still printing out everything at the end of an engagement, this could be the time to reassess that decision and instead invest energy in ensuring that electronic storage is straightforward, efficient and future-compatible – these days, it can be hard to retrieve old data faithfully stored on 3.5 inch floppy disks!

2. Check your relationships (part 1)

Relationships with clients matter, and the rush of deadlines and day to day work can make it hard to prioritise the bigger picture. If you keep in contact with your clients through the year, whether that's through targeted information products (tax cards, budget updates) or informal catch-up calls, it strengthens

your client knowledge for when work needs to be done fast. It's also becoming increasingly popular to review and reissue engagement letters on a regular basis to ensure that they reflect all current legislation and best practice, along with a very clear scoping of the work that the firm has been engaged to do. Updated engagement letters in the General Practice Procedures Manual, for example, can act as a prompt to check these against your own. And you can see the range of products Mercia can supply to help you have continuing conversations with your clients, [here](#).

3. Review your security

It's been over 18 months now since the GDPR and Data Protection Act 2018 came into force, and for a lot of data controllers, there was a significant effort running up to this date. For many, this effort was enough to achieve technical compliance with the law, but now that time has passed it is possible to look again at the processes that were put in place, to see if they are operating as designed, and achieving what they need to. A core message from the Information Commissioner's Office is that data controllers should be collecting no more information than they need, and retaining it for no longer than they need to. So if it turns out there is a field in your client database that includes irrelevant information, this could be a time to revisit it and stop collecting that information – if you don't need to know their shoe size, stop asking them for it.

4. Check your relationships (part 2)

With recent research showing a high proportion of accountants are considering finding a new job in 2020, it is more important than ever to look at employee satisfaction and retention. Flexible working is a buzzword at the moment and if you have your systems set up so employees can work remotely, this can be rewarding.

5. Plan your new habits

Plenty of us make new year's resolutions that focus, not on doing new things, but on doing old things better. For auditors, the FRC continues to revise auditing standards, so there are requirements to constantly drive up audit quality. Recent developments include the amendments to the going concern

standard, which may codify much of what you are already doing, but also will be a useful prompt for ensuring you are rigorous with not only your work but your documentation. Changes to some of the other standards have similar effect – they underline the principle that “if it’s not been documented, it’s not been done”. A reassuring chat with management will no longer ever be sufficient for obtaining audit assurance, and conversations need to be carefully written up as soon as possible after they have happened, with an explanation of not only why assurance has been taken but also what steps have been taken to prove assertions made in these conversations. You can learn more about the latest changes to standards through our [webinar series](#)

6. Look outside

If you are running a smaller practice it can be easy to see all the big picture changes and assume they are not likely to affect you. As a recent example, Sir Donald Brydon’s report into audit as a product was finally issued in December is explicitly targeted at auditors of public interest entities, but changes at this level are bound to filter down over time. And if there is a publicly issued definition of an audit, for instance, this will apply to all auditors, as will any shift in public perceptions of auditor’s responsibilities. So even rule changes that seem distant now cannot be ignored.

7. Stay in touch with old friends

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you’re getting the most out of your subscription and that you know the full range of what is on offer. Mercia subscribers can access an enormous range of manuals, webinars and face to face learning, with special programmes this spring covering general audit, accounting and tax essentials as well as a wider range of specialist topics. As well as providing technical manuals and methodology for audit and assurance work, our new General Practice Package includes guidance and procedures on all aspects of practice management, including engagement letters, model accounts and disclosure checklists.



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