

## ‘What I see as my competition is all the unqualifieds out there, **doing a really awful job** and not being held responsible and having assurance’

producing management accounts and year-end accounts and supporting its clients through their day-to-day book work. Reed also spends a lot of her time setting her clients up on Sage and training them how to use it. She finds that her approach of being hands-on with her clients throughout the year is popular and it's an aspect of the business she wants to develop.

‘I think a lot of businesses are dissatisfied with the way their accountants come in, do the year-end, then go away for another year. They feel a bit lost in the middle,’ says Reed. ‘I think there's some room for us to highlight areas they can look at on a month-by-month basis, instead of just having annual interaction with their accountants.’

Reed doesn't have many clients from ‘traditional’ Cornish industries such as agriculture and tourism. Instead her clients are what she calls ‘up-country’ folk – people, like her, who have moved to Cornwall from other parts of the UK. Among her clients is a garden centre, a taxi firm and a business that specialises in making high quality wool.

She finds that being based on an industrial estate is a boon when it comes to getting clients as she has a ready-made supply. Her location is also popular with clients who don't want to drive into town.

Meanwhile being a female practitioner has its advantages according to Reed. ‘I have had female clients who have said they were pleased we were an all female practice or who were attracted to me because I'm a woman,’ she says. ‘And I get clients who come to me after speaking to the firms in town, sometimes because I'm female and sometimes because I'm not the old style.’

### Bound by red tape

Like most sole practitioners, Reed has become increasingly bound by red tape over the past few years. Practice Assurance, she says, felt like it was ‘coming in swathes’. ‘I started thinking: “Are you kidding yourself about how you can cope with everything?”. But then I calmed down and realised that I was already doing it, perhaps not quite as formally as it needs to be done, so over the next six months we're going to start to formalise the systems.’

Putting in the right systems for Practice Assurance costs time and money, something Reed wouldn't begrudge if she felt she was getting sufficient support from the ICAEW. But that, she feels, is lacking. ‘The institute should be fighting our corner, but it's got into a position where it's doing disciplinary proceedings and Practice Assurance. I know it's trying to pre-empt worse regulations from the government, but you do wonder whether the institute is trying to be everything to everybody and it would be better off just looking after us.’

The problem of unqualified people setting themselves up as ‘accountants’ is a case in point, says Reed. ‘What I

see as my competition is all the unqualifieds out there, doing a really awful job and not being held responsible and having assurance. I pick up clients all the time who've had a bad job done on them. And I wouldn't mind going through all the hoops of Practice Assurance if, at the end of the day, the public understood the difference between being chartered and being unqualified. That's my major gripe.’

Cornwall has boomed over the past 10 years – with not altogether happy consequences for the local residents – but although the boom has brought with it the Eden Project, fashionable restaurants and a wave of ‘up-country’ second homers, it has not transformed the labour market. Wages are low in Launceston and Reed says it's a struggle to find qualified accountants who are willing to work in the town. She herself is the only fully qualified accountant in her practice and she sees hiring another as the next step to growing her business. At present, if she wants to mull over a technical or business query with a fellow professional, she calls another accountant in Launceston and makes use of tax consultancy PTP.

But despite the challenges of practising there, Launceston has plenty to offer. The pace of life is relaxed and the beach is a mere half an hour away. ‘There's definitely a better work-life balance here,’ says Reed. ‘If I have to go to the kids' sports day, I just go to the kids' sports day and that's not a problem to a local client. Everybody does the same thing.’

As for being a sole practitioner, Reed reckons it suits her pretty well, both from a family and a professional perspective. ‘I enjoy being a sole trader,’ she says. ‘I like the flexibility of being able to make my own decisions on where the business is going.’

### Vital statistics

**Annual fee income:** £100k<sup>1</sup>

**No of partners:** 1<sup>2</sup>

**No of female partners:** 1

**No of UK offices:** 1

**No of staff (excluding partners):** 4

**No of trainees:** 0

**Legal status:** limited company

**Firm's financial year end:** 31 March

1. Estimated fee income for 2006/07

2. She is a director

### Firm history

Sally Reed read politics and history at the London School of Economics and trained as an ACA with Nevill Hovey & Co in Launceston, Cornwall. She set up her own chartered accountancy practice, now trading as Sally Reed Ltd, in 1999. Based in Launceston, it specialises in giving financial advice to small, owner-managed businesses.

