

Now and then: a

In the first of series of articles celebrating 40 years of Accountancy Age, we

1969

BARRY LEWIS

Talk to Barry Lewis about 1969 and it's clear he fondly remembers a year when the Beatles topped the charts with *Get Back*, film fans queued to see *The Graduate* and fun played a big part in his working life.

Back then, he was a young articled clerk earning £9 a week before tax – enough to pay all his expenses and give his mum £2 house-keeping – as he worked towards chartered account-

'Blackberry was a flavour of yoghurt and a Mac kept you dry in the rain'

ancy qualifications, through a Foulkes Lynch correspondence course, under the guidance of Solomon Lipman, founder of London chartered accountants and insolvency practitioners Harris Lipman.

Now Harris Lipman senior partner, a position he has held

since 1988, the changes affecting the accountancy and business worlds over the last 40 years come sharply into focus when Lewis contrasts working weeks four decades apart.

Back then, the day began at 9.30am with tea delivered by a lady with a trolley and the pace of the working week was governed by communication tools and technology – 1969-style. Lewis recalls: 'Email, Google and Microsoft were unheard of then, blackberry was a flavour of yoghurt and a Mac kept you dry in the rain. Decimalisation had not taken place and VAT was not in sight.

'Phone calls were cheap and post was delivered and collected efficiently. We had manual typewriters, carbon paper, Tippex and Gestetner machines – a forerunner of the photocopier, and that was it. We prepared accounts by hand and did a great deal of adding up, in our heads, without adding machines or calculators. That was how we learned about debit and credit.'

Key accountancy issues of the day were graduated pensions, estate duty, the Companies Act 1948 and surtax, with a top rate of 83% –

later to rise to 98% – but a tax return was just four pages, with no penalties for late filing. P11Ds were prepared on an ad hoc basis, regulatory bodies were scarce and the Companies Act 1967 was only just making itself felt. With minimal

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regulation, the working week was short on deadlines and the demand for instant answers that email and mobiles have created, but long on time to build client relationships.

Today, any smart accountant recognises the importance of understanding clients and their businesses but, in 1969, Solomon Lipman was a man ahead of his time. The value he placed on client involvement remains firmly at Harris Lipman's heart.

Clients, rather than regulators, also came first where accounts were concerned. Lewis says: 'Financial statements



Barry Lewis: can't afford to be stuck in the past

were designed to be meaningful to the client, rather than the authorities. Today, accounting standards have made some sets of accounts incomprehensible.'

Without in-house accounting software, businesses relied heavily on accountants for a clear picture of their finances, so personal visits to discuss accounts were a big part of working life. Lewis explains: 'Until I turned up with my briefcase, clients didn't know how much profit they had made. Accountants were treated with respect.'

Whatever the working day

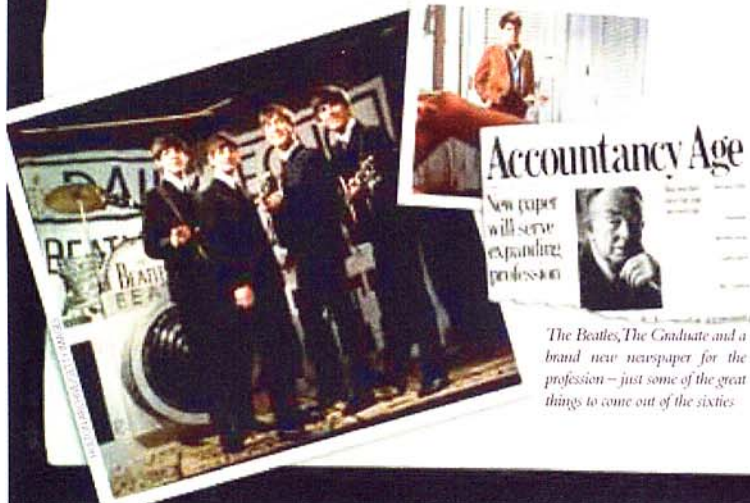
held, there was always time for an hour-long lunch break, paid for with a luncheon voucher worth 15p today. Enough for a sandwich, a bag of crisps and a cup of tea, says Lewis.

It's all a far cry from 2009. Lewis's working day starts at around 4am when he arrives at the office to an inbox full of urgent emails. Within a few hours, the office phone and his mobile start ringing, while the post – which the firm collects daily at 7am, rather than waiting for a 10.30am delivery – brings new challenges and deadlines. Add in a packed daily schedule of

internal and external meetings and it is little wonder that lunch breaks are a thing of the past.

That's just the day-to-day stuff. As senior partner, he also faces the bigger challenges of sharpening Harris Lipman's competitive edge and of building relationships with cost-conscious clients.

With his Blackberry to hand, Barry is clearly very much a 21st century operator – though given half a chance, it's clear he'd gladly *Get Back* to the swinging sixties when life, business and the profession were, as he says, 'great fun'.



The Beatles, *The Graduate* and a brand new newspaper for the profession – just some of the great things to come out of the sixties

DAY IN THE LIFE...

AccountancyAge
40
YEARS

COMPARE WHAT WORKING LIFE WAS LIKE IN 1969 AND THE MODERN DAY

2009

KATE DAVIES, PARTNER, RICKARD KEEN

In 1969, a Monty Python sketch created an enduring image of accountants. 'You are an appallingly dull fellow,' careers adviser John Cleese tells Michael Palin. 'Tedious company, irrepressibly drab and awful.'

'In most professions these would be considerable drawbacks. In chartered accountancy, they are a positive boon.'

For many, that remains the popular view of the profession – outside it, at least. Rising star Kate Davies is certainly helping to set the record straight, though accountancy wasn't her first career choice.

She says: 'At school, I was always interested in figures and finance but I didn't wake up thinking I wanted to be an accountant. Once I started training though, it all clicked very

quickly. I liked the logic of it, the fact that every client was different and the challenge of finding the answers to the questions within their business.'

Davies joined Essex accountants Rickard Keen as a trainee in 1998, a couple of years after completing her A-levels and working at the Bank of England. By 2004, she had qualified as a chartered accountant and chartered tax adviser and began running a portfolio of clients under one of the firm's partners, in a managerial role.

Two years later, she was appointed the first female partner in Rickard Keen's 90-year history. She cheerfully admits the move came as something of a surprise at the time, but she understood the need for the partnership to bring in the next generation.

'Succession is a big issue for so many firms like ours,' she says. 'Bringing in younger part-



Easing 21st century accounting issues

ners helps to ensure the partner profile matches your client base. All firms should be looking at bringing in the next generation of partners.'

As someone who is quietly but clearly a high achiever, Davies enjoys the cut and thrust of a working week that is anything but predictable, alongside the broader challenge of helping Rickard Keen to continue to move forward.

Client queries play a significant part in her work. She says: 'Aside from running my portfolio and dealing with clients' compliance matters, each day is shaped by what's in my inbox and daily phone calls and post.'

'I am also responsible for the firm's IT department as well as being involved with the marketing of the firm.'

'We are led by client demand in dealing with so much electronically – if they send an email, they will expect a response within 24 hours. When I'm not dealing with queries, there will be work coming in from my team to review and usually at least one meeting a day with clients, as well as internal meetings.'

'Client meetings can be to discuss issues such as pre-year end tax planning or review management figures or year end accounts. Other times, it may be looking at changes in their business such as growth strategies, succession planning or incorporating from a partnership to a limited company. New business also tends to come my way, particularly if it's a start-up involving people of my own generation.'

The issues Davies deals with underline the challenge of building strong client relationships in a compliance-led world. She says: 'In the ten

years or so I have been in accountancy, I have seen so many changes in legislation, which sometimes appear for the sake of change, with no apparent logic in the thought process behind it.'

'One example where there is so much red tape now is the construction industry scheme, where we have foremen responsible for checking subcontractors' identity, tax references and payment status on the side of a building site.'

'The strict penalty regime introduced with the changes has made life so much harder for building contractors. The system ought to be there to support SMEs, not involve them in the tax administrative process.'

The challenge of nurturing client relationships in a climate of regulatory red tape and deadlines is one Davies relishes.

She says: 'The way we do it is to offer clients more in terms of ongoing services and by adding value with regular business workshops and seminars.'

'Our membership of MGI also enables us to support our clients trading internationally. We're always thinking about moving forward.'

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