

FINDING THE RIGHT FIT?

Georgiana Head explains the rise and rise of the boutique tax firm. Is it time to try it on for size?

T2 In the retail sector we think of a boutique as an independent shop that offers some form of specialised services, such as 'up-market' ladies' fashion. The dictionary definition of boutique refers to its origins in the French word for shop and the idea of a specialist offering – what the dictionary doesn't convey is the idea of kudos and high quality that the word boutique confers. Tax boutiques similarly offer a specialist service; they are independent practices which specialise in tax advice and in the main don't have an audit practice or a national string of offices. They sell themselves on being experts in taxation rather than general accountancy practices.

As the tax legislation in the UK becomes more complicated tax boutiques have multiplied and diversified. You can now find boutiques that specialise in areas such as expatriate taxation, SDLT, transfer pricing, VAT, high level capital taxes planning, or tax investigations.

BEST INVESTIGATIONS

Gilbert Tax is a good example of a boutique. Based in the heart of the countryside in North East Yorkshire, this tax investigations practice recently won the 'Best Tax Investigations Practice' at the Lexis Nexis 2008 Tax Awards. Formed in 2004 and based from the principal Scott Gilbert's own home, the firm now employs eight people. This, as Scott explains; 'means we field a team which is not dissimilar in size to the regional tax investigations practices of the Big 4 firms'.

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Being so specialist and contained means that the firm can cost effectively help clients who would not be a viable option for a larger firm. As Scott says: 'our clients tend to be owner-managed businesses and range from jobbing plumbers to multi-million pound turnover companies'. The team includes experienced former Inspectors of Taxes and CTA qualified Big 4 trained tax advisors. It is growing so rapidly that Scott and his partner Kim have had to build themselves a new home as their current dining room has been taken over as a boardroom and their bedrooms as offices. The setting of the office is idyllic and there can't be many practices where the principal cooks the team lunch everyday and is mindful that there is always a vegetarian option!

Gilbert Tax has strong links to other boutique practices such as VAT advisors and litigation firms and a strong cross referral network which enables them to provide 'a seamless service to our clients and advise on all areas related to a contentious tax matter'.

MIDLANDS SPECIALISTS

In Birmingham, BNB Tax employs nine fee earners and three support staff. Headed by tax investigations specialist Tony Borman and indirect tax specialist Steve Botham, this practice offers specialist tax services to a network of accountancy practices.

As Tony Borman explains: 'we have two golden rules, we don't compete with our clients, so we don't provide audit

or compliance services, and we don't poach clients from our referrers. In fact, we don't have a traditional client portfolio at all; our clients are accountancy firms who are based all over the UK'. He explains the split of work as follows: '40% of our work is linked to tax protection, so tax investigations and enquiries at District and SCI level and expert witness work. The next 40% is indirect tax work, notably VAT and SDLT advice, and then around 20% of our work is providing specialist tax planning and advisory services including a telephone help line'.

Based in the heart of Birmingham, BNB Tax's office retains a family atmosphere – indeed Tony Borman's wife helps man the reception and another husband and wife couple work in the practice. As Tony explains: 'what differentiates us from some other boutiques is that we are also a training practice, we have just put one team member through CTA and one of our recent recruits, a former Inspector of Taxes, is currently studying for the exams'.

VAT BOUTIQUE

One of the best known boutiques in the North West is specialist indirect tax practice, The VAT People. Formerly known as Barnard Atkins, this long established practice provides VAT and customs duty advice to clients throughout the UK. The four directors and four consultants all trained in HMRC and over half of them subsequently worked for Big 4 practices. As director Colin Mathieson explains, 'because we all started with HMRC we know the right language to use when liaising with Inspectors and we have a very good relationship with them. We act as a halfway house between the department and our clients'.

The VAT People's client base is split as Colin explains: 'Around 60% of our work comes from accountancy practices who use us as their outsourced VAT department and 40% comes from large companies and not for profit organisations who again treat us like their own VAT department'. They work extremely closely with accountancy firms providing technical updates, hotline services, but also; 'we help firms market indirect tax services, so they don't lose their clients to larger practices because they can't offer a one-stop shop; we enable them to provide up to date advice on any industry sector. The accountancy firms know we won't steal their clients and that instead we will help them retain work'.



Georgiana Head

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Colin feels that it is the atmosphere in a smaller practice that attracts people to working at The VAT People as he comments; 'people frequently say that the atmosphere in the office is different and friendly, we are expanding and recruiting staff, but also have a very good retention record; most people have been with us for between five and twelve years. We enjoy the fact that we are so specialised; it means we can all bounce ideas off of each other and we are small enough to react quickly to new ideas or changes in legislation.

A GOOD FIT

It's clear then that a tax boutique is a good fit for a tax professional who is looking to work as a true expert in a friendly, team atmosphere. ■