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THE ECHO

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ASSOCIATION of SOUND DESIGNERS



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THE ECHO

Issue #4
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ASD
ASSOCIATION of SOUND DESIGNERS

Editorial

This issue marks the first anniversary since the ASD's inception, and what a year it's been! The organisation has grown, both in terms of its membership and in terms of the number of people running it.

In just 12 months the ASD has attracted an impressive 120 individual members, 57 corporate members and has 12 people on its board. This has enabled the organisation to offer benefits that could only have only been achieved collectively and hints at the many future benefits / change that the organisation's members can put into effect together.

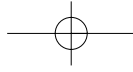
In the world of sound design it has also been a busy year with two huge events mounted nationally and witnessed worldwide – the Queen's Jubilee and of course the Olympics, which I know has kept many ASD members occupied, one way or another.

The theatre has also delivered some fantastically creative and ambitious shows, a selection of which have been featured in past issues of this magazine. However none is perhaps more timely than Hampstead Theatre's production of *Chariots of Fire*.

Sound designer for the show, Paul Groothuis, discusses the processes involved in taking a story already well known as a film and delivering it, fresh and vibrant, to the stage - not one for the faint hearted I suspect!

Of course where would we be without the pioneers of this world? The people who went out on a limb and in doing so laid down the foundations for future generations to pick up the baton and run forward into the future. In October this year it will have been 40 years since respected sound designer John Leonard's first professional sound design was, as he says, 'unleashed' on an audience. In this month's 'Sound Mind' Leonard paints an evocative picture of how 'then' has led to 'now' and despite the fact that much has changed technologically, reassuringly the job and the kick remain very much the same.

Elsewhere in the magazine we have the first of our guides through the assault course of working freelance. This month we deal with the issues surrounding Tax and National Insurance and I promise, even though the subject is not everyone's favourite, it is a fascinating read! And finally 'Favourite Things', both of which open intriguing windows into the world of



One year on

sound design. However, I have to say, my favourite 'Favourite Thing' ever is Christopher Shutt's, who lists lighting designer Paule Constable as one of his.

Why? Because in a world of sophisticated technology the thing that attracts people into the business most of all is the potential to be part of exciting and inspiring creative collaborations with other human beings. It's reassuring to know that if all this technology suddenly disappeared, people would still be as keen and able to make live entertainment work.

I think if anything this month's magazine illustrates what going that extra mile can actually deliver and that often the result is far greater than the sum of its parts. Whether you are an Olympic athlete, a sound designer or an organisation that represents the interests and ambitions of others, effort attracts support and attention. It brings surprise, a sense of achievement and something everyone can celebrate, pulling those at the fringes closer and making constructive and fundamental change possible.

Sarah Rushton-Read
Editor

The Association of Sound Designers is officially one year old, having launched at the 2011 PLASA show. We've had a busy year since, with more people joining than we ever expected, demonstrating a real appetite for the organisation. We've discovered that there are far more people working in theatre sound design than anyone knew. A lot of them have joined the ASD in this first year, and we hope the rest will follow shortly.

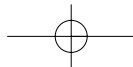
We've learnt a lot, including what our members want from the association, and how to run the organisation. Our biggest discovery has been that there haven't been enough people working for the ASD to accomplish all that we want to achieve, so we've expanded the size of the organisation in our recent election. We hope now to be able to run more training sessions, push out more news to our members, hold more meetings and generally become more important in the lives of those working in the industry. Forming the ASD has been not too dissimilar to forming a company, but our members are both our investors and our customers. At this early stage in the ASD's evolution our members are supporting us as we find our feet and refine our aims. As we develop we want to turn that around and become an invaluable resource to

our members. One of the ways we've been looking to do this is to bring benefits to our members that would be difficult for them to obtain individually.

We've come up with two new benefits for this year. We've teamed up with one of the most well-known and well-respected sound effect studios, **Sound Ideas**, who are very kindly giving all our members \$50 of free sound effects (of your choosing) to download from their sister website, www.stockmusic.com. We're also offering all our Professional members Public Liability Insurance as part of their membership, for no additional cost. More details are available online.

We're keen to get feedback both from our existing members, and prospective members about what the ASD should be, what it should do and whom it should represent. This first year has been our tentative first steps; the next few years will be about establishing ourselves as a vital presence in the industry and for our members. We appreciate your investment in us as the ASD grows.

Gareth Fry
Chair, Association of Sound Designers





Showcase: Chariots of Fire

Chariots of Fire
Hampstead Theatre and Gielgud Theatre
Opened 9th May 2012
Director: Edward Hall
Sound Design: Paul Groothuis
Music: Vangelis
Additional music and arrangements: Jason Carr
Associate sound designer: Mathew Smethurst-Evans
Sound operator: Peter Eltringham



GARETH FRY

Produced to coincide with the 2012 Olympics, *Chariots of Fire* is a timely story to present, but not the most obvious choice for a stage adaptation. The story draws on the real events of athletes Harold Abrahams and Eric Liddell competing to run at the 1924 Olympics. The 1981 film has had immense cultural impact, most recently its opening scene of athletes running along a beach was parodied in the 2012 Opening Ceremony, whilst Vangelis's iconic score was chosen to underscore the medal ceremony of every event at the London 2012 Olympics. The challenge of telling the story of two sprinters, in the confines of a theatre, set in the 1920s, to a 2012 audience whilst incorporating Vangelis's 1980s synthesizer soundtrack is not one for the faint hearted [sporting themed metaphor?] – yet director Ed Hall and his team have successfully done just this.

“It became apparent that trying to do it like the film – there's nothing wrong with the film, it's a piece of genius - but to try and do that on stage is a mistake. We discovered very early on in rehearsals that recreating the film soundtrack didn't work.” Sound designer Paul Groothuis,

“In the movie, you don't feel them run by you like you do in the theatre”

explains, “We tried the opening scene and I started playing some waves and seagulls and I immediately stopped it. Ed and I looked at each other and we went No, no, no, it's not the right way to go at all”. They discovered that having the performers running around in such close proximity to the audience was very powerful – and the set design, a figure of eight running track weaving through the auditorium, is designed to get the audience as close to the action as possible. “In the movie, you don't feel them run by you like you do in the theatre. The breathing, the running, the air flowing past you as they run by is what is interesting, not the atmosphere where this takes place.” So these sounds became the featured elements of the soundtrack. “In fact,” reflects Paul, “what the Olympics is all about is the effort these individuals put in to the events – it's much more about achievement and effort and the noises that are related to that. That wasn't what we'd planned, it was something that became clear to us during rehearsals and we embraced it.”

But of course the opening scene would not be complete without Vangelis's music. Ed Hall and Jason Carr spent a weekend at Vangelis's house before rehearsals began, talking through ideas. Vangelis provided the creative team with a lot of material from the original soundtrack, made some modifications to make them work more

All images Hugo Glendenning



fluidly with the stage production, and composed some new music, but essentially gave them carte blanche to use his music as they pleased. Jason Carr, onboard to compose additional music, took the decision to make his music in a different style to Vangelis's, derived from the narrative of the play – piano driven, singing driven, highland drum driven – which Vangelis's strident music could then juxtapose.

Vangelis's music is very identifiable for the period of time it was composed in. There was never a discussion to create a modern version: "It deserves its place. It does its job beautifully. It's akin to a piece of classical music – it used older instruments. The vibe is perfect. The audience want it to work, they don't care that the instrumentation is dated because it has gained an iconic status that the texture and tonality are part of – if you were to mess with that you'd lose something."

The stage play has some 46 scenes, belying its filmic origin. This makes for a lot of very short scenes, especially in the first half where we meet a lot of the characters. With the many different scenes Paul and Ed found that the best way to use the sound was to punctuate scenes rather than to underscore them. They had tried using a lot of crowd sounds alongside the many race scenes but found that it quickly became tiring to

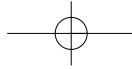
listen to, so they found moments to inject the crowd into the scene and then pull it back. "QLab was fantastic for this – being able to visually shape the sounds until the cows come home!"

One of the other devices Paul used for punctuating scenes was to use 'boomers' – low frequency booms. They were sometimes used to start or end a piece of music, and sometimes to add impact to other effects. There are a lot of starting pistols to begin the various races. Paul felt that when you hear the pistol fire you expect to go into slow motion, so he added boomers to give them a slight stylised edge." They're just there – it moves the air – the audience feel it." Paul has a special technique for creating these boomers himself: "I blow into a SM58 mic – you have to be careful not to distort it but it creates this long ringing pop which bass bins just lap up". These boomers, which Paul often refers to as "full stop or comma" sounds were used a lot on the transitions. The boomers provide a very useful way to get a piece of music out that you couldn't gracefully fade out quickly.

Some of the scenes overlap into each other, but Ed was keen that many would have transitional sound and music. There is a lot of live music in the show, with the cast singing, or live piano. But there are also a lot of moments when the cast is engaged in quick changes. Paul and Jason

used a lot of transitions between live and recorded sound and music. For example, the cast might appear to be singing offstage (which would be recorded) then they would come onstage and continue singing live. The recordings were made to sound natural, rather than try to bolster the numbers. Paul's technique for recording some of the vocal performances from the cast was simply to stand on stage with them and a Zoom recorder. "I find I get a better performance from them doing this than I would if I recorded it in a studio, and in less takes." Paul says the improvement in the material recorded is much more important than the marginal quality loss in recording it this way, something which can be mitigated anyway using normal editing software. "The only thing you gain in a studio is quality, but you often lose the performance." Paul's recent production of a US touring musical required some click tracks, which Paul recorded off the mixing desk with the cast onstage, wearing their radio mics. The resulting recording had a better performance quality than if they'd gone to a studio, and the click track sat better with the live performances because they'd been recorded with the same microphones in the same positions in the same acoustic.

One of the most memorable scenes features Harold Abrahams's coach teaching Harold about



the running style of a competing US athlete. For Harold and his coach, this is a film projector showing this, but for us it is eight actors all dressed as the one US athlete adopting a frame-by-frame pose of him running, as if seen on a strip of film or a Zoetrope spool. This movement sequence (created by Scott Ambler) was one Paul fed off instantly using the familiar sounds from film leader tape followed by a series of abstracted camera shutters. "I thought actually I don't care whether it's from the right time period or not... it instantly tells the story. I created it in about an hour in the rehearsal room, and it just worked. We never felt the need to change it."

I asked Paul about his use of the surround sound system in the theatre for music playback. Was this to create a more cinematic experience for the audience? "We often shy away from surround sound as designers because we think it's distracting. This can be true, but actually it's very obvious when it is. Like any other technique we use, when used in a controlled and justified way it can add a lot. An audience member doesn't see you route the sound to a surround speaker, so is not aware of it in that way. As far as he/she is concerned the extra 'dimension' will make the experience more immersive. In my view, anything that can make theatre more immersive (within my tenuous bounds of good taste) is a good thing.

Paul described how, over many shows for Matthew Bourne, he would create bigger and louder FOH rigs for his shows until eventually Matthew said to him, "Why can't you make it sound like it does in my front room?" Inspired by that, for *Cinderella* at Sadler's Wells, Paul put in 64 surround sound speakers, and the audience were surrounded by a high powered, well timed surround system, which was reproducing a specially produced surround sound recording. "Since then I've embraced putting music into surround speakers as a way to envelope the audience in sound. You can't do it with everything – it's very clear when it's distracting. It's a technique like any other, and you have to use your dramatic judgement about when to use it and how much to use it. You have to make sure it's timed well, and balanced well, so that people in the corner aren't getting blasted."

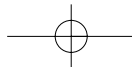
I asked Paul about his relationship with director, Ed Hall: "He's very organic. He'll sometimes tell me he wants something for this transition or that, but otherwise he lets me get on with it, to respond to the piece. I have lots of ideas and put in lots of sounds, my imagination goes mad, and he knows I'm happy for him to say I like that and I don't like that. He doesn't dictate to me, but together we work out what we want." During the previews at the Hampstead Theatre there was a lot of work on the many transitions, quick

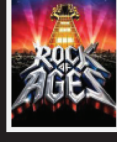
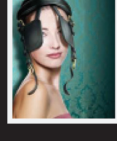
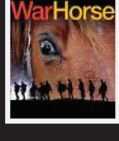
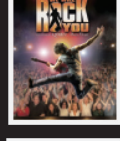
changes and movement sequences but the show didn't really change structurally. Likewise with the move from the Hampstead to the Gielgud in the West End, only a few modifications to the show were made.

"It's one of those shows where people sit down and think 'this is going to be awful, there's going to be that music and people running around in slow motion'. Very few people actually have seen the whole film and know the story. We tell the story and it brings it back into value."

The finale of the show is very moving, and draws the story of 1924 into now, interleaving the athletes of 1924 and 2012 with, of course, Vangelis's music.

I watched the play on 'Super Saturday', in a week when the Ten O'Clock News rarely contained more than one non-Olympics news item, and our celebrity obsessions took a back seat to the drama of the efforts and achievements of Team GB. Harold Abrahams, who has been described as the architect of the modern laws of athletics, and Eric Liddell, often voted as Scotland's most popular athlete, were the Usain Bolt and Jess Ennis of their era and *Chariots of Fire* celebrates their efforts and achievements in a rare moment when art and life are perfectly in sync.

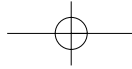




AUTOG R A P H

Surround Sound!





A FEW OF MY FAVOURITE THINGS

CHRISTOPHER SHUTT

Sound designer Christopher Shutt's work for the National Theatre over the past 15 years include *Happy Days* (soon to tour the world), *The Seagull*, *Hamlet* and many more. He has twice won New York Drama Desk Awards for Outstanding Sound Design for *Mnemonic* and *Not About Nightingales* and was nominated for an Olivier Award for *Coram Boy*. In 2011, he won a Tony Award for 'Best Sound Design of a Play' for *War Horse* on Broadway.

So what are his favourite things?

Product name: Digico SD7T

Why I like it: Hardly new, but just seeing a number 1's face light up when given one of these to play with, and not just from the psychedelic glow from the surface, is a joy to behold. And it gives me the flexibility and processing power I need to be able to improvise on even the biggest shows.

Product name: Zoom H4N

Why I like it: I don't go anywhere without it. If the neighbours' housewarming party is keeping you up at 2am, just record them and use it in the next show! I lived near the Clapham

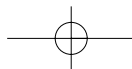


Left to right: Digico SD7T; Zoom H4N; Paule Constable

Junction riots, so even though I couldn't leave the house, I could record the constant hovering of helicopters over my garden, which has found its way into *Timon of Athens* at the National.

Product name: Paule Constable

Why I like it: I'd spec one on every show if I could. A lighting designer who does so much more than design lights. Her clear-sightedness, bottomless pit of good ideas, calm in the face of a storm, boundless energy, enthusiasm and good humour have been an inspiration for years. Most lighting designers seem to think there's nothing to be gained from a dialogue with sound designers, but we have a constantly open channel of communication, which is fantastic and makes for a much more coherent overall design. And she can keep up with me when we run."



Mini profiles

DONATO WHARTON

London-based Donato Wharton's music has been used in radio features, TV programs, film soundtracks and theatre productions internationally. He also works as a sound designer in theatre and dance theatre contexts, and as a visiting lecturer in sound design for theatre at The Central School of Speech and Drama, London.

What are you up to at the moment?

"Composing music, and working with the tonal content of field recordings. I utilise the electromagnetic signals emitted by my laptop computer to compose further tonal material, which I then mix into the original field recording. In a second step, I perform the composed material back into the environment at the original site with my laptop computer, in a kind of 'happening', and document the action. There is also a 'concert-hall' performance of the pieces, in which I perform the composed material together with the original field recording."

What's your favourite part of the sound design process?

"In theatre, it's putting together the palette of sounds to be used in the design, making recordings, designing the sound-effects, music edits etc. – even though that is usually the part for which there is least time!

What would you like to change?

"I'd like to have more time to explore the sonic content. Due to the nature of production in theatre, one is often forced to work very quickly – most of the time spent working on a sound design appears to be technical, admin and management work!"

What are your tips for success?

"Using the sounds that already exist in a performance space as the basis for a tonal soundscore. This enables one to subtly yet powerfully shift the atmosphere of the actual room, without being invasive at all."

What are you listening to at the moment?

"At present I am listening to music by Michael Pisaro, and other composers from the Wandelweiser composers' collective."

DANNY BRIGHT

Brighton-based Danny Bright is a freelance sound designer, composer, engineer, recordist, musician and sonic manipulator working within the fields of theatre, performance, installation, music and media.

What are you up to at the moment?

"Putting the finishing touches to the sound and music for *Robertson's Crusoe*, and working on my *Ghosting Ruin* project for the World Soundscape Conference. Then it will be on to immersive production for *The Turing Project* and some strange noises in disused cable tunnels."

Favourite part of your work/process?

"Listening intently enough to forget where I am for a few minutes... and skulking around in overgrown railway sidings, old factories or underneath electric arc furnaces."

What would you change about your work/the industry?

"More hours in the day wouldn't hurt, and someone should invent a teleportation device."

Top trick/tip?

"Don't be afraid to learn new things and go outside your comfort area. I feel like I'm learning all the time... people are doing some really interesting work in the worlds of open-source electronics, interactive installation and improvised sonic performance."

What are you listening to at the moment?

"Wind and waves inter-spliced with Rhodes piano; distant traffic; my dog sighing; 1940s radio broadcasts; Dr. John and an eponymous record by Arthur Verocai!"

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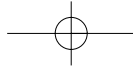
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A sound mind

MEMORIES OF AN AUDIO MANIPULATOR

JOHN LEONARD

Having started work in theatre sound almost 40 years ago, acclaimed sound designer John Leonard has heard it all. He's provided soundtracks for theatres around the world and during that time he has experienced – and been at the forefront of – some incredible advances in the industry. He has written an acclaimed guide to theatre sound and is the recipient of Drama Desk and LDI Sound Designer Of The Year awards. He is also a Fellow of The Guildhall School of Music & Drama and an Honorary Fellow of The Hong Kong Academy of Performing Arts. Here, he recalls a life of splicing, analogue tape sampling and cardboard cut-out fader 'automation'.

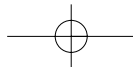
The sound of now...

Recently the director of the current show I'm working on asked for a new effect that he wanted to try out immediately. I opened the sound effects search engine on my laptop, typed in a few keywords and came up with a selection of sounds, which could, with a little manipulation, produce the desired sound. A couple of keystrokes transferred the sounds from the 1.5TB hard-drive into Nuendo, my DAW of choice, and I mixed, edited, pitch-changed, E.Q'd. and reverb'd, all within the laptop. Another few clicks of mouse and keyboard and the effect is transferred to the QLab workspace, auditioned by the director and approved. The whole process has taken less than ten minutes from request to approval and the tech speeds on. Magic...

The sound of then...

On 2 October 2012, it will be forty years since my first professional sound design was unleashed in all its glory for Tennessee Williams' *A Streetcar Named Desire* at The Bristol Old Vic's Little Theatre.

My director, who was from the world of television, wanted a soundtrack that played almost constantly throughout the show and used a specially commissioned jazz score. Many trains, street sounds, human sounds, animals and strange unworldly noises were part of the requirement. My creative resources at the time: two Garrard 301 turntables, two Revox A77 tape machines and a small collection of vinyl effects discs – none of which covered the sounds of 1940s New Orleans.



“At 7.5 i.p.s. a two minute loop was 75 feet long, which was about the maximum achievable”

Playback was via two elderly Brenell Mk V tape decks, fitted with two-track heads and feeding a hideously temperamental and much-modified Philips valve-based PA mixer. That in turn fed four Pamphonic 700 Series valve amplifiers with their 100v line outputs sent through a system of wire-wound pots and switches that allowed for some fairly crude routing. Loudspeakers were the ubiquitous Goodmans Axiom 301 12” drivers in custom-made cabinets: two onstage and two front of house and for this show, a modified-for-100v-line wireless set.

We recorded the band, piano, sax, bass and drums, direct to tape, using a very basic six-into-one mixer, and I took the resulting master away for copying and editing into the show tape. The effects preparation had happened in the preceding three weeks, with rehearsal notes and talks with the director. I could then concentrate on the rest of the soundtrack, plundering the effects discs, editing, mixing (very crude mixing, using the track-bouncing facilities of the Revox and the aforementioned mono mixer) and creating effects using whatever I could find around the place – and my imagination. I used almost all of the techniques that we use today, but with one big difference: it was all done using analogue tape.

Sampling? Sure, re-record, edit, splice, re-record, edit, splice, etc. Pitch changing? Yes, one of my Revox A77s was modified for vari-speed, so that wasn't a problem. Echo? Revox to the rescue again – three heads and vari-speed gave lots of options. You want reverse echo? A fantastic effect achieved by turning the tape over, adding echo to the reversed sound and then turning the tape back the right way. Reverb? Grampian 636 spring sounded pretty sweet back then.

Looping was often necessary for atmos tracks, although short loops are pretty much useless, unless they're very anodyne, as people get to recognise the same items coming round and round every minute or so, so I'd create very long tape loops which tended to go out of the door and down the corridor, supported on empty tape reels fixed to microphone stands to minimise friction drag. At 7.5 i.p.s. a two minute loop was 75 feet long, which was about the maximum achievable, providing you had some serious Heath-Robinson contraptions to help out.

Once the effects had been created and approved, the show tapes were prepared. Each cue was separated from the next by a length of leader tape, on which was written the name

and number of the cue. If I was preparing for Revox playback, then a short section of transparent leader tape was also spliced in to activate the automatic stop and cue up the next effect. The Brenells didn't have this refinement, so it was necessary to be awake and dextrous enough to stop and cue up each machine for the next effect, along with setting fader levels, switching speaker outputs and watching (no intercom) a cue light. No automation, of course, but in cases of extremely complex fader set-ups, I'd make cardboard templates that enabled me to push groups of faders up or down to pre-set positions with repeatable accuracy; a sort of Blue Peter level pre-set system, plus I'd often have two different mono effects running side by side on each two track tape and, for really heavy shows, I'd draft in extra tape decks and have up to eight separate tracks running simultaneously.

Why do I remember this production so well? Firstly, in the middle of the run, I got called to the stage door to be lectured by a train-spotter who gently berated me for using recognisably British train sounds, a mistake I never made again; secondly, because Monday 2 October 1972 was my 21st birthday. I celebrated it in the next-door pub with a Cornish pasty and pint of Guinness. After the show, of course!



Freelancing - Tax and NI

Anyone who has ever freelanced knows it can be a battle out there in the fields of self-employment. The better equipped you are when you set out the more likely you are to emerge unscathed and triumphant! In today's age of austerity people are increasingly encouraged to take an entrepreneurial approach to work. This has been the norm across many sectors of the entertainment industry; indeed it's rare today to see a sound designer as part of any in-house team.

The Echo team has initiated a series of articles that aims to explore what it means to be a freelance sound designer. We will examine the highs and the lows, the joys to expect and the pit falls to avoid. We hope that the series will share advanced hints and tips from experienced freelancers, as well as provide a how-to guide for the newbie and ensure they set out on the right track.

When it comes to money matters and financial security there are a plethora of complex issues that have to be dealt with. Tax, National Insurance, VAT, borrowing, cash flow, lack of benefits, expense receipts, accountants ... The list is endless.

When asked to list the disadvantages of freelancing, financial issues were invariably top of the list:

"Being VAT registered. No health provision. No pension." Paul Arditti

"Having to maintain financial records and prepare tax and VAT returns. V boring." Gareth Fry

This document is for general guidance only and is not a substitute for professional advice where specific circumstances can be considered. Whilst every effort has been made to ensure the information contained within this publication is correct, the ASD does not accept any liability for any errors or omissions contained herein or any action taken or not taken in reliance upon the information provided in these articles.

As with all things relating to HMRC, multiple caveats and conditions apply to everything below, but this guide will cover most freelance sound designers.

"Tax deductible and VAT reclaimable expenditure makes shopping more appealing!"

Gareth Fry

Tax basics

You need to register with HMRC for self-assessed income tax if you're self-employed, or if you're employed but receive income for freelance work, using form CWF1.

<http://tinyurl.com/d87j3l2>

The HMRC will issue you with a UTR number, previously known as, and still often referred to as, a Schedule D number. Most employers will require this number from you when you invoice them. HMRC will require you to submit a tax return to them each year, and require you to pay tax that is due. If you have relatively simple tax affairs and your turnover is less than £73,000 you can fill out the short version of the tax return. The big plus with self assessment is deductible expenses – these are the goods and services you buy as part of your work, a lot of which can be deducted from the amount of income you earn, thus reducing the tax you owe.

If you earn significantly more than you spend, you'll pay a lot of what you earn to the tax man – if you spend more, you effectively reduce the amount of tax you pay. The big minus of that is you need to keep the receipts for everything you buy, and tally them up to produce your tax return. Of course, spending more may put a strain on cash flow.

Typically, your financial year runs from 6th April – 5th April, and you'd be required to submit a tax return by 31st January after the end of each financial year. HMRC will then require you to pay the tax due in two instalments. All well and good, but a few years ago, HMRC moved to a new system where after the first year of being freelance, you pay them based on your previous year's income and this is then adjusted when the current year is filed. They may result in a cash advantage or a disadvantage depending on whether your income has increased or decreased.

Is it tax deductible?

There is no definitive list of what is an allowable expense and what is a disallowable expense. There are some things that are definitely disallowable, and some that are allowable (The notes for Form SA103F lists some of these), but most things fall into a grey area in between.

Where things get tricky is when they have a dual-use – so your mobile phone bill will have a mix of personal and business calls on it, with the personal calls being disallowable and the business calls being allowable. In this instance you can determine the proportion you use it for business and deduct that, so you might determine that you use your phone 75% of the time for business and so deduct 75% of your

phone bill from your tax.

www.hmrc.gov.uk/incometax/relief-self-emp.htm

www.hmrc.gov.uk/factsheets/expenses-allowances.pdf

www.hmrc.gov.uk/worksheets/sa103f-notes.pdf

Use of home as office

There are a lot of advantages to having a home office:

You can claim a proportion of your household utility bills and even your council tax. You can also deduct a proportion of your rent, and on paper even your mortgage interest payments – though this could cause capital gains issues when you sell your home. You can't claim domestic insurance. You can work out your costs on a proportion of your home office to the total floor space, or by the number of habitable rooms (ie not the kitchen or bathroom). If you don't have a dedicated office, you need to take into account the proportion of business to personal use for that space. You can claim £156 a year for this without providing receipts, etc, or you can claim more but would need to be able to provide receipts should you be audited.

www.hmrc.gov.uk/manuals/bimmanual/bim47825.htm

www.hmrc.gov.uk/manuals/bimmanual/bim46840.htm

Broadband internet can be claimed, based on the proportion of the time it is used for business vs personal use

Properties are often rated as 'for residential use only', etc, but running a home office does not affect this, so long as you have not made structural alterations requiring planning permission, and do not have regular employees or visitors on site.

Under certain circumstances you can claim your travel costs from your home office to your workplace, whereas normal home to work commuting costs are not deductible.

www.hmrc.gov.uk/manuals/bimmanual/BIM3762o.htm

Motoring costs

You can choose to deduct on a cost per mile basis (which means you have to log every mile you travel in your car), or more conveniently you can choose to deduct a percentage of the total costs incurred, again according to the business versus personal use. The Congestion Charge is tax deductible as part of normal business travelling, i.e. it is not deductible for home to work travel, unless you claim your business is based from your home. Car tax is tax deductible but again you must work out your business to personal use ratio.

Capital purchases

Capital purchases are things you buy to run your business, as opposed to things you buy and then sell. So for a sweet shop owner, the shop counter would be a capital purchase whilst the sweets they sell would not be. You have an Annual Investment Allowance of £25,000, which means that you can deduct 100% of any purchases (excluding cars) under that figure in the year you buy it. If you spend over £25,000 then life gets more complicated. Capital purchases do not have to be large expenditures, and might include tools, office equipment and computers. A more complicated rule applies to cars depending on their carbon emissions.

<http://tinyurl.com/clgekac>

At the bare minimum, keep your receipts, copies of your invoices and all bank and credit card statements, for at least six years after the tax return was filed. The HMRC runs a Self Assessment helpline: 0845 900 0444.

NI basics

As a freelancer you pay two types of National Insurance (which will fund your state pension when you retire): Class 2 and Class 4. Class 2 NI is paid at a flat rate of £2.65 per week. Class 4 NI is paid as a percentage of your profits, typically 9%, to an upper limit of £42,475 for the current tax year, then 2% thereafter,, calculated as part

of your tax self-assessment, and paid for at the same time as you pay your tax.

If you mix your work between freelance and PAYE contracts (where Class 1 NI is automatically deducted from your wages) it might be worth looking into Deferred NI payments – this allows you to not pay Class 2 or 4 NI until the end of each year, when your total contributions can be determined, which ensures you don't overpay your NI contributions. The HMRC runs an NI helpline: 0845 302 1479.

Dealing with your Tax and NI

Set up a separate savings account alongside your main bank account, purely to hold your Tax and NI payments, and create a standing order from your main bank account to put 30% of your income into your tax account every month. Online banking is your friend here.

It's worth having two current accounts – one for your business expenses, and one for your personal life and cash withdrawals. This makes the task of trawling through your bank statements looking for deductible expenses considerably easier. You don't need a business account, a normal current account is fine (and often cheaper to run). This makes it considerably easier to tax deduct the interest and bank fees on your business account too.

Managing your receipts

At the start of each month, put an empty envelope on your desk – put any receipts you receive into that envelope. At the end of the month, empty your wallet or purse of any receipts into the envelope. Just doing this avoids the hideous end of year ‘giant box of receipts’ scenario.

Managing your invoices

Make a spreadsheet (in Excel, Numbers or Google Docs). Keep a list of all your invoices. Give each invoice a sequential unique number. Keep a record of when it was paid, and by what method (bank transfer, cheque).

Per-diems

Per-diems, money given for living costs when away from home, are generally tax and NI free, so long as the monies given are not excessive. HMRC considers a £25 per diem for food to be an acceptable rate in the UK. Consequently you don't have to include the money you receive as a per diem in your tax return, but likewise you can't claim the receipts you got for what you bought with them.
www.hmrc.gov.uk/manuals/eimanual/ELM05231.htm

Of course you may receive money for travel and perhaps even accommodation on top of that,

which will also be tax and NI-free, so long as HMRC perceive that you and your employer are not contriving to avoid tax using per-diems. HMRC publishes a guide for what it considers benchmark rates for per-diems abroad in different cities and countries abroad, which are considerably higher than the UK rates.

www.hmrc.gov.uk/employers/wwsr-bench.pdf

Falling behind with your tax & NI – penalties and what if you can't pay

One of the reasons people fall behind with their tax is not having much time, and not knowing where to start with a mountain of receipts. Some accountants will take your box of receipts and sort everything out for you, though you are likely to pay extra charges, and expenses that you might consider deductible might not be spotted by them.

Book a day off now, in advance of January, to sort out your tax return.

If you want to tackle your receipts yourself, we've got a really good system for you. It's detailed here on our dedicated Tax page.
www.associationofsounddesigners.com/tax

If you can't afford to pay the bill

HMRC charge penalties and interest for late payment of taxes. You can contact HMRC to

explain this and they may waive some of the penalties in the short term, if you can justify to their satisfaction why you can't pay. As you can imagine they are not particularly sympathetic.

If you are several years behind with your tax, the best option is to employ an accountant to deal with HMRC for you. HMRC has a range of penalties they can choose to levy against you, which a good accountant can negotiate over and save you a considerable amount of money. HMRC is legally mandated to charge you interest on late payments so this cannot be negotiated.

The charity Tax Aid provides free tax advice, particularly relating to tax debt.

taxaid.org.uk/guides/tax-debt

In a future article we'll look at VAT, finding a good accountant, when it's time to consider setting up a limited company, as well as domestic finances such as pensions and mortgages advice.

Visit:

www.associationofsounddesigners.com/freelancing to read more about this topic, get updates and leave comments.

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