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# SHIPSHAPE

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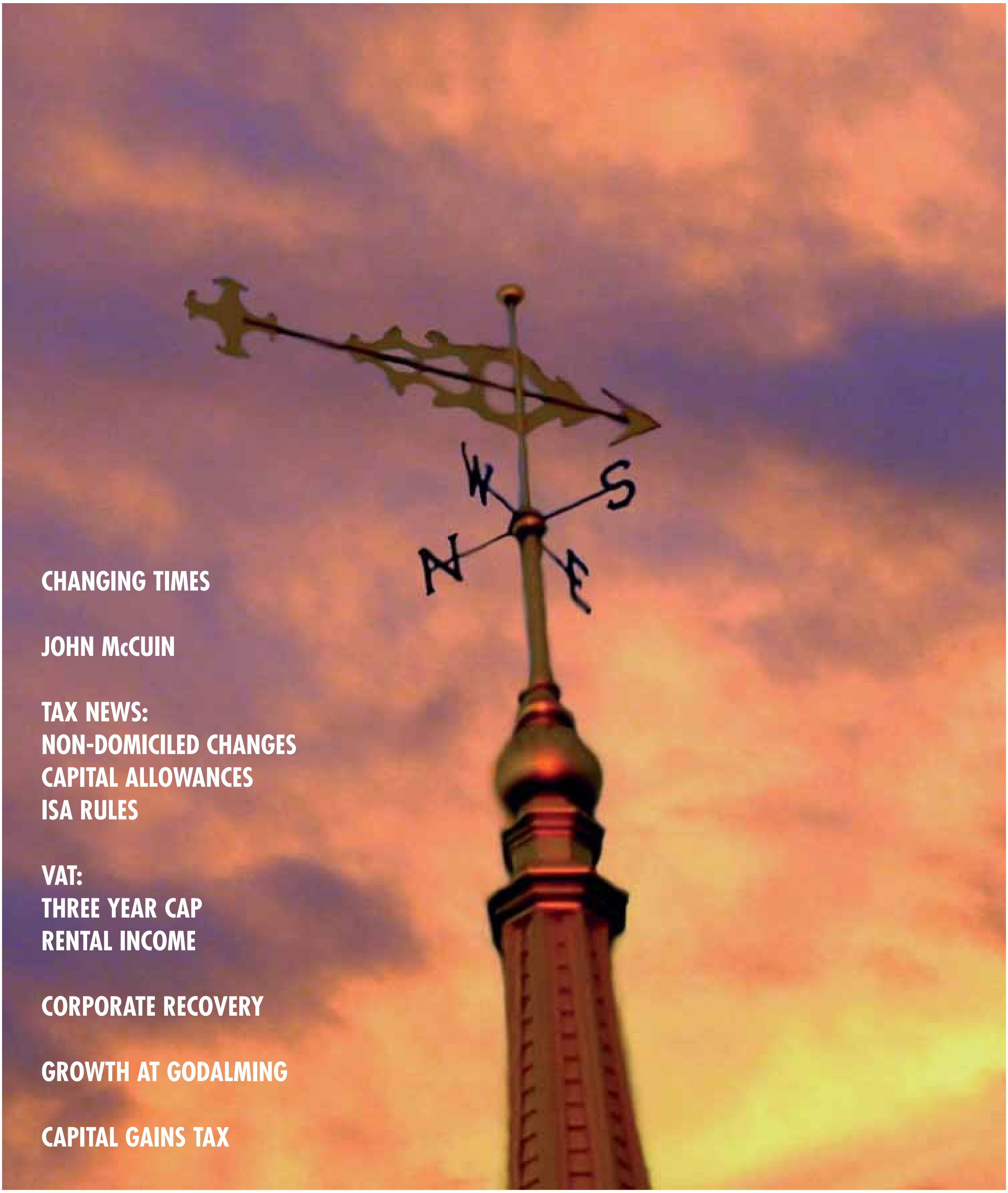
February 2008



CHANGING TIMES

JOHN McCUIN

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GROWTH AT GODALMING

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New Managing Principal Guy Fisher salutes his predecessor and reflects on prospects for the year ahead.

# Changing times

A new year and a new face for this column. It is a great honour to take over the reins as Shipleys' Managing Principal from John McCuin, who served the firm in this rôle for the best part of a decade. We are hugely grateful to John for his stewardship of the business during a period in which we have all worked together to create sustained growth and an environment in which we can all flourish. John leaves the firm in robust health. I'm sure I speak for everyone at Shipleys in wishing him well in his new rôle (more about that on the opposite page).

## Challenges ahead

Looking ahead, I suspect there may be a tougher year in store for many of us. We've grown used to a relatively benign economy, but there are signs that the outlook may not be quite so rosy. Good profits are getting a bit harder to come by in the business community, and more volatile stock markets mean that many investors face uncertainty.

*"there may be a tougher year in store for many of us"*

The full extent of the fall-out from the current credit crunch remains to be seen, but there have certainly been fewer big City bonuses this winter.

Cash is also thinner on the ground for companies looking to come to the markets. Achieving an AIM listing has undoubtedly become more expensive and the market has already dried up somewhat over the last year following a prolonged boom.

The Government's dithering and widely-criticised handling of the Northern Rock situation does not engender much confidence about its ability to manage the wider economy. An increasingly onerous regulatory climate isn't helping smaller businesses either – we're being swamped by even more EU-imposed red tape, of which the recent proposals for temporary workers are a typically unwelcome example.

## A question of trust

The tax authorities have been making noises about their need for greater access to business data. This seems particularly irksome at a time when the authorities are apparently rather cavalier in their approach to the security of taxpayers' data. The loss of the infamous Revenue computer disks has understandably worried many of our clients. This episode underlines the importance of stringent security of personal data, something that we always take very seriously at Shipleys.

## Business as usual

On the home front, in spite of a change of Managing Principal, it is very much business as usual at Shipleys. We will continue to play to our strengths, which include the corporate recovery expertise we gained following the merger with the London office of Rothman Pantall last year.

We do not anticipate further significant change to our business in the immediate future and are determined to retain our independence. However, we are always looking for good people to join us to enhance our services, as you will see from the appointments of Conrad Beighton in Birmingham (page six) and Steve Foster in Godalming (page seven).

Finally, I would like to thank the many of you who took part in our recent *Shipshape* readers' survey. Your feedback is invaluable because it helps us to respond to the issues that matter to you in an effective way. We will continue to do our utmost to help our clients to prosper, regardless of the emerging economic climate – after all, your welfare is ours.

# John McCuin

John McCuin, until recently Shipleys' Managing Principal, has been elected Prime Warden of the Worshipful Company of Blacksmiths, one of the oldest Livery Companies in the City of London, which received its first official recognition from King Edward II in 1325.

There are 107 Livery Companies in the City, and they are the successors to the mediaeval guilds which regulated the traditional trades in terms of standards, training and what we would now call customer service. They are all not-for-profit organisations, and over the centuries they have expanded their remit to include general education and charitable work.

John's father was a member of the Butchers Company, but John qualified for entry to the Blacksmiths Company through his wife Judy's family connections. The family connection will continue, as John's son Christopher and his nephew Andrew have recently been admitted to the Blacksmiths Company.

Not surprisingly, as he was already a Principal in Shipleys when he joined the Blacksmiths in 1989, John was almost immediately co-opted onto its Finance Committee, and soon became its Chairman. The Blacksmiths' finances, and its educational and charitable work, have been John's main focus in the Company ever since.

## Education and charity

In total the City Livery Companies spend something approaching £50 million each year on their charitable activities, though this is rarely publicised.

The Livery Companies work hard to support their traditional crafts where they still exist, and the Blacksmiths Company grants Bursaries (mainly at Hereford and Warwick Agricultural Colleges) as well as supporting apprenticeships. The Company also gives awards for specialist areas of expertise, and organises demonstrations and competitions at County Shows.

As Prime Warden John has the privilege of donating a proportion of the Company's charitable funds to outside recipients and, given his interest in music, has chosen to support the educational efforts of the Spitalfields Festival, where he has been a Director since 1997.

## Ceremonial duties

During his year as Prime Warden much of John's time will be taken up by ceremonial duties.

As well as attending County Shows to support events and competitions, and award prizes, John is responsible for representing the Blacksmiths Company at many events held by the other 106 Livery Companies.

It is the prospect of this demanding time commitment that has led John to step down as Managing Principal of Shipleys, a position he has held since 1998.

## Shipleys

John joined the firm in 1978, and became an Audit Principal in 1981. He has worked in a wide variety of sectors, including charities and trades unions, but his main focus has always been on owner-managed businesses and his remit has been much wider than the title 'auditor' would imply, as he has become a trusted adviser to many family firms.

Inevitably he regrets that he will have to wind down his work for these clients, and hand over to other Principals within the firm, but points out that he would have been coming up to retirement in the next couple of years anyway, and would also have been affected by the new compulsory 'rotation' rules for auditors.

John will step down as a Principal on 30 April, and will become a Consultant to the firm.

## Managing Principal

When John became Managing Principal in 1998 the firm's fee income was £5 million. Since then the efforts of Principals and staff have more than doubled this to over £10 million and, following the merger with the London office of Rothman Pantall in 2007, fee income for 2008 is likely to be in the region of £14 million.

John pays tribute to his long-standing manager, Graham Baxter, who has been involved with most of his clients for many years. "I couldn't have done my job as Managing Principal without Graham's support," says John, "and I'm pleased that he will continue the day-to-day contact with clients and maintain the level of service they expect."

In a message to staff John said "Shipleys is a very positive place to be and I see it as ideally placed to continue its growth in the market place."

He also expressed his thanks to Guy Fisher for taking on the rôle of Managing Principal, and said "I know that the firm will continue to grow and prosper under his leadership."

Photography by michaelosullivan.co.uk

*John McCuin in his ceremonial robes*

# TAX NEWS

Enclosed with this issue of *Shipshape* is a separate insert on end-of-year tax planning, based on the latest information available at the time it went to press. The version on our website www.shipleys.com, under Current Issues, will be updated if any further relevant information emerges.

## Non-domiciled changes

The Chancellor's Pre-Budget report included surprising proposals concerning the non-domiciled.

UK residents not domiciled or not ordinarily resident in the UK are currently only subject to tax on overseas income and gains when these are remitted to the UK. From 6 April 2008 (unless their unremitted income and gains are less than £1,000) it is proposed that those who have been resident here for at least seven out of the nine preceding tax years will only be entitled to claim the remittance basis on payment of an annual £30,000, and will not then be entitled to income tax personal allowances or the annual exemption for capital gains tax.

Draft clauses published on 18 January for comment reflect these and other changes, effective from 6 April 2008, which will further extend the tax liability of those who choose to retain the remittance basis. It is emphasised that these are not necessarily in their final form.

The definition of remittances which represent overseas income or gains (including any from a 'ceased source') is extended to include cash or property brought into the UK, or services used in the UK, by or for the benefit of the individual or anyone 'connected' with him or her. Those 'connected' include spouse, civil partner (and those living together as husband and wife or as civil partners), siblings, ancestors and descendants.

Remittances from a 'mixed source' will be attributed on a 'just and reasonable' basis.

Non-domiciled participators in non-resident 'close' companies and non-domiciled settlors and beneficiaries of non-resident trusts will have gains attributed to them (whereas until 5 April 2008 they escape attribution, even where the gains arise on UK assets).

## Pre-Budget Report

As well as the proposals for non-domiciliaries the Pre-Budget report in October included proposals for changes to Capital Gains Tax (see the Money Matters article on the back page of this issue of *Shipshape).* For other developments since the Pre-Budget report please see our website, www.shipleys.com, under Current Issues.

## Capital allowances

Companies are to be able to claim a payable tax credit in respect of a loss attributable to the 100% first year allowance given for expenditure after 31 March 2008 on the provision of energy-saving plant and machinery, or environmentally beneficial plant and machinery, as defined in the Capital Allowances Act 2001, instead of setting off the loss against other profits. The tax credit will be 19% of the loss.

There is to be a cap on the amount that a company may claim. The Government proposes that the cap should be £250,000 or, if more, the total amount of the company's PAYE and NICs liabilities for payment periods ending in the chargeable period.

## Interest on tax

From 17 December 2007 the interest rate on underpaid corporation tax is 6.5% and on overpaid corporation tax it is 5.25%. From 6 January 2008 the interest rate on most other unpaid taxes is 7.5% and on overpayments 3%.

## Arctic thaw reversed

As expected, following the success of the claimant in the Arctic Systems case concerning the taxation of dividends from a company owned by a husband and wife, the Government has published draft legislation aimed at preventing – or making tax ineffective – 'income shifting', which it suggests will apply from 6 April 2008. It remains to be seen whether such legislation can give the clarity and certainty that self-assessment demands.

## Leasing

With effect from 13 December 2007 the Government is taking action against two types of arrangement that seek to avoid tax through the leasing of plant or machinery.

The first type involves using head leases and subleases to create tax losses where there are no commercial losses. These arrangements rely on creating a mismatch between the tax treatment of rentals paid and received by the intermediate lessor. The second type involves the grant of a lease for a premium.

HMRC say that they do not necessarily accept that any of the schemes achieves its intended purpose but, if they do "the provisions....... are necessary to protect the Exchequer."

## Enterprise Zones

Tax relief was introduced in 1980 for 100% of the cost of constructing commercial and industrial buildings in Enterprise Zones. In the light of the withdrawal of industrial buildings allowances announced in the 2007 Budget, Enterprise Zone Allowances (EZAs) will also be withdrawn, but not until 1 April 2011, when the gradual withdrawal of other allowances for industrial and agricultural buildings will have been completed. Balancing adjustments in respect of events such as the sale of a building on which EZAs have been given, will be retained for a period of seven years.

## Advisory fuel rates

The mileage rates that employers may pay tax-free to employees for use of company cars changed from 1 January 2008. The comparatives shown in the table are the rates from 1 August 2007.

| Engine size | Petrol | Diesel | LPG |
|---|---|---|---|
| 1400cc or less | 11p (10p) | 11p (10p) | 7p (6p) |
| 1401-2000cc | 13p (13p) | 11p (10p) | 8p (8p) |
| Over 2000cc | 19p (18p) | 14p (13p) | 11p (10p) |

## ISA rules

The rules governing ISAs (Individual Savings Accounts) will change from 6 April 2008.

The annual ISA investment allowance will be raised to £7,200. Up to £3,600 of that allowance can be saved in cash with one provider. The remainder of the £7,200 can be invested in stocks and shares with either the same or a different provider.

Mini and maxi ISAs will no longer exist. Mini cash ISAs, TESSA-only ISAs (TOISAs) and the cash component of maxi ISAs will automatically become cash ISAs. Mini stocks and shares ISAs and the stocks and shares component of maxi ISAs and PEPs will automatically become stocks and shares ISAs.

ISA savers will be able to transfer money saved in their cash ISA to their stocks and shares ISA.

## Property letting

Income tax relief is available on interest paid to finance a property letting business. At its simplest, this means relief on the money borrowed to buy a property which is to be let. But tax relief for interest paid can be available in some circumstances where the money borrowed is not used for that purpose.

Eligible borrowing is up to a sum equal to the capital employed in the letting business, taking a property at its cost (where brought into use for letting immediately on purchase) or its market value (where brought into that business, say, after previous use as the landlord's home). Thus, if a budding landlord chooses to let his old home, now worth £1 million, very much more than its original cost, and borrows £900,000 to buy a new home, he may claim income tax relief on the £900,000 against his rental income, because the borrowing does not exceed the £1 million capital employed in his new letting business.

# *VAT*

## Three year cap

The House of Lords has found in favour of the taxpayers, Condé Nast and Fleming, in respect of their claims for repayment of input VAT incurred in periods prior to the introduction of the three year cap.

Their Lordships have confirmed that the introduction of the cap, without allowing a transitional period, was defective and must be disapplied in relation to under-claimed input VAT incurred before 1 May 1997.

So far there has been no response from HMRC. In the meantime we recommend revisiting any claims for refunds that may have been rejected by HMRC or simply not made because of the introduction of the cap.

Although the judgement is specific to input VAT we also recommend revisiting claims for reimbursement of overpaid output VAT.

If you need further information or help please contact the VAT team or your usual Shipleys contact.

## Rental income

The VAT issues surrounding property rental businesses can be quite complex and often give rise to queries. Two of the more commonly asked questions are:

Q. When does VAT become due and payable in respect of rental income?

A. The VAT becomes due on the earlier of the date of the invoice or the date of receipt of payment.

Where tenants are consistently late in paying it would be beneficial to issue an initial request for payment and follow up with an invoice once payment is received, and so defer the due date for the VAT.

Q. Where a building, subject to an election to waive exemption, consists of a mixture of office space and flats, does VAT apply to the rent from the flats?

A. No, although an election to waive exemption covers the entire building it is specifically disapplied in relation to residential property.

If any of the flats are converted to office use the rent would automatically be subject to VAT, as the existing election to waive exemption would apply.

## Business promotion schemes

HMRC have issued new guidance regarding the correct VAT treatment of business promotion schemes (see Revenue & Customs Briefs 08/07 and 67/07 at www.hmrc.gov.uk).

They have published a list of promotion schemes together with the correct VAT treatment which all businesses are required to use with effect from 1 January 2008.

The list is too long for inclusion in this column but it is available in the Current Issues section of our website at www.shipleys.com. It can also be obtained from the VAT team or your usual Shipleys contact.

## Internet insurance

A recent VAT Tribunal case (InsuranceWide.com) has considered the VAT position of insurance introductory services effected via the internet. The case confirms the view of HMRC that the medium used to sell insurance products is irrelevant, as is the payment structure. It also confirms that the exemption applicable to insurance intermediaries is available only when these services are provided by a broker or an agent.

So, although InsuranceWide provided services that went beyond mere introduction, because it actively negotiated with insurers about the range and price of products and was paid on a commission basis, its services did not qualify for exemption.

*For further information please contact Nancy Cruickshanks, our senior VAT consultant, T 020 7312 6526, E cruickshanksn@shipleys.com*

# Corporate Recovery expands

Shipleys' Corporate Recovery practice has expanded by establishing an office in Birmingham, led by Conrad Beighton (pictured above).

Conrad is a licensed insolvency practitioner who trained at Deloittes and then worked at BDO Stoy Hayward in Birmingham, before spending two years in Sydney, Australia, with AGN member firm Hall Chadwick.

He returned to Birmingham in 2003, where he has been working as an insolvency specialist, and joined Shipleys as a Director in December 2007.

Conrad intends to use his Midlands background and network of contacts in the area to develop recognition for Shipleys in the local corporate recovery market.

Steve Ryman, Head of Shipleys' Corporate Recovery practice, is very pleased about the expansion. He says, "Good people like Conrad are hard to find. We have been working on assignments in the Midlands for some time now, and having Conrad based there, with his existing contacts in the area, will be good for us and our clients."

*Conrad's contact details are:*
*T 0121 698 8566,*
*E beightonc@shipleys.com*

*Shipleys LLP, 2nd Floor,*
*3 Brindley Place,*
*Birmingham B1 2JB.*

# Insolvency pre-pack solutions

A recent phenomenon in the insolvency world has been the increasing use of 'pre-pack' solutions. These allow the sale of an insolvent business, in whole or in part, and they have been made possible by the Enterprise Act 2002.

When an insolvency practitioner is appointed as Administrator to an insolvent business, the principal objective is to avoid the liquidation of the business if at all possible, and to keep it trading until it can be sold for the benefit of its creditors. Although there is a moratorium on the company's existing debts until it is sold, it can be very difficult for the Administrator to keep the business going long enough to organise an orderly sale in the open market. For example, there may be insufficient funds available, no stock to complete the work in progress, or key workers may leave.

## The quicker way

The pre-pack solution allows the Administrator to sell the business quickly, without court scrutiny and usually to a connected party such as the existing management. The terms of the sale are often negotiated before the company goes into administration.

The advantages are the continuity of the business, to the benefit of staff, customers and suppliers, often a better price than would be achieved by selling to a third party, and the prompt repayment of creditors.

## Disadvantages

Pre-packs can mean that creditors will not be paid in full (but this is also a risk with other forms of administration), and the lack of court scrutiny gives them little opportunity to challenge the Administrator's decisions and actions.

There is also a problem of public perception. Many will feel that it is not fair for the directors or managers of a business which they have allowed to become insolvent to benefit from their own failure, while creditors lose some of what is owed to them. Some may even believe that the Administrator has colluded with the new owners.

## A legal view

In a recent case, HM Revenue & Customs opposed the pre-pack sale of DKLL Solicitors, on the basis that they would not receive the full amount they were owed by the practice. But the court concluded that the Administrator's proposed pre-pack sale would safeguard the firm's 50 jobs and its clients' interests, and that this was more important than the taxman receiving the full amount due.

## Careful judgement

Robert Smailes, one of Shipleys' insolvency practitioners, is in favour of pre-packs in the right circumstances. "One of the clear intentions of the Enterprise Act was to reduce the involvement of the court in administrations, where possible", he explains. "Used properly, pre-packs can be a good way of achieving this. But they shouldn't be used as an easy way out of a difficult situation; the practitioner has to exercise careful judgement of the circumstances of each case, because he has a professional responsibility to all the parties involved."

## A Shipleys solution

Although it is rare for firms of solicitors to fail (see the case of DKLL Solicitors above) Shipleys recently handled the administration of a partnership of solicitors', and decided on a pre-pack solution.

Unnecessary assets were disposed of, and the book debts and work-in-progress were sold on. Although it was not necessary to do so, Shipleys held early discussions with the two main creditors, who approved the proposed course of action because they could see that it would be to their advantage; they would receive an earlier, and more substantial, payment than a liquidation or a court administration would provide.

As a result, all the creditors have already received one payment, with another to come within six months. In addition, all the jobs at the firm have been saved.

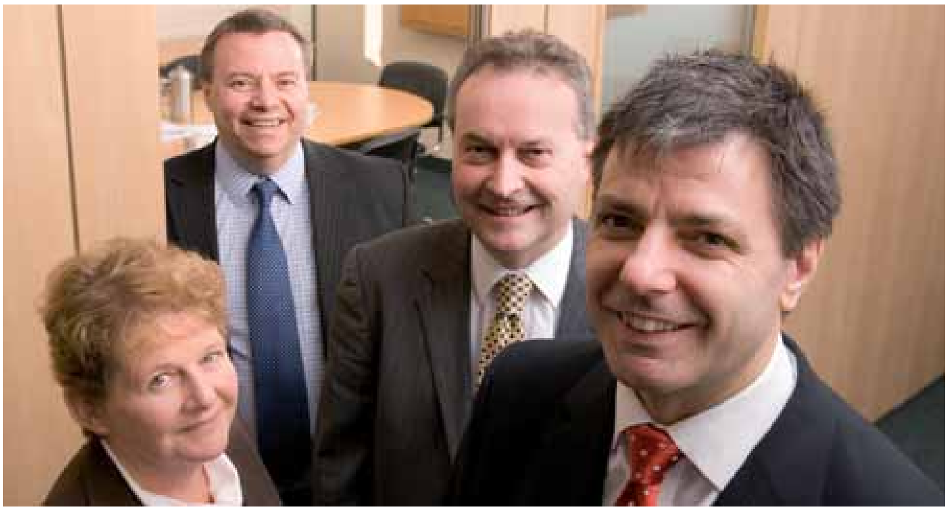
*For further information please contact*
*Robert Smailes,*
*T 020 7312 6206*
*E smailesr@shipleys.com*

# Growth at Godalming . . .

Our Godalming office extends a very warm welcome to Steve Foster, who has joined as an additional general practice principal.

Steve is well known for his corporate finance work, specialising in transaction support, including due diligence and mergers & acquisitions for owner-managed businesses. He has an impressive record in helping clients make and implement their plans, whether purchasing a business, expanding quickly, improving profitability, entering new markets, formulating an effective exit strategy or selling the business.

Steve trained and qualified with the local office of a top ten accountancy practice before spending six years as finance director of a large London-based media business. He then moved back into practice as an accountant in Guildford, and has built up an excellent reputation locally.



*New principal Steve Foster (right) with the other principals at our Godalming office (left to right) Jane Henman, Simon Robinson and Mike Luckett.*

His time spent working in industry has given Steve in-depth commercial experience, coupled with financial expertise to help clients with their business strategies. In addition, he has practical, hands-on knowledge of the accounting, tax and compliance issues faced by businesses. Steve also plays a mean bass guitar in an indie rock band and is training for the London marathon.

# . . . strengthening our services

Jane Henman, lead principal at our Godalming office, says, "We are delighted that Steve will add further strength and breadth to our well established and highly respected team. We already offer an impressive range of expertise and are proud of the personal and committed service we provide to our clients, who come from all walks of life and face a multitude of business and tax issues.

"We like to think that we go beyond the normal audit, accounts and tax offering by providing practical, commercial business management advice, where no task is too big, too small or too complex."

In addition to audit, accounts, personal and business tax and management advice, Godalming office offers a widely appreciated book-keeping service and payroll bureau.

## Personal service

As well as advising local businesses on a range of issues, our Godalming team specialises in looking after individuals' financial affairs.

Our tax experts offer a first-class, personal service to keep clients on the right side of the taxman, and we have a number of former Tax Officers within the team who understand these matters from the 'other side of the fence'.

We have a long history of providing trust and estate planning advice and taking care of trust administration as well as tax compliance.

We also have particular expertise in dealing with the tax affairs of expatriates and non-UK domiciliaries, and the more complicated areas of UK tax planning. We offer advice and practical help to individuals or businesess subject to official tax investigations.

## A great way to start your day

We've run a very popular and successful programme of breakfast meetings in Godalming for a number of years, to provide local business people with the opportunity to share ideas and keep alert to issues which might affect them. These are facilitated sessions which allow participants to work together with the aim of taking away something practical that they can implement immediately in their business or their working lives.

Diary dates for future Breakfast Club meetings (all on Fridays at 7.15 for 7.30 at Godalming office) are: 15 February, 14 March, 18 April, 23 May, 20 June.

*For further information, or to request a place, please contact Jane Whalley,*
*T 01483 423607*
*E whalleyj@shipleys.com*

## London office

Shipleys students are continuing to do exceptionally well in their examinations. In December five of them passed their finals to become qualified chartered accountants; we congratulate them all.

They are (from left to right above) Patrick Chiu, Matthew Balls, Alison McCarthy, Heather Lubbock and Philip Clamp, all based at our London office.

# MONEY MATTERS


# Capital Gains Tax

The new 18% flat rate of Capital Gains Tax (CGT) effective from April 2008 for individuals, trustees and executors, will affect investors in a variety of ways.

The only relief is for 'entrepreneurs', who are offered a £1 million lifetime allowance at 10% on gains realised on disposals of trading businesses and certain disposals of shares in trading companies (by their employees and those holding 5% or more).

There will be no allowance for inflation. The original cost of the asset will be ignored if it was acquired before 31 March 1982, and market value at that date adopted as cost. Those whose potential tax liability will increase from 6 April 2008 will need to weigh up the merits of a disposal of assets before then.

## Business assets

Although the entrepreneur relief will afford some help, gains on business assets are particularly hard hit. These benefit from 75% taper relief in 2007/08 if the asset has been held for two years, giving a maximum effective tax rate of 10%. Business assets include property let to unquoted traders, shares in unquoted companies and shares in quoted companies held by their employees; probably a wider definition than that for the 'entrepreneur' relief.

Those disposing of business assets and realising gains in excess of £1 million (or disposing of business assets not qualifying for the entrepreneur relief) might prefer to pay 10% tax in January 2009, rather than 18% later, on part. Commercial judgement should always rule, but it might be acceptable and possible to trigger a disposal in 2007/08 and retain the asset in another vehicle (a trust or company) pending a sale to a third party.

## Non-business assets

Gains on non-business assets will be more lightly taxed in many cases. Taper relief for investors in listed shares, buy-to-let residential property or property let to a listed company means that the tax rate on a gain in 2007/08 is 40% if the asset has been held for less than three years, gradually reducing to an effective rate of 24% for assets owned for ten years.

But not all such investors will benefit. The absence of any adjustment for inflation on disposals and, in some cases, the substitution of market value as at 31 March 1982 for original cost before that date, mean that gains on some assets acquired before April 1998 may be more heavily taxed after 5 April 2008.

## Example

A non-business asset was acquired in 1980 for £120,000. Market value at 31 March 1982 was £100,000 and indexation allowance is £125,640, so inflation-adjusted cost is £245,640.

If the asset is sold in 2007/08 for £500,000, the chargeable gain is £254,360 (500,000 minus 245,640) and the tax liability at 24% is £61,046.

In 2008/09, the chargeable gain would be £400,000 (500,000 minus 100,000) and the tax liability at 18% is £72,000.

## Capital losses

An allowable capital loss arising in 2007/08 is set against the gains of the same year, reducing those which would attract the least amount of taper relief first. Any losses not set off are then carried forward to be used in later years. The reduction in that payable for 2007/08 will therefore be either 10% or 18% of the loss.

## Readers' survey

Thank you to everyone who returned the Readers' Survey from the last issue of *Shipshape*. The winner of our prize draw was Barry Williams of INDECS, the risk management consultants, and he chose a Fortnum & Mason hamper as his prize.

Your favourite regular feature in *Shipshape* is now, by a small margin, the relatively new Money Matters, on this page, which is 'always' or 'sometimes' read by 99% of you. Needless to say we shall be continuing this feature with renewed enthusiasm, and we have taken note of the subjects you want us to cover in future.

In equal second place were your two previous favourites: Tax News, on pages four and five, and the Managing Principal's lead article inside the front cover. These are 'always' or 'sometimes' read by 98% of you, though Tax News scored higher on 'relevance' at 97% compared with the lead article at 95%.

Our only real disappointment from the findings of this survey was that so few of you are using our website regularly. Among other things we use our website to give you updated and more detailed information than *Shipshape* can provide, particularly on tax matters, on our 'Current Issues' pages. Do please try it at www.shipleys.com

Many of you asked for more information on investments. Sadly, we cannot respond to this request as our professional rules prevent us from giving general investment advice.

However, the overwhelming majority of you continued to think that *Shipshape* is about the right frequency at (approximately) quarterly. 90% of you also gave the content an overall approval rating, and so we seem to be pleasing most of you most of the time.