

Autumn Newsletter

October 2009

Altorian



Chartered Accountants and Business Advisers

Newsletter highlights

- Should you incorporate?
- Companies Act 2006
- Budget for your tax bill
- Email tax scams
- Don't forget your Tax Return
- Business rates
- Party time

Incorporation—is it right for you?

It's the age old question but with tax laws and the commercial environment constantly changing it is a question that needs to be asked from time to time to ensure you are making the right choice for your business and minimising your tax liabilities.

Under current tax law, if you make profits of more than £30,000 (under 'normal' circumstances), there are tax savings if you incorporate.

However, any decision regarding this should not be taken lightly and there are other commercial considerations to be taken into account.

You should always seek professional guidance for your particular circumstances.

Party time?

In a year that has been all about doom and gloom, it might just be the year for a party.

Staff entertaining is a great way of boosting moral and team spirit and staff entertaining is an allowable expense for tax purposes. You can spend up to £150 per employee annually (including VAT) without the need to disclose the expense on a P11D as a benefit.

If you are just a husband and wife company, you could claim a weekend away as your annual event so long as you don't exceed the maximum amount per employee. Bear in mind, if there are other employees—everyone has to be invited. Whether they attend or not is another matter!

What better excuse do you need for a party?

Business rates—ensure you will be paying the right amount

If you own or rent business premises, you should have received your new business rates valuation together with a breakdown of how it has been calculated. When you have received this you need to check the details on it thoroughly.

The new valuations will form the basis of business rate bills for the next five years, so it is important that you inform the Valuation Office of any inaccuracies before **30 November 2009**.

Budget for your tax bill

If you are self-employed it can be a struggle to have enough money to pay the two instalments of your tax bill for the year due on 31 July and 31 January. HMRC has realised these two large six-monthly bills can be difficult to manage, so they have set up a budget payment plan to help individuals pay their tax bill in smaller chunks.

If you register on the HMRC website, you can set up a direct debit as part of a monthly or weekly Budget Payment Plan, to make regular payments towards any future tax due.

HMRC will not however pay interest on amounts paid in advance of the actual date on which the tax is due.

Who we are:

Providing a friendly yet professional service catering for all your accounting and tax requirements.

Finding solutions and providing cost effective, on-going proactive support for your business.

Accountancy

Tax

Payroll

Outsourced accounting

Company secretarial

Interim Financial management

Give us a call to arrange a free initial consultation

Phone: 01473 327631 or

Email: office@altorian.co.uk

Website: www.altorian.co.uk

Beware email tax scams

Please note that HMRC is warning of a significant rise in email scams that offer a tax refund. These emails are designed to throw recipients off their guard by warning that the refunds are subject to a deadline which expires in the near future.

Some emails direct you to a website that looks just like HMRC's official one. Others invite you to either complete an online application or to download, complete, sign and then fax it to the number given. Both versions request your full bank or credit card details.

An alternative scam asks you to call a number to check your eligibility to the refund. Callers will hear a dialling tone but while waiting for an answer will be charged £6 a minute!

Please note:

HMRC has not yet adopted email as a way of communicating with the public, so treat any email offering you a tax refund as suspicious and report it to HMRC.

We are aware that a few of our clients have received these emails. They look very realistic and it would be easy to be fooled by them. If in doubt, give us a call.

New Company Forms and Companies Act 2006 changed from 1 October 2009

When something changes with the set-up of your company, such as a new director, change of company name or registered office address, you need to fill in a form and send it to Companies House.

All the forms that are used to report these events are replaced with new versions for changes effective from 1 October 2009 or a later date. You must use the new form to report the change as the old form will be rejected and this could lead to your company being fined if the event is not reported within the statutory deadline.

Most of the new forms can be filed online through the Companies House website, which is quicker, cheaper, and more secure than sending a paper form through the post. If you sign-up to the Companies House PROOF scheme you can only file changes to your company's details online. This prevents anyone hijacking your company by submitting a fraudulent paper form.

These forms are one of the changes brought in by the Companies Act 2006. The other main change from 1st October is the option for directors to keep their residential address private. Directors can now provide a service address (including the Company's registered office) as their contact address however Companies House will still require a record of a residential address although this will not be published.

Other significant changes which have already been implemented are the removal of the requirement to have a Company Secretary and hold an AGM. The deadline for filing accounts has also been reduced from 10 months to 9.

There are several other changes that have been made. You should have received a guide to the key changes from Companies House.

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Don't forget

If you haven't already got your books and records to us for the preparation of your self assessment Tax Return, please do so as soon as possible. The deadline for filing 2008-09 Tax Returns is 31 January 2010.

There is no news yet as to when the **pre-budget report** will be. We will keep you posted.

For more information on any of the articles included in this newsletter, please give us a call.

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