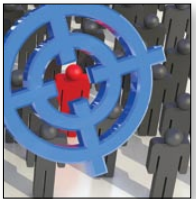


Inside



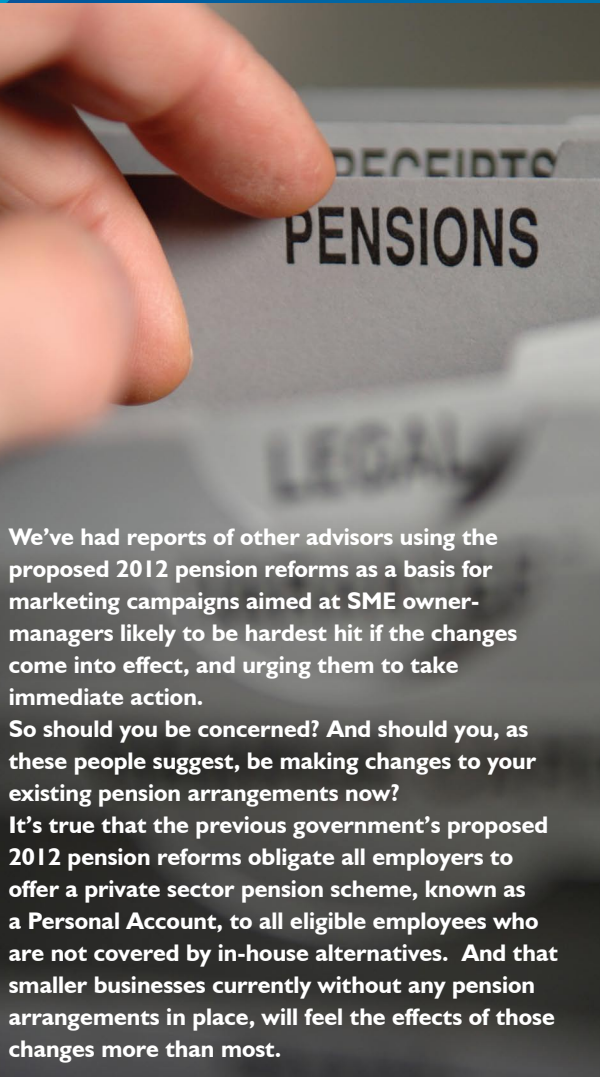
The long arm



Hit the spot

Use it or
lose it
... and much more

“...attention to detail, a true understanding of your personal and business needs and foresight in pointing out any pitfalls or opportunities in the future - Foxley Kingham provide all this and more...”



We've had reports of other advisors using the proposed 2012 pension reforms as a basis for marketing campaigns aimed at SME owner-managers likely to be hardest hit if the changes come into effect, and urging them to take immediate action.

So should you be concerned? And should you, as these people suggest, be making changes to your existing pension arrangements now? It's true that the previous government's proposed 2012 pension reforms obligate all employers to offer a private sector pension scheme, known as a Personal Account, to all eligible employees who are not covered by in-house alternatives. And that smaller businesses currently without any pension arrangements in place, will feel the effects of those changes more than most.

However, the proposed reforms are by no means certain. It's clear that something needs to be done to address the rising pensions deficit but until the new government agrees exactly how it wishes to proceed in tackling the problem, our advice is that you DON'T make any changes to your pension arrangements just yet.

As soon as the finer details of the reforms have been released, employers should not delay – and we will of course be on hand to help you meet your obligations under the new regime. But for the moment it would be better to take a “wait and see” approach.

If you'd like to make sure you're at the front of the queue for expert advice when the reforms have been finalised, please register your interest using the fax back form on page 4 and we'll get in touch with you once an announcement has been made.

Should you act now on pension reform?

Andrew Norman of FK Financial sets the record straight

In the meantime if you'd like to speak to someone about pensions or financial planning of any kind, please call Andrew Norman on 01582 540804.

On a final note, it's worth remembering that although introducing a pension scheme has a cost attached, it isn't necessarily a bad thing; there are also significant benefits to be had. A strong and motivated team is vital for business growth and a good pension scheme is an effective way of attracting and retaining quality employees (and keeping them out of the hands of your competitors). And the pension benefits offered by potential employers are likely to become an increasingly important consideration as people become more aware of saving for the future.

So when the time comes, whether you jump or you're pushed, any money spent on employee pensions should be seen not purely as an additional cost, but as an investment in your workforce and ultimately in your company's future.

FREE

Business Growth Workshop – 6 Steps to Massive Business Results Tuesday 2nd October 2010, 9 a.m. – 12 p.m.

We've joined forces with award winning business advisors Action Coach, the Bedfordshire and Luton Chamber of Commerce and others, to bring you a practical, dynamic and fun business-building workshop that promises real results...

This FREE event is being held at the Business Competitiveness Centre, Kimpton Road, Luton. Kick-off is at 8.30 a.m. for registration and refreshments, and the workshop will be followed at 12.30 p.m. by lunch, when you'll have an opportunity to talk to our speakers, and do some networking with fellow owner-managers and key local advisors.



During the morning, experienced business coaches will demonstrate proven strategies to help you

- Increase profits by 61%
- Step out of the day to day running of your business and focus on how to improve and grow it
- Improve the productivity and commitment of your employees and build a better team
- Understand how successful businesses work
- Walk away with renewed energy, vision and focus to take your business to the next level.

For further information or to reserve your place(s) please contact Lisa Taylor on 01582 540800 (Monday to Friday) or e-mail lisa.taylor@fkca.co.uk with the names of those who'd like to attend. Alternatively, please use the fax back form on page 4.

Prices held for 5th year running!

Tax Investigations Service

Protect against the potentially crippling costs of an investigation for as little as £55

You may be aware that we offer our clients a Tax Investigations Service, which reimburses the professional fees incurred if you or your business are investigated by HMRC. This means that we can put in whatever time is needed to get you the best result without you worrying about the cost. And with HMRC's increased powers of investigation, not to mention a target to reduce the tax deficit by £7 billion this year, both the risk of being investigated and the cost if you are, are higher than ever.

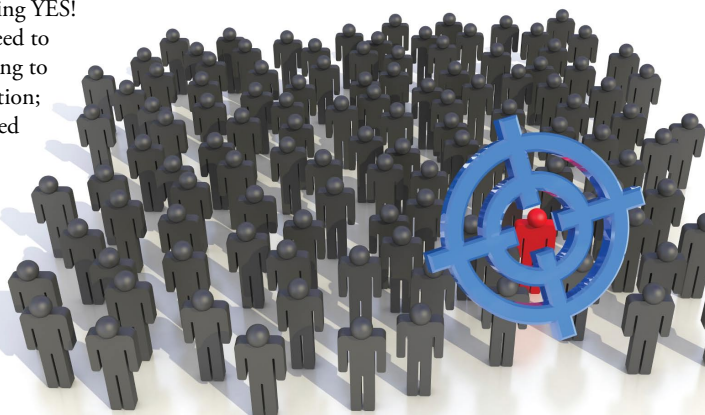
Could you be the Revenue's next target?

The answer is a resounding YES! Remember, you don't need to have done anything wrong to be targeted for investigation; businesses may be selected entirely at random, and with £7 billion to find, the Revenue won't be leaving any stone unturned. In fact they may already have you in their sights – and

that could leave you with a bill for thousands of pounds, not to mention months, if not years, of disruption.

The good news is that because we strongly believe that all our clients should be covered by this service we're doing what we can to keep the cost to you to a minimum, by removing the excess and freezing prices for the fifth year running. So you can enjoy peace of mind and protection against potentially crippling costs from as little as £55.

To sign up, or for more information, please call Christine McAneney on 01582 540 800 TODAY. The start date for this service is 1st October so we need to have your details and signed forms back by 30th September for you to be fully covered.



Regulatory changes from 1st October 2010

As you may know most new laws affecting businesses come into force on one of two common commencement dates (CCDs) each year – 6 April and 1 October. Below is a round-up of the changes due in October 2010 that are most likely to impact on your business. Please note this list is not comprehensive. For a complete list and further details on any of the changes mentioned below, please visit the Business Link website at www.businesslink.gov.uk, where you can also sign up for e-mail alerts on any future regulatory changes relating to your particular business.

Equality and diversity: Much of the new Equality Act 2010 will replace the current anti-discrimination legislation.

The national minimum wage (NMW): The various NMW rates will increase and there will be a new rate for certain apprentices. See article on page 4

Building regulations: Requirements for energy conservation, combustion appliances and ventilation will change.

Recruitment agencies and personnel supply: Revised rules apply to fees, cooling-off periods and information provision for work-seekers.

Licensing conditions: Pubs, bars, clubs, etc will have to meet new conditions when selling or supplying alcohol.

7 day concession to be withdrawn

From 1st April 2011 a concession that allows you an extra 7 days to file Company tax returns and Annual PAYE returns P35 and P14s will be withdrawn. The concession was granted to allow for postal delays but with the filing of these returns now online it no longer applies

The removal of the concession will not prevent taxpayers applying for a cancellation of late filing penalties if they can demonstrate a reasonable excuse.

Filing online and making payments electronically – don't get left behind!

HMRC are changing the way you have to file returns and make payments. VAT businesses, Corporation Tax customers and employers are all affected by these changes and if you haven't already made the switch to online, we recommend you do so now.

Online filing and electronic payment are already compulsory for VAT returns if your business has an annual turnover of £100,000 or more (exclusive of VAT) or registered for VAT on or after 1 April 2010. The government recently announced that this will apply to ALL businesses from 1st April 2012.

Other deadlines you need to be aware of are as follows:

From 1 April 2011, all companies and organisations must submit their Company Tax Returns online for any accounting

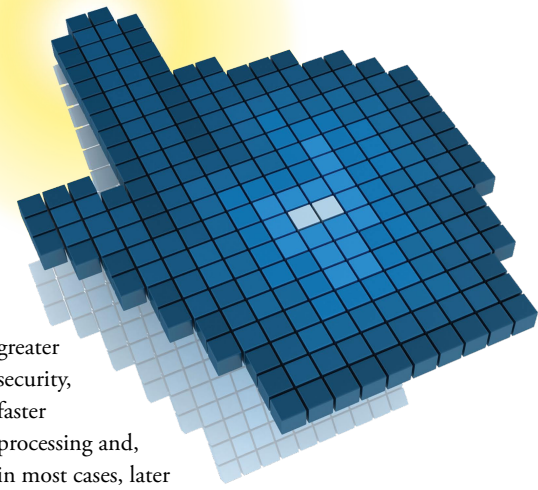
period ending after 31 March 2010; and any Corporation Tax payments and related payments due will have to be made electronically (e.g. by direct debit)

From 6th April 2011, employers with fewer than 50 employees will have to file their PAYE forms and returns online. And, although it is only large employers (those with 250 or more employees) who are required to pay electronically, HMRC recommend that all employers make payments this way.

Even if it's not yet compulsory for you to file or make payments electronically, these deadlines will be upon us before we know it, so we urge you to start now. That way you'll be able to get the new processes in place and running smoothly in plenty of time to avoid any penalty fines. And you can start enjoying the benefits of

greater security, faster processing and, in most cases, later filing (and payment) deadlines straight away.

Full details on the online filing changes are available on the HMRC website www.hmrc.gov.uk. Finally, if you're concerned about making the switch please give us a call and we'll talk you through it, or, if required, arrange a training session at your premises.



Use it or lose it - Annual Investment Allowance (AIA) to be slashed

Currently, the Annual Investment Allowance (AIA) enables businesses to write off 100% of the cost of acquiring qualifying assets against their taxable profits, up to an annual limit of £100,000. Assets that can be written off in this way include commercial vehicles, plant, computers and other equipment - cars do not qualify. However, in the Budget of 22 June 2010, notice was given that the annual limit is to be significantly reduced from £100,000 to £25,000 from April 2012.

This is a blow but at least the advanced notice gives you an opportunity to benefit from the existing scheme by rethinking your plans for capital expenditure for the next 20 months.

Why bother? Well there are a number of reasons...

- Obvious really, but you can currently reduce your taxable profits by up to £100,000
- If you are a higher rate, self-employed trader the AIA claim could save you 40% or 50% of your qualifying investment
- If you earn more than £100,000 you could use the AIA claim to protect your personal

- tax allowance that may be lost without an AIA claim
- If you are a self-employed business owner or in partnership and your AIA claim exceeds your taxable profit, the resulting tax loss can be set off against your other income in certain circumstances and perhaps generate refunds
- Even if you trade as a limited company or if you are a basic rate tax payer you will be able to recover up to 20% (21% if you pay small rate corporation tax in 2010-11) of your investment.

We have to assume that tax relief offered post April 2012 will stay at much lower levels for a considerable period as the Government tackles the reduction in national debt. Accordingly, this is an opportunity that should not be passed over lightly, so if you were planning significant capital expenditure during the next say five years, we recommend that you call to discuss your tax options NOW.

At the very least you should find out:

- If your planned expenditure qualifies for AIA

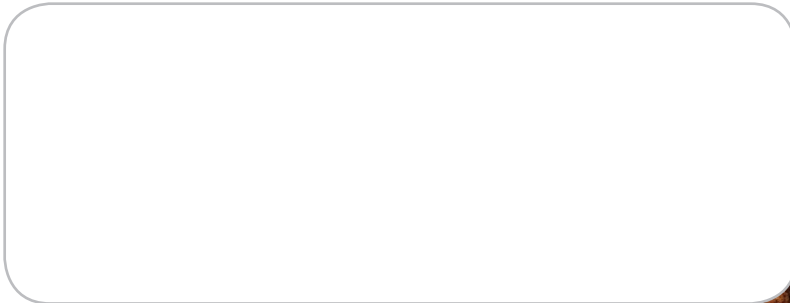
- If a claim for AIA prior to April 2012 will be tax effective, can you make good use of the allowance?
- Importantly you should examine the non-tax considerations. Is it commercially sensible to make the required investments at an earlier date?

Call 01582 540800 and speak to your Client Manager or one of our tax specialists TODAY to make sure you don't miss out.



What's your story?

Call us on 01582 540800 or e-mail us direct if you think your story would interest other readers. We'd love to hear from you!



Changes to National Minimum Wage from October 2010

An increase in the National Minimum Wage will come into effect on 1st October 2010. The new rates are as follows:

£5.93 an hour for workers aged 21* and above
(‘the main rate’)

£4.92 an hour for workers aged 18-20

£3.64 an hour to workers aged below 18 who are no longer of compulsory school age

** Note the fall in the age threshold from 22 (as it is currently) to 21*

New entitlement to the NMW for apprentices

From 1st October 2010 you will have to pay at least £2.50 an hour to apprentices who are:

- under the age of 19
- aged 19 or over in the first year of their apprenticeship

To qualify, the apprentice must either:

- work under a contract of apprenticeship
- be employed on a government-funded training scheme that is treated as an apprenticeship for NMW purposes

FAX BACK 01582 480901

For more information on any of the items featured in this issue, please tick the appropriate box(es) below and fax this page to 01582 480901

What's in store for business under the new government

Save with SAGE

Please reserve (Qty.) places at the Olympic contracts presentation on 21st July 2010

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