



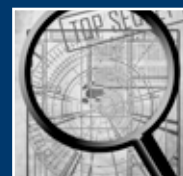
## HOW MANY SLEEPS... *to the self assessment tax return deadline!*



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# Blending all the right ingredients to help you start, grow or stabilise your business.



**EvansEntwistle**

CHARTERED MANAGEMENT ACCOUNTANTS & TAX ADVISORS

[evansentwistle.co.uk](http://evansentwistle.co.uk)

029 2071 3800

# Welcome to the 4th issue of iNsight!

Welcome to the 4th issue of iNsight...and welcome to our brand new name! To celebrate our forthcoming 10th anniversary, we've rebranded the practice to Evans Entwistle Chartered Management Accountants & Business Advisors, and have also expanded the team with the addition of Matthew Ward as Accounting Associate. All change for 2014!

We start the trek towards the New Year with some rather welcome news – economists and business analysts have recently raised their growth forecasts for 2013, fuelling speculation that the UK economy may well just have turned the proverbial corner. The British Chamber of Commerce published a revision to its forecasts predicting growth of 1.3% up from its previous 0.9% figure, whilst the Organisation for Economic Co-operation and Development upgraded its prediction to 1.5% from its original outlook of 0.8% earlier in the year.

Some are already claiming that the Chancellor appears to have played the fiscal cards he was dealt rather well, although the man himself urged caution, stating that "Britain is turning a corner. Of course, many risks remain. These are still the early stages of recovery"

But we can't help but be buoyed by supplementary statistics proclaiming that the service sector has witnessed its fastest growth for six years, production is up, exports to emerging markets are increasing and even the beleaguered construction sector appears to have secured its second wind, growing at its fastest pace since 2007. Is this the beginning of a recovery story?

If that positivity whets your appetite for the future of your venture, then we've got plenty of top tips and sound advice inside to help you manage and grow your business.

In this issue, we look at the multi-faceted implications of changes to workplace pensions provision and what it means to organisations of all sizes (yes, even 2 man bands, ignore the legislation at your peril!). We also offer a few tips to keep tabs on competitors so that you're one step ahead of the game, plus for those private clients with older teenagers, we look at means of funding further education with your sanity and savings intact. There's also our usual plethora of useful websites, apps and books plus a whole host of tips and advice.

Happy reading, and don't forget to get in touch with your burning queries...or success stories...at [mail@evansentwistle.co.uk](mailto:mail@evansentwistle.co.uk)

## Lisa Entwistle-Evans

Follow editor Lisa on LinkedIn for regular news & views  
Also follow us on Facebook [www.facebook.com/EvansEntwistle](http://www.facebook.com/EvansEntwistle)  
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# Business Bites

Our round up of the latest reads, hottest apps and best sites to help you manage your business...

## App Happy



**VoxPopMe** is the app where it “pays to have an opinion”! It’s a brilliant way for brands to obtain valuable feedback from their customers via video, gaining insights into consumers’ tastes and opinions on everything from their favourite ice cream flavour to biggest customer service pet hates! You simply answer questions from your favourite brands using your smartphone’s video camera – and get paid £25 via PayPal for your troubles! (free to download from the App store) [www.voxpopme.com](http://www.voxpopme.com)



**Dropbox** is essentially a web based external drive where you can keep any and all important items for easy access from any smartphone or tablet device on the go. You can also use it to share large files such as artwork, calendars, etc – very useful for those who spend a lot of time away from base. Download the app from [www.dropbox.com](http://www.dropbox.com)



If you’re an aficionado of social media, then you can’t do much better than **HootSuite** to manage all of your multiple networks including Twitter, Facebook, LinkedIn, Google+, Foursquare, MySpace and WordPress. With its name a word play on the French expression “tout de suite” (meaning “at once”) you can simultaneously manage online brands, track mentions, schedule messages and analyse social media traffic – all from your phone! Download from [www.hootsuite.com](http://www.hootsuite.com)

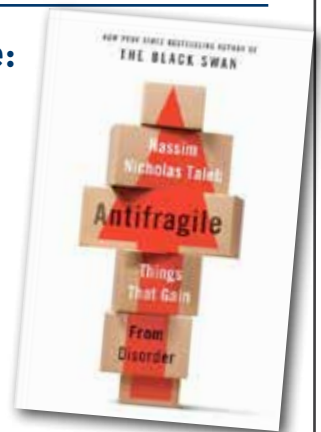
## Bookshelf

### Robert Peston: How do we fix this mess? The economic price of having it all, and the route to lasting prosperity

BBC’s Business Editor Robert Peston’s compelling account of global financial meltdown is a must-read – this intelligent, conversational and impressively fact-studded account of the British banking meltdown provides a stark analysis of what the financial crisis means for us all.

### Nassim Nicholas Taleb – Antifragile: Things that gain from disorder

Described by The Wall Street Journal as a “bold, entertaining, clever book, richly crammed with insights, stories, fine phrases and intriguing asides”, Taleb discusses everything from the mistakes of modern architecture to the dangers of meddling doctors and how overrated formal education is – pick up this fascinating read and be prepared to be challenged more than by any other book you have read in recent years!



*"One thing is certain in business. You and everyone around you will make mistakes" - Richard Branson*

## Webwatch

If you're launching a new product, an online store is the perfect way to test the market and share your merchandise with the world...and **Goodsie** will help you take your first steps. With a 30 day free trial, Goodsie provides you with everything you need to assemble your virtual shopfront in an easy to use format, making it simple for anyone to sell just about anything. Not only does it help you to manage your store and fulfil orders, but you can link up with your blog, connect with all social media and view your statistics for everything you need to know about your site visitors. [www.goodsie.com](http://www.goodsie.com)



Speaking of stats, when it comes to evaluating how your website is performing, it really is all about the numbers. How much traffic does your website generate? Where does the majority of that traffic come from? What are the key demographics of your target audience? All of these questions play a major role in the success of a site and tracking them is no easy feat. That's where **Google Analytics** comes into play. Playing off their reputation for innovative and easy to use services, Google's statistics tool is no exception. Users can view their key numbers, broken out by the day, week, month, or year, and best of all, Google Analytics uses clearly marked charts and graphs so that even the least tech savvy individual can feel confident in interpreting what it all means. [www.google.com/analytics](http://www.google.com/analytics)

If, as a small business, you've got plenty to say to your customers then try creating regular simple electronic mailings with **MailChimp**. With a "funky monkey" themed interface, easy to use templates and clearly marked instructions, MailChimp helps you create email newsletters to distribute to your list of current contacts. Even those without much design or technical experience can easily create visually pleasing communications to grab the reader's attention and with a few carefully placed links, you can send impressive traffic flow to your website – sign up to iC's monthly MailChimp mailers on our homepage! [www.mailchimp.com](http://www.mailchimp.com)



## HMRC TAX DATES

### November:

No key deadlines for NICs, PAYE or Self Assessment.

### December:

30th Deadline for online submission of Self Assessment tax returns for tax year ended 5 April 2013 for HMRC to collect tax through clients' PAYE codes, where they owe less than £3,000.

### January:

31st Deadline for online submission of Self Assessment tax returns for tax year ended 5 April 2013.

31st Deadline for paying Self Assessment 'balancing payments' for tax year ended 5 April 2013.

31st Deadline for first Self Assessment payment on account for tax year ended 5 April 2014

## A LITTLE REMINDER...

# MARK THIS DATE!

The deadline for filing and paying 2012/13 self assessments is 31st January 2014 – which may at this stage seem like plenty of time, but with toy advertisements filling TV airtime as fast as advent calendars are appearing on supermarket shelves, then Christmas (and self assessment season) will soon be upon us. Avoid the last minute paperwork panic and file your 2012/13 return in good time – simple self assessments start from £100 plus VAT.

## AUTO-ENROLMENT – ACT SOONER RATHER THAN LATER...

**Let's face it, pension planning is not the most exciting of topics – but 2012 saw the introduction of auto enrolment, the biggest change in workplace pensions ever, making it a talking point for even the smallest of businesses. But what's it all about?**

Since 1948 the average UK household savings ratio has been around 6% of income, which is considerably lower than the rates in much of Europe – and indeed a whole 10% less than our Antipodean counterparts. At current rates, the UK's economic outlook is unsustainable, given the negative implications of rising public

sector debt, an ageing population and increasing healthcare, long term care and state pension costs, coupled with contracting tax revenues. Many UK workers have no retirement savings whatsoever, especially in the private sector, and some economists predict that the looming pensions crisis could make the credit crunch seem like a tea party. It is therefore one of the UK Government's aims to increase our savings ratio to 12% by 2020.

Auto enrolment effectively started last October with our biggest employers, the big four supermarkets, and already over one million employees have been auto enrolled into a pension scheme. The auto-enrolment initiative



### CAPACITY CRUNCH

Mainstream pension product providers can support the set up of around 2,100 new pension schemes each month. Although providers are proposing to increase capacity during 2014, this figure looks hugely insufficient as ever increasing numbers of employers reach their staging dates. It is believed that, at its peak, capacity around 70 times this amount may be required.

will continue to be rolled out until 2018, by which time all employers - even the very smallest - must have a company pension scheme in place and be contributing on behalf of their employees.

Each company must provide and contribute to a 'qualifying' workplace pension for their staff aged between 22 and State Pension Age earning over certain amounts. Employers must also deduct contributions at set levels from employees' pay and offer membership to the pension scheme to other staff on demand. Employees may opt-out of the plan of their own choice but it is an offence for an employer to encourage this.

#### Phased approach

Contributions start at low levels but by 2018 these will have risen so that, as a minimum, employees will contribute 4% of their qualifying earnings, with their employer adding an extra 3% and the Government adding 1% through tax relief. This is a great foundation for retirement savings but most people should try to put more away if possible, especially if they earn above average salaries. As an example, a 20 year

old on average earnings saving for 46 years at the 8% level may only receive a pension of some £500 per month in today's terms and those who are closer to retirement could get considerably less.

The rules and practical responsibilities of auto enrolment are complex and it would be wise for employers to seek professional help to ensure they don't get it wrong - the risk of doing so includes hefty fines for those who fail to meet their new legal duties. The penalty regime is being managed by a third party contractor who is being remunerated on results - so don't expect any leniency!

2018 may seem like a long way ahead but businesses should start planning now as the size of implementing an auto enrolment project should not be underestimated and it makes real sense to take professional advice early to ensure a smooth migration. Sound advice will need to come from a number of sources - pension specialists are needed to help with planning and design of the scheme to suit your organisation; accountants input on budgeting for new costs, potential ways of mitigating them, and also on the most

**Not just for the big boys... the scheme applies to all businesses with one or more employees. The only exemption is for single Director Limited Companies, so for example if you are a husband and wife team, you must also enter the scheme.**

appropriate payroll systems to cope with the changes; and finally, legal opinion may be needed around changes to contracts of employment and determining which employees are within scope of the new laws.

With hundreds of thousands of employers affected by the new laws access to the advice needed to comply is unlikely to be available to all, and its widely expected that the capacity simply will not be there to advise all companies - so act promptly and seek information now.

## A STEP BY STEP APPROACH

A typical auto-enrolment plan might include:

- establish your staging date - this is the date at which your automatic enrolment duties first come into force, and is dependant on the number of people in your PAYE scheme.
- model the cost and profit implications the new duties will bring to the business
- understand wider business issues such as payroll capability and commercial impacts on ongoing contracts
- determine if existing pension plans will meet their new obligations
- educate their workforce
- create roadmaps to identify and manage the diverse tasks that will need to be done

With thanks to Chase de Vere for their contribution to this article. Chase de Vere are offering all iNsiht readers a free, no obligation meeting and bespoke initial report setting out when their employer's duties will begin and what actions they need to take...and the potential consequences of getting it wrong. To arrange an appointment, please contact us on [mail@evansentwistle.co.uk](mailto:mail@evansentwistle.co.uk).

More information is also available at [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk)



## CLOSED FOR BUSINESS...

Fortunately, all signs indicate that the economy is showing signs of recovery and hopefully we've seen the last of major UK casualties such as Blockbuster, Comet and Woolworths. However, in those darker days when it seemed like the UK high streets were destined to become deserted, the financial press bandied about many a term unknown to the layman. Here's our guide to company closure in all its guises...

### Dissolution

A company may apply to the Registrar to be struck off the register and dissolved, typically if it is dormant (non trading) or no longer needed - for example, the directors may wish to retire, it was set up for an idea that is no longer feasible, or perhaps a subsidiary is no longer needed. Various criteria apply (amongst others whether the company has traded, disposed of stock in trade or changed its name within the past 3 months, or is involved in any of the below insolvency situations) before the application can be made, and the paperwork must be signed by the majority of directors (if 2 Directors, then both). In making the application, you must, within 7 days, advise all members (shareholders, creditors (including HMRC, DWP, etc), employees, trustees of pensions funds and any directors who have not signed the form.

Note that this procedure is not an alternative to formal insolvency proceedings (see below). Even if the company is struck off and dissolved, creditors and others could apply for the company to be restored to the register. Also note that Companies House has powers to strike companies off the register if they appear to be no longer needed because they have not registered annual returns or accounts

### Insolvency

Insolvency is a term used to describe a company's situation - i.e. a company is insolvent when it is unable to meet its debts when they fall due, and/or when their liabilities exceed their assets. A business may be "cash insolvent" but have assets which exceed their liabilities - if additional funds cannot be sourced, then the members will be required to "liquidate" their assets to meet their debts. A company is "balance

sheet" insolvent when their liabilities are greater than their assets. In either case, the company is unable to continue to trade and therefore the liquidation process is likely (see below)

### Company Administration

Administration is a formal procedure in which an insolvency practitioner is appointed as the interim chief executive (administrator) by the company directors, its creditors, HMRC, or the Court. Once an administration order is granted, all legal actions against the insolvent company (including receivership and winding up petitions) are stayed for a period of about 8 weeks, during which time the administrator, acting in the best interest of the company's creditors, will review the company's position and collect information about the company.



*"Genius is one percent inspiration, ninety-nine percent perspiration."* –

**Thomas Edison**

The Administrators will assess whether there is the support (of the employees, suppliers, customer and funders) to continue to trade the business and will then draft a plan of action and propose it to creditors during a formal meeting. The administrator assumes control over all assets and business operations in order to repay as many debts as possible, with the aim of moving the business back into a state of solvency. However, if sadly the administrator is unable to do so, insolvency then the liquidation and dissolution of the business would commence, during which creditors would regain their right to exercise receivership over the secured asset/property.

## Liquidation

Liquidation is the process whereby the assets of a company are realised to cover the debts of the company, and may take the form of:

**Members Voluntary Liquidation**, where assets exceed liabilities

**Creditors Voluntary Liquidation**, where there are insufficient assets to cover the liabilities, and a liquidator is appointed to administer the liquidation of the assets and in accordance with law distribute the proceeds to creditors

**Court Liquidations**, instigated by a creditor seeking to recover monies owed (also known as "Involuntary Liquidation")

**If you find your business in any form of financial difficulties, contact us to see how we may be able to help before any of the above apply.**

## EUROPEAN ENTREPRENEURS - A RARE BREED?

Recent research published by Youth Business International and Global Entrepreneurship Monitor shows that young people in Europe do not feel positive about starting up a business.

When asked about the business climate in their country for new start ups, young people within the EU rated their home nation less favourably than their counterparts in Africa, the Middle East and Latin America did.

The report "Generation Entrepreneur: The State of Global Youth Entrepreneurship", which surveys almost 200,000 respondents across 69 countries, indicates that a lack of confidence in their own entrepreneurial skills, a fear of failure, and the perception of entrepreneurship as a career is holding young people back. Just 17.3% of Europeans aged 18-35 believe there are good business opportunities available and that they have the skills and knowledge required to start a business. This compares to 60% in Sub-Saharan Africa, 40% in Latin America / Caribbean and 30% in the Middle East and North Africa. Only Asia Pacific & South Asia scored marginally lower.

It comes as no surprise however that the USA has the greatest percentage (12%) of high growth new or nascent business owners with business owners aged 18-35.



## THE FINANCIAL QUEST TOWARDS AN EMPTY NEST

**It's that time of year when supermarkets shelves are devoid of baked beans, budget cookbooks are on super fast delivery from Amazon...and the Bank of Mum&Dad rather nervously looks at its balance sheet.**

The new University term starts this month, and after the anxiety of the A Level results wait, most students are only too eager to arrive at their digs and make new friends.

In addition to academic demands, significant financial pressures are typically part and parcel of today's student life. Most students do not receive grants but instead take out loans to cover both tuition fees and living costs, the latter being restricted if the parental household income is high or if the student is living at home.

A graduate leaving college in three years time could very easily end up with a loan of almost £50,000. The loan is then repaid with a 9% levy on any earnings over £21000. Repayments are constrained by income but can continue for many years (up to a 30 year maximum). It is, of course, possible to repay the loans more quickly if spare capital is available but, very often, this is not an option, particularly if young people are attempting to save up money to buy their first home.

So what can parents do to alleviate educational money woes? Well, obviously, many will not have the means to do anything financial to

assist - other than accept that their offspring are more likely to continue to live with them for many more years to come. But those who do have greater financial means should consider putting money aside early to fund a child's university education, spreading the burden over as long a period as possible.

By investing a small amount every month between now and the day they leave home, it is possible to ensure that children have a "cash cushion" to pay their fees and are as unburdened by debt as possible by the time they enter the working world (although in such cases, undying gratitude to the folks is not guaranteed!).

Most parents will prefer either to retain these savings themselves until they are happy to pass them over or, alternatively, depending on the investment product, you could consider a family trust. This is of particular use when grandparents are keen to contribute, as the use of a trust here, as part of a wider tax efficient plan for older generations, can offer significant inheritance tax benefits.

The type of investments that are the most suitable for paying university fees will vary according to your

circumstances so good financial and investment advice is essential. A mix of the best cash ISAs and stocks and shares ISAs are likely to provide a good starting point unless you are fully utilising them for other purposes. The greater your investment portfolio the better you will be able to ride out any income fluctuations. You may also want to consider insurance plans such as income protection, unemployment insurance and term insurance in the event of a reduction in your income stream due to redundancy, illness, death of a parent or a business problem if you run your own business.

### **Make maths your specialist subject...**

Assuming your child is aged 11 and just starting high school...you would need to save £57,949 between now and the commencement of their 3 year degree course if you wished to cover all fees, housing and living expenses (that's £621 / month assuming a 3% interest rate)

Source: TrillionFund

## Wise Owls

In some cases, it even makes sense for a student to apply for a loan even if parents have sufficient to fund their university fees themselves, where the rate of interest is so low that by investing the loan money, you are likely to achieve a higher return than the rate of interest payable.

Business owners of Limited companies have alternative tax efficient options in terms of funding their own children's university fees, such as making a gift (counts as director's remuneration, namely a benefit-in-kind, and so the cost of this is tax deductible for the company) or badging the course as job training, meaning fees and living costs can be tax deductible for a company, and also a tax-free benefit for the employee. The latter only applies however where your offspring are intending to join the family business

and where their studies are linked to their intended role in the company.

However you fund their future, it may seem like a financial millstone but just think of that moment of pride when the mortarboard flies in the air. And remember that if you do set up a savings plan and your child chooses not to go to university, then you still have a nest egg to put towards their first house, car, wedding...or towards a well deserved round the world trip for you and your spouse!



# Business Consulting

## KEEP YOUR ENEMIES CLOSE, AND YOUR COMPETITORS CLOSER!

Many businesses see gathering competitor intelligence as a cost (and a headache) yet understanding the competitive landscape in which you operate is a valuable weapon in your marketing arsenal. Information gleaned can help you evaluate your own performance, shape your promotional materials, gather fresh ideas and potentially identify new customers to target.



Here's a few pointers to help you find out all about your "frenemies":

### 1. Who are your competitors and which should you focus on? Think

- Direct competitors e.g. those you come up against day in, day out
- Indirect competitors e.g. those who offer a substitute product or service (for example, if you produce breakfast cereal, then your indirect competitors include croissant suppliers)
- New entrants to the market who are eager to grab a piece of the pie

### 2. Undertake a good old SWOT analysis for each one (as well as yourselves) so that you can compare information easily and draw conclusions; it's important to understand their strengths and weaknesses, relevant to your own, but being aware of their opportunities and threats will help you mitigate against the former and capitalise on the latter. When thinking about a competitor's positives and negatives, consider:

- What do they offer customers...and we're not just talking about product range – what do their clients get out of the relationship e.g. service, advice, support, etc
- What is their reputation in the marketplace? Proactive or reactive; forward-thinking or traditional; customer focussed or unapproachable?
- What is their competitive advantage – is it price, range, service, etc?
- Who are their customers – do they target the same customer base as you, or do they successfully deliver to specific niches? Do they have good retention rates or do they seem to settle for constant churn?
- How do they market themselves – what tactics do they use, and how successfully?
- Who are their suppliers – do they have any exclusivity arrangements which give them a price or product advantage?
- How do their financials stack up – this will give you an indication of how feasibly they could expand, introduce new plant, launch a new product, unveil a heavyweight marketing campaign, etc
- What is their management profile – do they have a strong multi-disciplined senior team, or is one "jack of all trades" at the helm?
- What is their business strategy – are they happy to "plod along" or are they continually looking to diversify?

**Make sure that you review your competitor analysis on a regular basis – markets never stand still...and neither should you!**

*The wise learn many things from their enemies*

- Aristophanes

### Where do we find this info?

- Talk to your sales team
- Chat with your customers
- Scour the media
- Go online and search
- Check Companies House for accounts
- Read market research reports
- Check their testimonials and customer satisfaction levels, either on their own website or on impartial third party review sites

## I Spy



It's well worth keeping a close eye on the competition to see if they are launching new products, taking on new team members or are deploying innovative marketing tactics which might grab your clients attention. A good way to do this is to check your competitors websites every day...but seeing as we have businesses to run, and precious little time to spare, try instead registering with the website monitoring service ChangeDetection which will alert you to changes in competitor sites. It's free to use, and you can monitor as many sites as you like – and there's even a HTML tag which you can embed in your site to prevent your competitors keeping similar tabs on you!

Visit:

[www.changedetection.com](http://www.changedetection.com)

# Taxation



## HANGING ON THE TELEPHONE...

For those of you who have had to telephone the taxman in the past, you may remember it as a fairly lengthy and expensive affair, with taxpayers waiting up to half an hour at 0845 chargeable rates (that's about £12 from a mobile for 30 minutes) The good news is that HMRC are gradually migrating over to lo-call numbers (with the prefix 0300) so calls should cost the same as an 01 and 02 number (and should be included in any inclusive minutes you have with your mobile operator) We've published a list of handy new numbers on our website under "resources"...but do remember that we are always happy to call HMRC on your behalf (where we are authorised to handle your affairs) using our dedicated agent helpline – a rather faster hotline to the taxman meaning you're not left hanging on the telephone!

## PARTNERSHIP PROBLEMS

According to Business Population Estimates, there were an almost 450,000 partnerships in the UK at the start of 2012. While partnerships offer flexible business structures (and the benefits of limited liability, where a limited liability partnership LLP is used) the taxation of partnerships can be complicated. The issue is that there is no separate tax code for partnerships - the legislation is spread over various taxes acts and statements of practice, which means it is easy to fall foul of the rules.

Partnerships have to file individual tax returns (SA100) as well as the partnership return itself (SA800), meaning HMRC effectively receive the information twice – plus, unlike most other returns, partnership returns cannot be filed online directly with HMRC, only through the purchase of third party commercial software. For more advice on managing a partnership effectively and to discuss whether a Limited Company route may be more appropriate to your business, contact the office.





## DEMYSTIFYING...

# ADVISORY FUEL RATES

Advisory fuel rates published by HM Revenue & Customs apply where the employer either

- reimburses employees for business travel in company cars where the employer does not provide fuel, or,
- requires employees to reimburse the cost of employer provided fuel used for private travel (so avoiding a private fuel benefit charge)

The rates, which are updated every quarter, depend on engine size, and whether the vehicle is petrol, diesel or LPG – you can view the latest rates via the link on our website under resources. Providing VAT receipts for fuel purchases are retained, the advisory fuel rates are also acceptable for VAT purposes.

## HMRC ON IT'S TRAVELS TO TRACK DOWN HOLIDAY LET LANDLORDS



Almost 40 HMRC investigative groups have been set up in the past 2 years to target specific areas of industry and take tax offenders to task. The latest 7 sectors to be released show a high priority on **holiday lettings** in North Wales, South Wales and the South West, so if you have second properties that you rent out, now is the time

to bring your affairs up to date if you have not done so already. It's worth noting that the task force won't confine its investigations to local landlords – HMRC will be contacting owners with properties in these areas regardless of where they personally live.

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## Tax our business brain...

# Q&A

**Q: I've set up a new venture trying to minimise my accounting costs by undertaking some of the book keeping myself – can you offer any advice to get me started?**

With data entry, it's very much a case of "garbage in, garbage out!". In other words, make sure you do your bookkeeping accurately, otherwise you can't hope to glean any useful information about your business (and also your accountancy bill may be higher because of the extra effort involved in "unjumbling" the data).

Here's a few tips:

- Have a set place (be it a box, drawer, envelopes, etc) for all of your receipts so that you do not lose them
- Set aside a set time each week for data entry – little and often means that you are less likely to make data entry mistakes
- Use a simple, robust system that makes it easy for you to input all of your data accurately and efficiently – there is an Excel template available to iC clients via the website
- Ensure you don't make any changes in the way you log your data from month to month. So for example, if you have transactions in your business that repeat regularly make sure you put these in the same category each time e.g. if you subscribe to QuickBooks, don't classify it as Computer Consumables one month and as Subscriptions the next.

**Q: An unexpected order has taken us over the VAT threshold this month – we have sent in our registration, but what do we do in the meantime regarding a VAT number for our invoices?**

HMRC can take around 2 weeks from the date of application to provide a VAT registration number (longer in around 30% of cases) but you cannot charge VAT until you receive it. This is not a problem if you are registering voluntarily, but in your case, as you have exceeded the threshold of £79,000 then registration is compulsory, and VAT must be charged.

To bill your customer after the date of registration but before the VAT number arrives, your best option is to issue a bill for the goods, adding an amount to the bill which is equal to the VAT amount, but crucially, is not listed as VAT. The extra line on your invoice should read "This charge is in lieu of VAT pending registration. You cannot reclaim it on your VAT return until we send you a VAT invoice". When you have your VAT registration number send a revised invoice showing the extra amount as VAT.

**Send in your business questions to the iC team at [mail@icaccountancy.co.uk](mailto:mail@icaccountancy.co.uk) – if we publish your question, we will draft a personal response and also donate £50 to the charity of your choice.**



# Client Corner



finite  
international logistics



## Finite International Logistics

We speak to Steve Lerway of Penarth based Finite International Logistics, a local company with global connections.

### Steve, what's the background to Finite?

Myself and Rob Leering set up the business in October 2012 after several years working in the warehousing and logistics sector for other businesses.

We recognised that there was a gap in the market for a full service logistics business which could offer end to end logistics solutions, competitive pricing and outstanding customer service. These elements are traditionally lacking from the big providers.

We were fortunate that our extensive network of transit contacts and loyal clients meant that we had a great base to work from.

### So what's different about Finite?

In a nutshell we're highly customer focussed, and we're independent.

Of course everyone claims to be customer focussed but in logistics most businesses are package focussed. That is, their business is structured around the specific item that's being sent and the processes for delivery. Finite are different. With logistics the devil is in the detail. We work closely with our customers to identify their individual needs based on products, destinations, their timeframes and budget, and the image they want to present to their client base. We then select the right method of transit, carrier and service. We ensure that our service is tailored around the customer. We can act as their outsourced shipping department, and we care as much about their goods as they do. For example if a parcel comes in for shipment looking badly packed, we'll strengthen it; if labels are unclear, we'll replace them; if a day definitive delivery is required, then we'll make the time window.

Being independent means we aren't tied to any specific provider, we'll select the right one for each and every delivery.

### What does your customer base look like?

Our customer base is excitingly diverse – from major corporations sending regular pallets of goods to their global distributors, SME's sending a container of parts to the Far East, from home internet traders fulfilling small orders by parcel, right down to individuals like Grandma sending a Christmas present to her grandchildren in Perth or Wisconsin.

### Where do you see the future of the business?

Logistics is an ever changing marketplace so there are abundant opportunities for us. To date we have been B2B focussed, however the growth of online shopping is one area of business we aim to capitalise on with the smaller sole trader, plus the Royal Mail flotation presents more opportunities for us to offer services to individuals.

### What's surprises you most about the business?

That I still haven't seen it all yet! The scope and scale of what people need to send is so diverse and always full of surprises. In one day we can send music scores to Prague, a container to Oman, or a student's belongings to university. For us it's always more than just a cardboard box.

[www.finite-international.co.uk](http://www.finite-international.co.uk)

# iC Pinboard

## New Face

We're really pleased to welcome Matthew Ward to the team as Accounting Associate. Matthew, who joined the practice in September, recently graduated from the University of Glamorgan with a first class degree in BA (Hons) Accounting and Finance. Matthew is going to continue in his studies and pursue an accounting professional qualification with the aim of achieving Chartered status. However, when taking a break from studying, he enjoys playing football, watching football (anything to do with football!), cycling and (trying) to play the drums and guitar. Contact Matthew at [m.ward@evansentwistle.co.uk](mailto:m.ward@evansentwistle.co.uk)



## waterloo tea



## Meets & Eats...

The iC office is rather taken with its new neighbour on the terrace - Waterloo Tea at The Washington, the second venture by the award winning group. With a hugely impressive menu of over 50 teas (From whites to oolongs) and equally extensive array of delicious cakes, it's our new favourite spot for business meets. We love the little timer which accompanies each order to ensure your beverage is brewed to perfection! Follow them @washingtontea or find out more about the new evening menu at [waterlootea.com](http://waterlootea.com) (Editor's Note: try the Coffee and Tia Maria!)

## Top marks for Mark

Congratulations to Mark Ryan of Professional Solutions IFA Ltd, one of our two panel Independent Financial Advisors, who was rated one of the top 200 IFAs in the UK last month in a survey by [vouchedfor.co.uk](http://vouchedfor.co.uk) The article appeared in both The Sunday Times and the Penarth Times - we've posted a link on our website.

**PROFESSIONAL SOLUTIONS IFA Ltd.**  
CALL 01656 663653

# Why your accountant is your new BF!

Research by Sage of more than 500 business owners shows that although accountants have leapfrogged banks, the internet and family & friends as the UK's most trusted small business advisers, many SMEs are missing out on the value that the profession brings to their organisation.

Accountants are now the first port of call for 52% up from 49% in 2011, yet it is surprising that few are taking advantage of the full extent of services available beyond basic bookkeeping and functional compliance. Just one fifth of business owners make best use of their accountant for advice and business planning.

The research goes on to suggest that business owners who have a strong working relationship with their accountants are more optimistic about their prospects for growth viewing the relationship with their accountant as a partnership rather than a consultant/client or purely transactional relationship.

CIMA Chartered Management Accountants in particular undergo specialist training in the provision of management information and are able to provide businesses with a unique insight into their operations - not just at year end, but whenever advice is required to better understand the current situation and to clearly map out the future.

We've always said it's good to talk - which is why we're offering a free one hour business review consultation to new and existing clients until 31st December 2013". Come in and discuss your current concerns of future plans, and we'll give you some pointers on taking matters forward. Book a consultation via [mail@evansentwistle.co.uk](mailto:mail@evansentwistle.co.uk)

## Should Penarth bid for a BID?

Following positive initial discussions with local business groups, consultation meetings have been arranged to explore the possibility of a Business Improvement District in Penarth which could raise c.£500,000 over 5 years to invest in improving the area for shopping and leisure as well as creating a powerful voice for businesses. To have your say, come to one of the consultation meetings to be held at 3pm and 6.30pm at West House on Monday 11th November. For more information, download the leaflet from our News pages or visit or [www.ukbids.org](http://www.ukbids.org)

### £500K BID TO IMPROVE PENARTH TOWN CENTRE MARINA & ESPLANADE

Following positive initial discussions with local business groups, consultation meetings have been arranged to explore the possibility of a Business Improvement District in Penarth which could raise c.£500,000 over five years to invest in improving the area for shopping and leisure and create a powerful voice for businesses. Traditional High Streets and Town Centres are facing big challenges - we need big ideas and big solutions to ensure we don't all disappear in the wake of the internet and other threats.

Please come to one of the brain storming and consultation sessions at  
**West House, Stanwell Road:**  
**Monday 11th November 3pm and 6.30pm**  
(please come to the one most convenient for you - no need to book)

The ideas emerging from these sessions will lead into the creation of a business plan to be funded by around £100,000 raised annually by the BID (c£500,000 over five years).

For more information about BIDs:  
Please see overleaf and online at [www.ukbids.org](http://www.ukbids.org)  
(the national BIDs advisory body) or  
[www.swanseabid.co.uk](http://www.swanseabid.co.uk) (the first BID in Wales).

Contacts:  
George Grace, BID Advisor, [ggrace@towncentre.com](mailto:ggrace@towncentre.com); 07801790645  
Robert Callaghan, Penarth Town Council, [rcallaghan@penarthtowncouncil.gov.uk](mailto:rcallaghan@penarthtowncouncil.gov.uk); 02920713842  
Peter Andrews, Penarth Tourism and Visitor Association, [peterandrews@btinternet.com](mailto:peterandrews@btinternet.com)  
Gary Soltyk, Penarth Tourism and Visitor Association, [gary@soltykbrewster.co.uk](mailto:gary@soltykbrewster.co.uk); 07968 098 870  
Lisa Entwistle-Evans, [l.evans@inscap.co.uk](mailto:l.evans@inscap.co.uk); 02920 713800

## On the run again...

Having completed an 8k and a 10k for charity earlier this year, iC's Lisa is challenged herself a little further this Autumn, taking on the Cardiff Half Marathon in October. She's also running the "Mo-vement" 10k in November (albeit moustache-less!) and both races are in aid of a very good cause, the Cystic Fibrosis Trust - if you would like to donate, please visit the company Just Giving page at [www.justgiving.co.uk/EvansEntwistle](http://www.justgiving.co.uk/EvansEntwistle)

**Cystic  
Fibrosis...**

## Net time wins over tea break!

Nine out of ten small business owners said broadband was important to the running of their business, according to XLN Telecom research... and when those businesses rated the importance of various utilities, 85% rated broadband as important while only 50% said the same about water! In fact most would soldier on even if the lights went out and the heating went off, just as long as their internet connection remained!

# MANY HAPPY "RETURNS"!

The 2012/13 self assessment tax return deadline will soon be upon us! To ensure your tax affairs are in order – and to avoid late filing penalties – let us make sure your self assessment is a timely and happy return.



**EvansEntwistle**

CHARTERED MANAGEMENT ACCOUNTANTS & TAX ADVISORS

[evansentwistle.co.uk](http://evansentwistle.co.uk)

029 2071 3800