



Halloween means charity help...

Clients visiting Stopford Associates on 30 October had a particular frightening experience - and that was not just to do with their accounts!

They encountered a spooky collection of ghoulish characters who had taken over Synergy House for the day. But it was all for a very good cause as the Stopford Associates team used the creepiest time of the year to raise money for Children in Need.

Thank you to all those clients who also got into the spirit by making donations in the run up to the Halloween Event. If anyone still wishes to donate, there's still time, contact Amanda on Reception (01623 420269) who will be happy to help.



The Stopford Associates' team get into the spirit - and help Children in Need at the same time.

Xmas Shut Down!

Our offices will close at lunchtime on Thursday 24th December and we will re-open on Monday 4th January 2010.

We hope you all enjoy a merry Christmas and a prosperous New Year.



INFO AT YOUR FINGERTIPS WWW.STOPFORDS.CO.UK

Online Filing/Electronic Payment & PAYE Penalties... Are You Ready?

Almost all small businesses will find that they are obliged to file returns / pay taxes online from April 2010.

Larger employers (over 50 employees) have had to file their PAYE Year End Returns online for a number of years. Small employers who have filed online in the last five years have received a tax free incentive payment.

For the returns from 2009/10 (due for submission by 19 May 2010), online filing is compulsory, paper returns will not be accepted, infact they will not be issued. Incentive payments have also now ceased.

If you have previously dealt with this matter yourself, and submitted paper returns, you need to gear yourself up for filing these online, or contact us for a quote for dealing with this on your behalf.

For VAT returns with quarters commencing on or after 1 April 2010, online filing will be compulsory if turnover is over £100,000 per annum (VAT exclusive).

Also, all businesses who register for VAT from 1 April 2010 regardless of their turnover will have to file online.

One advantage of filing online is that you are allowed an extra seven days to submit the return and make the payment (eg. Quarter ended 30 June 2010 is due in by 7 August 2010). However, when filing online, payment of the VAT due must be paid by electronic means (eg online banking or setting up a direct debit).

Online VAT filing is quite simple, it is literally filling in a return online but you need to get yourself registered to do this.

Finally, moving back to PAYE.... In the past, provided the year's PAYE was paid by the last PAYE payment date of the tax year (19 April), no interest or penalties were charged. From 2010/11, this will not be the case.

Penalties will be imposed for each late payment in the tax year, except the first (unless it is over six months late). They will not be charged until the end of the year when HMRC can establish how many late payments there have been and how much PAYE in total was late.

PAYE is due by the 19th of each month (22nd of paying electronically), or quarterly on 19 July/October/January/April if you meet the criteria.

The penalty will be 1% for 2-4 late payments in the year, 2% for 5-7, 3% for 8-10 and 4% for 11-12.

There are also penalties of 5% for any payment that is over 6 months late and another 5% after 12 months.

The same penalties apply to CIS payments for construction industry contractors.

There are special rules for Class 1A and Class 1B NI which are annual liabilities.

It is our understanding that interest will still only be charged based on what is outstanding at 19 April following the tax year.

Scrappage Scheme Extended



The Government's Vehicle Scrappage Scheme is to be amended to allow cars registered on or before 29 February 2000 to qualify (instead, as previously, cars registered on or before 31 August 1999).

The scheme was announced as part of the Spring 2009 Budget and offers vehicle owners a £2,000 discount, funded partly by Government and partly by motor manufacturers, as an incentive to trade in an old car for one that is brand new and, hopefully, fuel-efficient.

Small vans (up to 3.5 tonnes) are also eligible for the scheme, and for them the Government has decided that the qualifying age should be reduced from ten years to eight (registered on or before 28 February 2002).

A further £100 million is to be committed to the scheme, but it will still close on 28 February 2010 (or when funding is exhausted, if earlier).

Carbon Trust Loans

Is your old equipment making your business uncompetitive? Or is it simply costing you a fortune in energy bills?

Are you aware that the Carbon Trust is able to grant loans at 0% for equipment upgrades?

The Carbon Trust will consider any project that can demonstrate energy saving in excess of the CO2 threshold of 1.50CO2/£1,000. Minimum and maximum loan values apply (£3,000 min £500,000 max).

Typical examples of the projects that may qualify include:-

- Air Conditioning
- Boilers and heating controls
- Building insulation
- Heat recovery
- Lighting
- Refrigeration

Each project will be assessed on its merits and the potential to deliver real energy savings.

For the application process and further criteria information then see www.carbontrust.co.uk.

CHILDCARE VOUCHER CHANGES



In his speech to the Labour Party Conference in September, the Prime Minister announced an extension of free nursery places, to be financed by the withdrawal of tax and National Insurance exemption for childcare vouchers.

The proposal is that the provision of free nursery places will be extended to two year olds (in addition to the existing free provision for all three and four year olds). It is expected that 250,000 children will benefit from this by 2015/16.

However, the 'quid pro quo' is the withdrawal of tax and NIC exemptions for childcare vouchers provided by an employer. At present, employees are exempt from tax and NIC on childcare vouchers provided by employers, to the extent of £55 a week per employee (and provided a range of conditions are met). If the value of the vouchers is more than £55 a week, the excess is liable to tax and NIC (both employee's and employers' contributions).

We understand that from April 2011, employees who join an employer-supported voucher scheme will not be entitled to the existing tax and NIC exemptions. Existing recipients of vouchers will be unaffected until April 2015, when the exemptions for vouchers will be withdrawn completely. Of course, this is a long way ahead and it remains to be seen whether the government at the time will actually go through with this proposal.

It should be noted that the vouchers schemes themselves are not being withdrawn, just the tax breaks on them - though clearly the loss of the tax advantages is likely to have an impact on the operation of such schemes. The changes will just apply to childcare vouchers. No change has been announced to other tax-exempt employer-provided childcare arrangements, such as workplace nurseries.

More details are expected in the 2009 Pre-Budget Report.

ACT NOW to save tax

Changes introduced in the Finance Act earlier this year will have some substantial effect on some business owners.

For those with incomes in excess of £100,000 (assuming the personal allowance is the same in 2010-2011), from 6 April 2010 the tax rates for income falling in the following bands will be as follows:

Income	Tax Rate
£100,000 - £112,950	60%
£112,951 - £149,999	40%
£150,000 +	50%

The 60% rate is something of an anomaly, caused by the personal allowance being reduced for incomes over £100,000.

Business owners who trade as limited companies will often be extracting profits in the form of dividends. Again, as a result of the changes, for top-rate tax payers the rate increases from 25% to 36.1% of the dividend paid.

So what should be done:

If your income is going to fall into the 60% band next year you could consider making pension contributions to reduce your income below £100,000.

It may also be possible for you to advance your income into the current tax year. For example, a substantial dividend may be possible now instead of next year.

Take advice now. There may be things that can be done before 5 April 2010 which could reduce your tax liabilities substantially.

New Intestacy rules in England & Wales

Where a person dies intestate, ie without leaving a will, the law states how the estate of the deceased is to be divided.

For deaths on or after 1 February 2009 the limits to be used in England & Wales have increased. Under the new limits where the deceased leaves a spouse, civil partner, and children, the surviving spouse will receive all the estate up to £250,000 plus all personal possessions.

Anything remaining is divided equally with one half going to any children of the deceased and the other half being left so the surviving spouse/civil partner receives the income and on their death the capital passes to the children.

Where the deceased leaves a spouse/civil partner but no children, the spouse will receive the first £450,000 plus personal possessions. Anything above this amount will be split equally with 50% going to the spouse and the

remainder to the deceased's parents. If there are no parents there is a specified order of relatives to consider. If there are no relatives still alive the surviving spouse will receive the whole estate.

If there is no surviving spouse/civil partner but a surviving unmarried or unregistered partner, they are entitled to absolutely nothing under the intestacy rules.

Where the deceased has children they would take the whole estate. If there are no children the estate will pass to the parents/relatives of the deceased.

It is vital for a valid will to be in place to ensure an estate is directed according to the deceased wishes.

The rules for Northern Ireland & Scotland differ from the above.

A Bit More About...

SHARON BACON

Tax Department



In 2007 Sharon joined the Stopford Associates Team. With over 35 years experience Sharon has a wealth of tax knowledge.

What is your special area of expertise?

Personal Taxation

What is the most challenging part of your job?

Collating sufficient information to satisfy the requirements of H M Revenue & Custom's reports.

What part of your role do you enjoy the most?

Direct communication with the clients.

We put the spotlight on Sharon and asked her a few out of hour's questions!

What do you get up to away from Stopfords?

My main hobby is embroidery which I study regularly at the Royal School of Needlework at Hampton Court Palace.

What is your ideal way of unwinding after a hard day at the office?

If not embroidering, I stitch other things, tailoring curtains, and listen to talking books whilst stitching, or reading - or, eating out with friends.

Your favourite Film?

Difficult to determine as they are as varied as Schindler's List, and The Full Monty.

Your favourite TV programme?

MASH - a good oldy! Light hearted with a serious message - and all historic documentaries.

Who would you most like to change places with for the day and why?

One of the embroiderers in the workroom at Royal School of Needlework where the prestigious embroideries of the world are repaired, and specific embroidery commissions are stitched.

The Good News Page...

At a time when doom and gloom seems to dominate the headlines, Synergy is making a big effort to bring you a page packed with good news, every issue! But, we need your help. Please let us have your good news stories and we will do our best to find space for them - send your stories to... ruth@stopfords.co.uk.

Clients notch double success at Awards

Two of our clients were stars of the show at this year's Nottinghamshire's Best Business Awards, held on 25th September at the Belfry Hotel in Nottingham.

Hall-Fast Industrial Supplies Limited were crowned 'Most Promising New Business.' This award is presented to recognise entrepreneurs that have set up their own business and successfully grown over the last three years.

In August 2006 The Boughton-based business predominately supplied specialist fasteners into the UK automotive industry but now boasts the supply of over 48,000 standard products, including workwear, tools, PPE and access and handling equipment in the UK and to overseas markets.

Our second winner was **Rumbles @ The Lawn**. They claimed the prize of 'Excellence in People Development' for their investment in their most valuable resource - their workforce.

Rumbles @ The Lawn, which is based at Sutton Lawn, supports people with learning disabilities in becoming gainfully employed in a fully operational workplace. The business provides a service both to the local community and business community through a cafe/restaurant with venue hire, alongside an outside catering facility.

We are also delighted that a third client, **Wilson Energy Ltd**, were runners-up on the evening, with nominations for two separate awards "The Green Award" and "Most Promising New Business".



Beans means a prize for Steve

Stopford Associates enjoyed a successful appearance at Mansfield & Ashfield Biz eX held in 24 September, providing information about various services to a steady stream of visitors throughout the day.

Steve Harris of Bear IT was particularly pleased to visit the Stopford Associates' stand - he was the winner of a 'Guess the number of Jelly Beans in the Jar' competition, and won himself a luxury hamper, packed with chocolate goodies and presented here by Brian Stopford.



YOUR CONTACTS!

Tricia Cutts - Tax Advisor

Graham Richmond - Corporate Finance

Ruth Wilson - Credit Control

Don't forget that we are Sage Dealers, so for purchases or training please contact Pat Stopford, or for troubleshooting call Amanda or Ruth who will direct your query to an appropriate member of the team.

WHO IS THE RIGHT PERSON TO CONTACT.....

Phil Nicholson, Louise Collins-Hall or Rob Bray - Limited Company

Glen Wood - Sole Trader/Partnership

Richard Smith - Business Development Consultant

All the team at Stopfords are always happy to handle your queries

Stopford Associates • Synergy House • 7 Acorn Business Park • Commercial Gate • Mansfield • Nottinghamshire • NG18 1EX

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