



ANTROBUS



We wish you a very Merry Christmas

and a Happy New Year! As with previous years we won't be sending out a Christmas card, but will instead make a donation to a local charity, we'll let you know the details in the next newsletter.

In this, our December 2009 newsletter, we feature the **Pre Budget Report**, our Christmas opening times and a number of important **payroll** and **VAT** updates. Please also see our article on our new **outsourced credit management service**.

Let's hope that the economy returns to growth in 2010!

Mike Kirby—Director.



Flat rate VAT — We have many clients who take advantage of the "Flat rate VAT scheme". The PBR confirmed that all the flat rates are changing on January 1 2010. However they do NOT all return to the same rates as they were when the main rate was previously 17.5%, so please contact us to ensure that you are using the correct rates.

The **Pre Budget Report** (PBR) was published a few days ago. Please download our summary of this report from our website homepage or pick one up from reception.

There was little that had not been announced in the 2009 Budget. The increases in Income Tax rates and loss of Personal Allowances were confirmed, as was the **return to 17.5% VAT** from January 1, 2010.

However, there was a welcome **deferral of the increase in the Small Companies Corporation Tax Rate. This now stays at 21% until at least 2011.**

To counter this there was a **doubling of the increases in NI rates**, although this does not kick in until 2011, so the forthcoming General Election will intervene well before this gets into law.



Tax Mitigation — Planning Opportunities

There are **planning opportunities** that emerge as a result of the increases in tax rates. These include the **legitimate bringing forward of some kinds of income** (e.g. switching income from next tax year to the current tax year to avoid the increase in Income Tax).

There are also possibilities of **billing before the end of 2009 to avoid the VAT increase** where the recipient cannot recover the VAT. We are already doing this for several larger clients. We can also do this for smaller fees if requested. For example, early billing of a £200 fee can save £5 of VAT.

If you are not VAT registered and are interested in us doing this for you, please contact us as soon as possible. This can only be done between now and Christmas.



Are you gifting the Government?



According to recent research, an astonishing **four out of five individuals in the UK make no attempt to reduce their tax bill** through tax planning – resulting in an estimated £10 billion paid in unnecessary taxes in 2009!

At a time when we are all being squeezed financially it makes good sense to **check that we are not paying more tax than we need to.**

Did you know, for example, that four and a half million workers have paid hundreds of millions in unnecessary tax because HMRC has assigned them the wrong tax codes through the PAYE system?

Besides correcting errors there are many other ways to **reduce your tax payments through legitimate tax planning.**

We specialise in helping our clients minimise their tax exposure.

Please phone **Clive Grinter** or **Mike Kirby** on **01730 234500** to **arrange a tax planning review** in good time for the tax year end.

VAT and New Year's Eve traders



If you are going to be out celebrating on New Year's Eve or indeed if your business will be operating over midnight, you will be glad to hear that the government has announced a **relaxation of the VAT rules.**

Pubs, clubs, restaurants and other retail businesses remaining open past midnight on New Year's Eve will be **allowed to continue charging VAT at 15% on their sales until they close or until 6am on 1 January 2010**, whichever is the earlier.

Antrobus Christmas Opening Times

Thursday 24th December	Open 9am-1pm
Friday 25th and Monday 28th December	Closed
Tuesday 29th to Thursday 31st December	Open 10am-2pm
Friday 1st January	Closed
Monday 4th January	Normal opening hours

Client Feature

This quarter we would like to introduce **AFS (Southern) Ltd** (Asset Finance Solutions).

Mark Bailey, (Director) formed AFS last year after spending over 20 years in the Banking industry.

AFS specialises in funding equipment and vehicles and restructuring existing arrangements for companies **ranging from £5k to £millions.**



Mark has **access to over 25 different banks**,

both UK and overseas.

This means he can provide a competitive alternative to a customer's bank, even in the most difficult of situations.

AFS are offering all clients of Antrobus a reduction of up to 25% on their transaction fees.

Please call on **07970 566031** or email Mark on **mark.bailey@afsuk.com** for more information.

Credit Management Service



A recent survey suggests that late payment is still the number one concern for small businesses. If they do not take corrective action there is a danger of continued delays in payment which could cause significant financial damage to their business. On the other hand if they put too much pressure on a customer, or even exercise their statutory right to charge interest, there is a danger of losing a potentially lucrative account.

There is evidence that a stricter, measured approach by small businesses is beginning to reduce the burden of late payment—and this is where we can help.

Through **Claire Freer**, our Credit Manager, we are able to offer you a credit control solution for your business. You can **outsource your credit control to us for a modest monthly fee.** Alternatively you can use our training and consultancy service to train your own staff in more effective credit control processes which we can monitor on an ongoing basis.

For more information about this service, please call **Alex Kirby** on **01730 234500.**

Payroll Update

Penalties for late payments of PAYE

From May 2010 HMRC will charge a penalty of between 1 and 4% if PAYE and NI are not paid in full, and on time, each month. A 5% penalty will be charged if amounts due have still not been paid after 6 months, and again after 12 months.

For further details please call **Leslie Crowie** on **01730 234500** or go to: <http://www.hmrc.gov.uk/employers/paye-penalties-faqs.htm>

Payroll reference numbers @ schemes

Have you been issued with a payroll reference number, but **don't need to run payroll or declare items on a P11D?** We can ask HMRC to shut it down for you.

If the payroll scheme needs to remain open but you are not running a payroll then HMRC needs to be informed that that no amounts are due.

To do this go to <http://www.hmrc.gov.uk/payinghmrc/payee-nil.htm> or give us your scheme number and we can do it for you.

Self-Employed versus Employed

It is important for an organisation to ensure that when paying an individual on a self-employed basis that the individual really is self employed and is not simply an employee who submits an invoice. **Many people assume they are free to choose but this is not the case.**

For more information please see our website: http://www.antrobus.biz/content/taxcentre_paye/emse.html.

If you would like to use our payroll services or need advice on any of the above issues, please call **Leslie Crowie** on **01730 234500** or email **lesliecrowie@antrobus.biz.**

