

# Happy New Year 2015

Newsletter



January 2015

THE RIGHT ADVICE FOR YOUR BUSINESS

IN THIS ISSUE

## Planning for Success

Approximately a third of all SME's in the UK don't have a Business Plan, that's about 1.5m businesses, so if you don't have one, here are some reasons why you should prepare one....

1. Research shows that SME's with Business Plans make 20% more profit
2. Having a business plan doubles your chances of increasing profits, increasing revenue, attracting new clients
3. A well-researched business plan which includes the right figures and realistic forecasts will reassure potential investors you are a sensible investment opportunity
4. A Business Plan will help you set out and achieve your goals
5. It will help you set goals for your managers and staff
6. The Business Plan will help you plan your cash flow and forecast Capital Expenditure
7. A Business Plan will help you secure Business Finance and Loans
8. You can plan your succession strategy or prepare the business for sale
9. A Business Plan tests the feasibility of your business idea
10. It will help you plan for the recruitment of Staff

So why not start 2015 by preparing a new business plan or revising your previous plan, it could help you make 2015 your best ever year! Your CIMA accountant is there to help with this.



# 10 Ways to Save Tax on your Self Assessment Tax Return



It's Self Assessment season, most people who are required to do self assessment will submit their returns in January 2015 (for the tax year to 5<sup>th</sup> April 2014).

You must always send a tax return if you're:

- a self-employed sole trader
- a partner in a business partnership
- a company director (unless it's for a non-profit organisation, eg a charity, and you don't get any pay or benefits, like travel expenses or a company car)

1. Don't miss the deadline of 31st January or you will receive penalties and interest
2. If you are new to Self Assessment make sure you get your HMRC log in details early and know your NI and UTR numbers otherwise you won't be able to file online which could lead to penalties
3. Claim all your expenses for example a self employed worker will claim for travel, protective clothing (PPE), home office expenses
4. Don't forget Pension Contributions if the tax hasn't been claimed by your pension provider or you are a higher rate tax payer
5. Don't forget Donations to Charity if you are a higher rate tax payer
6. Have you included out of pocket expenses for example parking
7. If you are an employee could you claim a tax allowance for clothing?
8. Does your company pay mileage below the HMRC rates, you could claim a tax allowance on the difference
9. Check you have all your motoring expenses included
10. Make sure you have claimed all your costs on Buy to Let properties

## FAST FACTS

# 51% File in January

In January 2014 there was a 2 week extension because 2 million tax payers hadn't filed in the last week

# 31 January

You must file online by 31 January 2015

## FOR MORE INFORMATION

Contact Practical Business Solutions

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# Stamp Duty Changes



From 4th December, Stamp Duty changed and is now calculated as follows:

- No stamp duty will be paid on the first £125,000 of a property
- 2% will be paid on the portion up to £250,000
- 5% is paid for the portion up to £925,000
- 10% is paid on the portion up to £1.5m
- 12% is paid on anything above that

HMRC have created a calculator to help you calculate the amount for SDLT payable

<http://www.hmrc.gov.uk/tools/sdlt/land-and-property.htm>

The old rates of SDLT were

Purchase price/lease premium or transfer value	SDLT rate
Up to £125,000	Zero
Over £125,000 to £250,000	1%
Over £250,000 to £500,000	3%
Over £500,000 to £1 million	4%
Over £1 million to £2 million	5%
Over £2 million	7%

The effect of this change is demonstrated below

Amount	Old Scheme	New Scheme	Gain
125,000.00	-	-	-
150,000.00	1,500.00	500.00	1,000.00
175,000.00	1,750.00	1,000.00	750.00
200,000.00	2,000.00	1,500.00	500.00
225,000.00	2,250.00	2,000.00	250.00
250,000.00	2,500.00	2,500.00	-
300,000.00	9,000.00	5,000.00	4,000.00

# The Small Business Bill - Coming Soon

The Small Business, Enterprise and Employment Bill is going through the House of Lords in January.

The Bill will open up new opportunities for small businesses to:

- compete
- get finance to create jobs
- grow
- innovate
- export



Here are our top 15 key points:

1. For every piece of legislative brought in two pieces will be removed
2. Prompt Payment
3. Changes to Childcare Early Years and Child Minder Registrations
4. Cheque imaging from smart phones (Presentment of Cheques)
5. Banks will share data on Small Businesses with other Lenders
6. Invalidating restrictive terms in business contracts to increase access to Invoice Discounting
7. Company Transparency – Register of People with Significant Control
8. Accelerated Strike Off
9. Company filing changes
10. Directors Disqualification – tougher rules
11. Schools, Colleges, Higher Education to track students into the labour force
12. Penalties for employers who fail to pay an Employment Tribunal award
13. Penalties for non compliance with National Minimum Wage increased to 100% or upto £20,000
14. Improved access to alternative finance
15. Streamlined Company Registration

These are major changes that will affect us all!

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