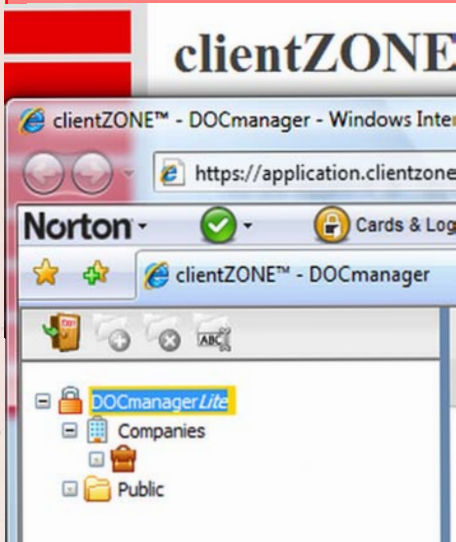


What's New at

Fox Evans
Chartered Accountants

We now have the facility for secure data transfer via our website. This is a more secure method of sending information than via fax or email, and over the next few months we will be rolling this out to all clients. Each client will have a password protected login area on our website where documents can be uploaded in any format for us to receive, and we can also send data to you in this way as well.

More information coming soon!



Fox Evans has notched-up yet another quiz team win! Our brain boxes of Jon Higgitt, Paul Lissaman, Donna Kiely and Paul Cole won the sixth annual Yorkshire Bank quiz held at the Ricoh Arena. They were joined by a member of staff from the bank, and won a shiny trophy to be displayed in reception, and a bottle of champagne each. More importantly, the quiz also helped to raise over £2,000 for the Myton Hospice appeal.

Mark promoted to FE director

Wow! This edition of our newsletter is jam packed with information and updates!

Firstly, it's congratulations to Mark McLean, who many of you have worked with over the past 20 years or so. He was appointed as a director of the firm on 1st April 2009 (no joke!).

He joined Fox Evans as a school leaver from Bablake School's sixth form many years ago, and during his time has specialised in audit and accounts production for all sizes of businesses. He also focuses his attention on our charity clients, and takes a particular interest in new business start-ups. He'll also be helping us look for more new business.

This is also (steady yourselves) the annual Budget edition! As usual you'll find a loose leaf insert with all the main rates and allowances for the new tax year 2009/10. In addition you'll find articles updating you on options for business support in these difficult trading times; articles about the correct treatment of dividends,



Mark McLean.

increased holiday allowances, and national minimum wage increases, as well as an update on our tax protection scheme. And let's not forget our featured client on the back page - which this edition is Leamington menswear shops, Status, Parkes and Opportunity. Hopefully you'll find something interesting in it! As always we are happy to receive feedback, so don't be shy about getting in touch!

Don't forget! It's P35 time again!

Your employers P35 forms must be submitted to HMRC by 19th May 2009, and in order to meet the deadline we need the information into the office before ASAP!

Remember, statutory penalties apply if the deadline is missed.

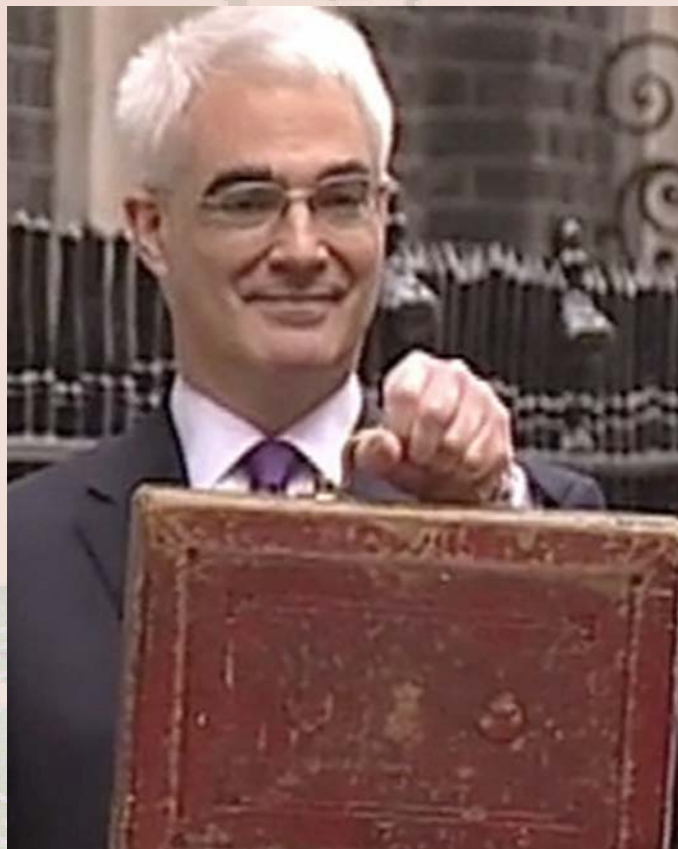
This is the final year in which returns can be made on paper, as from the 2009/10 tax year all end of year returns must be submitted to HMRC electronically. This is also the final year you can receive the online filing credit of £75.

If you have not used our services in the past, but would like to do so this year, then please contact Donna Kiely as soon as possible. Our normal charge for a straightforward return is £100 plus VAT.

Budget - how does it affect you?

Alistair Darling presented his second Budget as Chancellor on Wednesday 22nd April 2009, and was hopeful that measures taken would enable the UK economy to begin to grow 'by the end of the year'. We've picked a few key points we think will impact on you, your family or your business and have summarised them below. But for more detailed information, please see our website:

- Introduction of 50% top rate tax for individuals earning over £150,000 from 2010, and a phased reduction in personal allowances for those earning over £100,000;
- Increases in the ISA limits from October 2009 for those aged over 50, and for everyone from April 2010, to £10,200. Of that £5,100 can be held in cash;
- An increase in the rate of National Insurance is proposed from April 2011, by 0.5% for employee's, employer's and self employed contributions;
- Increase in capital allowances on qualifying plant and machinery, allowing 40% first year allowances instead of 20%;
- Extension of trading losses relief for two years;
- Extension of 'holiday' from Stamp Duty Land Tax until 1st January 2010 for properties costing below £175,000;
- Introduction of legislation to allow HMRC to publish the names and details of companies and individuals who deliberately default on tax over £25,000.



How does Darling's budget affect you?
Please get in touch if you would like specific advice.

Reminder on dividend payment rules

HM Revenue and Customs are clamping down on the rules surrounding the payment of regular dividends.

Dividends are an allocation of profits after tax to the share holders of a business, and have to be paid, pro rata, to the number of shares of a particular type owned in that business.

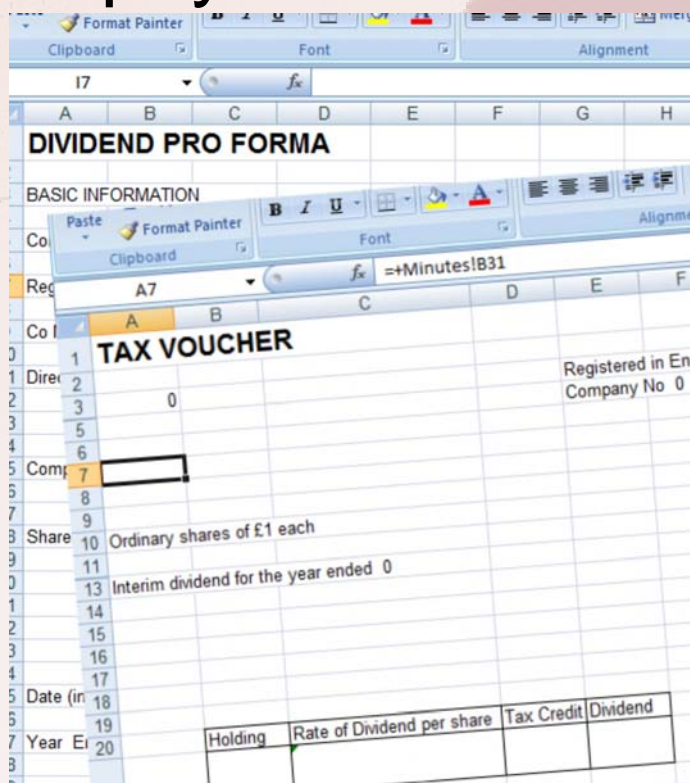
But there are disciplines surrounding the payment of dividends which need to be adhered to.

The directors have a responsibility to ensure that the company has sufficient retained profits after the provision for corporation tax before paying a dividend, and a directors meeting needs to be held to formally approve each payment.

When the payment is made, this should be by a separate cheque or direct money transfer, and should be separate from any other monies paid to that shareholder, be it for director's remuneration, expenses, or reimbursement. At the same time a dividend voucher should also be produced.

To help companies in this regard we have therefore produced a format for a standard dividend voucher template using Microsoft Excel, and this is available for all clients.

Please get in contact with us, and we will email it to you, or provide it on a CD-ROM if you prefer.



Fill out a Dividend voucher - available as a template from us - every time you pay a dividend.

Here to help in the recession

While we would love to ignore the doom and gloom that surrounds us at the moment, the difficult trading conditions of the Crunch are continuing, and are likely to do so for sometime.

Unfortunately for all business owners, we can't just bury our heads in the sand and keep our fingers crossed that everything will be alright, so we have pulled together what we hope are some more useful hints, tips and points of contact to provide support where necessary.

HMRC BUSINESS PAYMENT SUPPORT SERVICE

We informed you in the New Year that HMRC had launched this service to agree extended times for payment of taxes. The number to contact is 0845 302 1435 and is open Monday to Friday 8am to 8pm, and 8am to 4pm at weekends

BUSINESS LINK

Business Link is a free Government backed business advice and support service, which can provide advice and support on all areas of business management from tax to cashflows, employment issues, redundancy and managing finances.

Two services are of particular note:

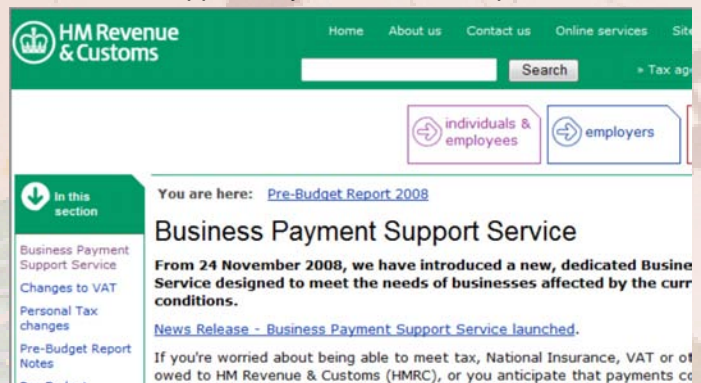
Business Health Check - a questionnaire is available on its website at www.businesslink.gov.uk. This runs

through a number of questions about your business and can provide some suggestions of areas to focus attention on. This service is also available by calling 0845 600 9006 **Confidential Advice Line**. By calling 0845 313 4510 you can speak to an advisor in complete confidence, without giving any contact details at all, and can discuss any issues you may have.

PROFESSIONAL ADVICE

And don't forget us - your accountant!

We are here to help, and are happy to do so, we don't want to see any of our clients struggle and would welcome the opportunity to assist where possible.



FE fees now include tax protection insurance

As our reputation with H M Customs & Excise has meant we have very few enquiries we are now able to offer complete cover for all our clients as from 1st July. In future, all our fees will automatically include tax protection insurance. This means that in these uncertain times you can be guaranteed that should H M Revenue & Customs select you for a random or specific enquiry on your tax return, your company's accounts or on a

dispute on VAT facts, we are able to represent you and bring in expert advice if necessary without any additional cost to yourself. You also have a telephone support helpline to give you expert advice on employment and personnel matters and health and safety matters, which are obviously a great concern to many people with the additional legislation that is being brought in by this Government.

Accounts filing



For all company year ends ending on or after 5th April 2009 the normal time allowed for filing of accounts with Companies House has been reduced from ten months to nine months after the end of the accounting period. Obviously, we will always chase you for your accounting records in plenty of time, but if you do not provide us with your records, we cannot produce your accounts!

Minimum wage

From 6th April 2009 the Government got tough on employers who do not pay the national minimum wage. Penalties range from £100 to £5,000, plus payment of any arrears of pay to employees. The rates are:

Aged 22 or over	£5.73 / hour
Aged 18 - 21	£4.77 / hour
Aged 16 - 17	£3.53 / hour

Please make sure you are applying the correct rate as it is a criminal offence for employers to fail to meet the obligations. You also need to make sure you are keeping accurate records that prove you are paying your employees the minimum rate. Usually normal payroll records suffice for this. For confidential advice ring 0845 6000 678.

Holiday time



As we have advised in previous newsletters, the statutory holiday entitlement for all employees increased from 1st April 2009 to 28 days. This amount can include bank holidays, and employers can give more than this amount if they choose. Part time workers minimum entitlement will be calculated on a pro-rata basis (5.6 times their usual working week), regardless of whether or not they usually work on bank holidays.

Dress to address the credit crunch - whatever your budget!

Whatever you do in life it pays to look the part! Especially during the credit crunch, apparently! Well that's what the experts are saying. Even when times are tough the advice is to dress to impress! And there are fewer places in Warwickshire that will help you on those fronts than Fox Evans' client Lorraine Paige, of Status, Parkes and Opportunities in Warwick Street, Leamington.

Status is a Gentlemen's outfitters like few others in the region, with all of the top designer labels available such as Hugo Boss, Canali, Eton, Pal Zileri, Armani and the like. It's by some degree the biggest designer outlet in the West Midlands, with many famous but carefully guarded names coming to shop on a regular basis.

Such is the range of leading labels sold that there's more than a good chance there'll be a suit to suit at a price that fits. And the same goes for a shirt or a shoe or two.

But worry not if the undoubtedly comfortably fitting brands are out of your financial comfort zone. Simply pop next door to Parkes, and there's more than a good chance it will have something that fits the bill, without overstretching the bill. Failing that, though, and if the credit crunch is really taking a chunk out of your budget, then step through into Opportunities, where if your luck is in you'll be able to get designer brands at up to 75% discount.

"Whatever a person's budget we've got a fashionable solution for them," says Lorraine Paige, who, incidentally, is one of Fox Evans' longest clients, having coped with us (surely "been with us" - Ed.) for 40



years. A self made local business woman if ever there was one, she started by selling her school uniform on the day she left at 14, then went into working at, then owning in 1970 a hairdressing salon, and finally, on a whim in 1980 she came into retailing. First came a lingerie outlet, then her first womenswear shop. Then a second, and ultimately ownership of Feminique (sold in December) and the suit of shops that are Status, Parkes, Parkes Hirewear and Opportunities.

She puts her success down to a simple formulae - of having very good, knowledgeable staff, an eye for quality and value, and a simple, down to earth attitude towards her clients and customers: "We're as pleased with the people who spend £15 as those who spend £150. Every customer is valuable, no matter who they are," she says. Her husband John Pyle describes her as "having a degree of success without a degree".

Status menswear - one of the Midlands' leading retailers of designer labels

She has also been extremely loyal to her advisers over the years, says Fox Evans' Jon Higgitt, who now handles the relationship that started initially with Peter Fox, followed by David Evans. Not only has she stayed loyal to Fox Evans, but to her banker Barclays, in fact, which gave her an initial loan some 30 years or so ago. Her reason, again, is simple:

"I can't see the point in changing people if they do what they say they are going to do. And as far as Fox Evans is concerned they have done that, and delivered what they say they would do." Nice.

Lorraine doesn't change people for the sake of change, therefore, but she *will* change your look, she promises - whatever your budget and whatever your style. And once you start shopping there, you probably won't stop!

For more information call 01926 886633 or 01926 338863.

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