

Fox Evans

Chartered Accountants

Get broadband
free for a year!

Autumn 2005

What's New at

Fox Evans

Chartered Accountants

Congratulations to Kay Smith, ACCA! She sailed through her accountancy exams in June and is now a fully qualified Certified Accountant. Paul Coles, Graham Lindsay, Lorraine Park and Paul Lissaman are also making good progress towards qualification.

Our audit manager Mark McLean has also had a busy summer - or at least his wife has! She gave birth to their second child, Benjamin, so congratulations to them!

While David Evans (right) is leaving we've welcoming three new members of staff - our new bookkeeping manager Donna Keily (left) our new receptionist Sarah Walsh, (right) and our new payroll clerk Manpreet Sembhi.



Scoring a hit at The Wardens: this summer Fox Evans chose to advertise its name by sponsoring the cricket scoreboard at Kenilworth Wardens Cricket Club, which plays host to many of the top sides in the Midlands.



Farewell to David

Goodbye! So long! Farewell! This month we are bidding a farewell to David Evans, the man who lends his name to half of our name, who has been with us since 1965, and became a partner in 1966. It is not an understatement to say that he has been instrumental in building Fox Evans into one of Warwickshire's most well known and respected accountancy firms.

David is finally retiring this month for good, after half retiring nearly five years ago!

Back then we were lucky enough to keep him on to work three days a week, but now he's decided to go for good. We wish him well and all the very best for the future, and promise not to wheel him in when we're busy! Over the last 40 years David has obviously worked with many of our clients, and has also held a variety of charity positions. He has been widely respected throughout his career.

He will he says, miss it.

"After 40 years and one month with Fox Evans it is time to put my pen, paper and calculator in the drawer for one last time and adopt a more leisurely lifestyle," he says. "Over my working life I have dealt with a lot of

excellent clients who have gone on to become good friends. I thank them all for their loyalty and business over the years, and shall be sorry to lose that connection, but hope (hint hint!) there will be some who are always available for the odd game of golf!

The staff I have worked with over the years have always been very friendly and supportive and have made my life a lot easier.

I wish the firm and the directors all the best for the future, and am sure that Fox Evans will continue to make excellent progress."



David Evans

Action point

If you haven't let us have all the information to complete your tax return (including any accounts) then please let us have this no later than 30 November. That's to allow us to process it by the Inland Revenue's deadline of 31 January 2006. If you think you have underpaid tax, and want any underpayment of tax to be collected in your code number, you must file this before Christmas.



Don't Forget
to send in your
Tax Return

Pension rule changes bring opportunities for the aware

April 2006 will see sweeping changes made to pension rules and regulations. We believe these changes will see pensions back at the forefront of tax planning, and could open the door to significantly better, and safer investment opportunities.

The main changes, and their benefits, are:

Contributions

The link between pension contributions and "pensionable" salary is being broken. Individual pension contributions can be up to an annual allowance of £215,000 for the tax year ending 5 April 2007, rising to £255,000 for the tax year ending 5 April 2011. Employees can pay in 100% of their earnings, with the employer topping it up to the maximum. This is good news for directors who have reduced their pensionable earnings in favour of dividends to save on National Insurance.



Retirement

The minimum age at which you can access your pension benefits rises to 55 on the 6 April 2010, and, unlike before, you won't have to retire in order to do so. Again, that's good news for directors who have previously had to retire if they wished to access their pension funds early.

Tax free cash

For everyone, the tax-free cash they will be allowed on retirement will be 25% of their fund, subject to an initial overall limit of £375,000.

Investments

For those with a small Self Administered Pension Scheme (SSAS) or Self Invested Personal Pension (SIPP) the list of allowable investments is being substantially widened by the Inland Revenue to include investment in:

- Residential property
- Antiques, and works of art;
- Vintage cars, fine wines and other similar investments



The ability to invest in residential property at home or abroad is particularly welcome, although if you wish to use it as a holiday home, you will be expected to pay rent at the going market rate.

Annuity purchase

Currently there is a requirement that whenever you start to draw your

pension benefits you have to buy an annuity with an insurance company by your 75th birthday. Naturally this is unpopular with those who have substantial pension funds. From next April this rule is being abolished, and you will continue to be able to draw your pension out of your fund until death. If your spouse survives you, they will be able to do the same.

Passing on your pension fund

Upon the second death, any monies left in your pension fund can potentially be left to the pension funds of your children if they are within the same "scheme", although the Government is likely to treat this as "estate planning" and levy an appropriate tax charge. If it does so, however, it will still be attractive to fund your children's pensions with residual amounts.



We know from what you tell us that your primary objections to pension planning relate to the loss of investment control and the risk that if you die shortly after buying an annuity the remaining funds become the property of the insurance company and not your estate. We believe the new changes go a long way to overcoming those objections. Pension planning may not be the most exciting of subjects or on the immediate priority list, but it is one of the few areas where reductions in tax liabilities can be made.

If you are interested we are holding a seminar on 10 November. Contact us for further details.

Onerous new rules introduced for subcontractor employment

Significant changes to the way the Construction Industry Scheme (CIS) is operated are to be introduced by H M Revenue and Customs from April next year. This will affect all subcontractors, and in particular contractors.

There will no longer be an obligation to complete a Contractors Annual Return form CIS36. However, a new monthly return is to be introduced, which will require details of the payments made and tax deducted. Contractors will also be asked to confirm each month that the people they are paying are genuine subcontractors, and not employees. Note, however, that a subcontractor who has registered as self-employed may still be an employee, depending on the nature of the work. The monthly return will be due by 19th of the following month, and a £100 penalty will be payable if the return is late, **even if it is a nil return**. The penalty will be increased by a further £100 for each additional month it is outstanding.

In addition, the CIS certificates, cards and vouchers will no longer be used. Instead, the burden will be on the contractor to contact H M Revenue and Customs each time they start to pay a new subcontractor. The government will then advise as to whether tax should be deducted, and at what rate. If HMR & C have no record of that subcontractor, then a higher rate tax deduction will apply until they have registered.



If you subcontract work to others then be aware of the new rules. There are more forms to fill in, and big fines if you don't. Contact us for more information.

Not on broadband? Take up the EU's free subsidy offer for a year!

Yes - it's true! You can get something for nothing! The European Regional Development Fund is offering companies in Coventry and Warwickshire fully subsidised broadband for a year - available to one man bands or companies with up to 250 employees. Fox Evans client QWiX will help you access it - offering full conversion to broadband from any standard dial-up connection, or an upgrade to the next level of broadband bandwidth. This is all 100% subsidised for the next year, it says.

The aim of the project is to help local small and medium businesses to exploit the commercial value of the new technology. This will enable firms to reduce costs, improve competitiveness and hopefully

increase profitability, - thus theoretically fuelling the growth of the local economy.

Further funding has been made available in selected areas to provide computer based learning to allow employers to develop the skills of their staff. Courses range from the basic computer literacy courses, including word processing and spreadsheets, through to specialised courses for particular professions.

There are absolutely no catches at all, says QWiX's Paul Wheldon - just a desire from the EU to roll out broadband across a greater range of businesses.

To find out how you can take advantage of these offers contact Paul on 024 76711134 or e-mail: paul@qwix.co.uk



Say goodbye to dial-up! The EU, via The Regional Development Fund, is offering subsidised broadband for a year.

Don't let a scratch put a dent in your pocket!

There are many ways to scratch out a living in life. Fox Evans client Steve Hancock knows this better than most - for scratches, literally, are his way of life. Big ones, little ones, deep ones or superficial, show him a scratch and - for want of an expression - he'll be itching to get rid of it.

And get rid of it he will – for Steve's one of 300 franchisees of the ChipsAway company which specialises in repairing damage to automotive paintwork. Using new, patented technology his service offers a fast, convenient way of repairing minor damage – and at radically reduced cost compared to body shops.

Steve has been trading for almost a year now, having moved from the lighting industry. "It could be said I saw the light to become self employed," he quips.

Being somewhat of a car fanatic he decided to investigate franchise operations connected with the industry. He's also, by nature, a perfectionist when it comes to doing jobs, making him ideal to be a ChipsAway franchisee.

He's also on the smart side. Or rather he's got SMART on his side - the word in this case standing for Small to Medium Area Repair Technology. That's what ChipsAway is all about, with its system based on paint technology that originated ten years ago in the USA, and which has been improved on ever since. Not only can the company match every colour on every vehicle, but it can do so from the back of a van. It's here where the uniqueness of the system really comes into its own - no longer do car owners have to go to a body shop –



Steve will come to you in his unmistakable, brightly-branded mobile workshop which contains everything he needs to carry out repairs to bodywork, bumpers, interior trim, windscreens and alloy wheels. Over 40,000 colours can be mixed from the stock of tints held, using a laptop computer to find the correct "recipe" for the colour.

Once the right match has been made and the paint mixed, the procedure starts with preparatory work – involving, effectively, sandpapering the scratch followed by initial painting and infrared curing. Blend coats are then applied, followed by a clear lacquer. Further curing takes place, and a specially formulated wax polish applied to finish.

It all sounds relatively easy, but such is the nature of repairing paintwork that mistakes can occur during the procedure. Those don't pose any problems, however. What makes the ChipsAway system different is its unique formulations, he says, so that

ChipsAway offers a hassle free, cost effective way of removing scratches, says Steve Hancock.

if ever there is a need to go back a stage in the process he can.

"If after a complete repair we are unhappy with the finish we can wipe it away and start again," says Steve. At the end it is impossible to see the repair. And that's not Steve or the company saying that – Fox Evans director Rob Anderson has witnessed first hand the effect. Steve "chipped away" a scratch on his contract-hired Toyota which would have incurred a financial penalty on its return. The repair, says Rob, was invisible. "The majority of work I get is from referrals as people try the system and see the repairs are undetectable," he says. "And more businesses are using me as they realise the savings they can make when returning lease vehicles".

Steve can be contacted on 08456 448446 or 07944 330811.

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