



Merry Christmas!



Before embarking on the less

than joyful task of reporting on today's Autumn Statement, I thought I'd start by wishing you all a very Merry Christmas and I hope Santa brings you everything you ask for and more....

There's also a big thanks from **me** to **you** for all your support this past year. I really do value the fact that you entrust your business with me when there are so many accountants out there.

In the past couple of years I have decided not to send out Christmas cards to clients and associates, but to put those funds towards a charity instead. I trust you support me in this. And this year, I have chosen to donate to a charity that one of my clients helped to set up. The charity is called **Bravo Brazil** and uses music as a way to improve the quality of life for street children in a couple of locations in Brazil. Find out more at www.bravo-brazil.com. There is some fantastic work going on there, and from my perspective, it's great to be able to actively support a client in something that is so personal to them.

BUDGET ZONE

The 2013 Autumn Statement

The Big Picture

Growth forecasts for the UK economy are up compared to those at Budget-time last March. Growth is now expected to be 1.4% for 2013, 2.4% for 2014 and 2.2% in 2015.

The number of those claiming unemployment benefit has fallen by 200k over the last 6 months. The unemployment rate is forecast to fall to 7% in 2015 and 5.5% by 2018.

The annual deficit is currently @ 6.8% of GDP, down from 11% in 2010. This is forecast to fall year-on-year until 2018-19 when Britain will post a small surplus.

The total level of debt is still horrendous, however, and rising until 2016-17 when it will total 80% of GDP.

This year Britain will borrow £111bn and will continue borrowing, albeit at a lower rate until the anticipated surplus in 2018-19.

Growth alone will not start paying back the debt so there will be further cuts to government spending for a good while to come.

And the spectre of a Eurozone crisis is never far away so efforts to increase our trade with the faster growing emerging markets is a key immediate focus area.



IMPORTANT DATES

DECEMBER

5th: Autumn Statement

19th: PAYE / NIC Payment due

31st: Corporation tax payment date for March year-ends

JANUARY

19th: PAYE / NIC Payment due

31st: Self-assessment filing and payment deadline for 12-13 tax year.

FEBRUARY

19th: PAYE/NIC Payment due

NUGGET OF NEWS

The widely heralded increase to the personal allowance to £10,000 from April 2014 has been confirmed today.

NUGGET # 2

Please, please, if you have not already done so, get your personal tax return details to us in the next week, otherwise we can not guarantee everything will be completed before the filing deadline of 31st January. We look forward to some time off over Christmas too!

PRACTICE NEWS

We're delighted to announce that Freeman Accounting Services has been short-listed for an Entrepreneur of the Year award in the Thames Valley area. One of six finalists, the awards will be made on 10th December.

This is fantastic recognition for the progress we've made over the last year in taking our business to the next level.

Just being short-listed feels like a victory, so we might get the bubbly out regardless of the eventual result on the 10th! Thank you to all our wonderful customers who have said such nice things about us, and without whom, we wouldn't have a business!

BUDGET ZONE

The 2013 Autumn Statement—cont....

Key Measures Announced

- There will be more cuts to government departmental budgets, except for schools and the NHS which continue to be protected.
- A welfare cap is to be introduced from next year (but not on state pensions)
- Infrastructure projects—further support for HS2 rail link and tax breaks for companies embarking on shale gas projects
- Housing—councils will sell off those properties which are most expensive to maintain. The Help to Buy scheme will continue but to avoid another housing bubble, lending focus will move from mortgages to small business lending
- More apprenticeships will be funded and it will be harder for school leavers to move straight onto the dole without undertaking training and / or educational programmes first

For Small Businesses

- Small Business Rates Relief scheme to be extended for another year to April 2015
- Lots of focus on retailers: every retail premise in England with a rateable value up to £50k will receive a discount of £1k off their rates for the next 2 years
- A new reoccupation relief comes into force which halves the rates for new occupants into vacant premises
- From April 2015, Employer's NICs will be removed on all employees under the age of 21!
- And the previously-announced Employment Allowance which removes the first £2k of employer's NICs will come into force in April 2014.



For You and Me

- Confirmation that the personal allowance will increase to £10k from April 2014
- From April 2015 there will be a new transferable tax allowance for married couples. People will be able to transfer up to £1k of their personal allowance to their husband, wife or civil partner.
- The pension age will be increased to 68 for those retiring in the mid 2030s and to 69 for those retiring in the late 2040s
- Free school meals are to be provided to all children in reception, Yr 1 and Yr 2.
- The roll-back of green levies will save approx. £50 / year off the average family fuel bill
- Next September's fuel duty increase has been cancelled
- Non residents will pay Capital Gains Tax on the sale of UK property from April 2015
- We await details of anti-avoidance measures around the creation of intermediary companies which is to be legislated for introduction in April 2014. Are they finally going to deal with IR35?



WELCOME TO OUR NEW CUSTOMERS...

SB Electrical & Interiors Limited—for all your commercial and domestic electrical needs, plus solar installations.

Lend Link Limited—providing the technology platform to link lenders with investment opportunities

Leaders for Life Ltd—providing sales & marketing expertise to organizations that want to grow.

BUSINESS ZONE

Why use a Management Accountant?

Many small businesses do not have an accountant on their own payroll—they choose to out-source this role to an external provider, often a firm of accountants. But the traditional high-street firms of accountants are predominantly financial accountants and have been trained with a focus on accounting standards and tax. As a result, they have little real-life experience of actually running a business. They end up focusing on historical information and serve HMRC, Companies House and other external stakeholders rather than the business owners who are hiring them.

Management accountants however, have experience working **within** organizations such as your own. As Wikipedia puts it (quite succinctly, I think), “Management accounting is concerned with the provision and use of accounting information to managers within organizations, to provide them with the basis to make informed business decisions that will allow them to be better equipped in their management and control functions”.

I could summarize the key attributes of a management accountant as follows:

- Primarily forward-looking, not back
- Working for YOU, the business owner, rather than for the regulatory authorities
- As partners with you, putting YOU in control of your own business numbers
- Producing the numbers and analysis that YOU need to run your business, not just the numbers that HMRC needs to verify your tax
- Designing and implementing systems and reporting to aid YOUR strategic decision-making

So, to get the best value from your accountant, contact should be more than just once a year at annual accounts time. Engage an accountant who will become an integral part of your business and regularly review the numbers and planning opportunities TOGETHER to maximize your chances of success. Management accountants, of all the members of the accounting profession, are absolutely the best placed in terms of experience and training, to fulfill this partnership role.

INSPIRATION ZONE

“Let’s approach Christmas with an expectant hush, rather than a last-minute rush”

Anonymous

- Management Accounts
- Cashflow Forecasting
- All Compliance Activities
- Software Selection & Support
- Business Planning

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