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Welcome

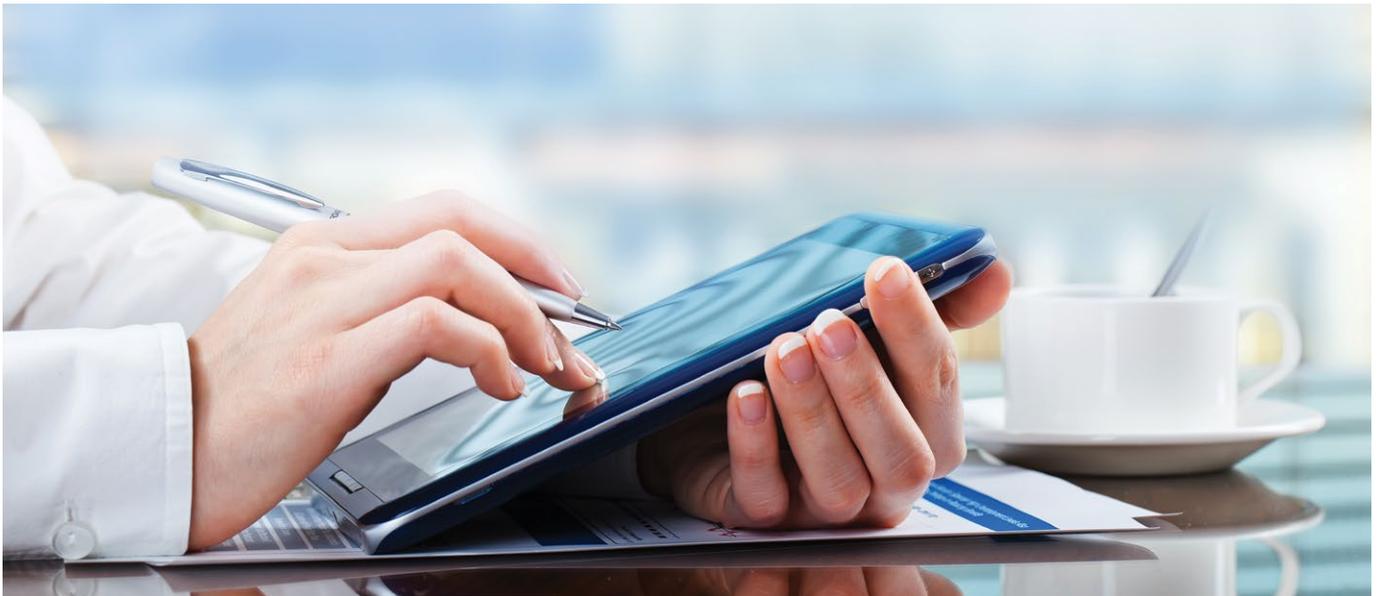
Welcome to the latest issue of Haslers News, bringing you news from our firm and information on issues that may affect you or your business financially.

We hope you enjoy reading our newsletter and that you find it useful. We would welcome your feedback on the content, or ideas for topics that you'd like to see featured in future, so if you would like to comment please contact us on 020 8418 3333 or at advice@haslers.com

For further information on any of the topics featured in this bulletin, please contact us.

Firm is quick off the mark with Budget update

By Laurence Jacobs, Chairman



The Haslers team quickly swung into action to provide expert insight into the 2014 Budget.

Less than 24 hours after Chancellor George Osborne delivered his Budget speech on 19 March, members of the Haslers team were providing an update on some of the key measures in a breakfast seminar held at the Prince Regent Hotel in Chigwell.

Later in the morning, the firm also held an innovative online

event, giving business owners and individuals the chance to join in a confidential, one-to-one "chat" with Haslers experts about issues arising from the Budget, via our website.

To complement our other Budget activity, an at-a-glance summary of the key announcements was also posted on our website on the afternoon of 19 March.

As with every Budget, some issues involved are complex and difficult to get to grips with,

and others go unnoticed in media coverage, so seminar delegates appreciated getting an expert view.

There was also a positive response to the online chat, which was a useful opportunity for those taking part to find out exactly how the various Budget announcements would affect them.

For more information on the Budget content, and how it affects your business or personal finances, please contact us.

Increased AIA 'a shot in the arm'

By Paul Reynolds, Tax Partner



Businesses are being offered a new tax-efficient opportunity to invest in equipment in a key Budget 2014 announcement.

Back in December 2012, the Autumn Statement included a tenfold increase in the Annual Investment Allowance (AIA), from £25,000 to £250,000, with effect from 1 January 2013 and continuing to the end of 2014.

In his March 2014 Budget, Chancellor George Osborne increased the AIA again, doubling it to £500,000 for all qualifying investment made on or after 1 April 2014 until 31 December 2015, after which it is expected to return to £25,000.

The government said the move would be of particular benefit to small and medium-sized firms, adding: "The increased AIA will

mean that up to 4.9 million firms – 99.8 per cent of businesses – will receive 100 per cent upfront relief on their qualifying investment in plant and machinery."

The increased AIA level was welcomed by business groups, with leading employers' organisation the CBI describing it as "a shot in the arm for businesses ready to invest and drive the recovery" while the Federation of Small Businesses said the move would provide certainty and allow businesses "to realise their investment expectations".

Expenditure under AIA qualifies for 100 per cent tax relief, enabling most businesses to offset investment in plant and machinery – including items such as commercial vehicles, equipment, computers and office furniture – against taxable profits.

There are also certain fixtures in buildings, and integral features in buildings, that qualify, such as electrical systems, including lighting, water systems, air cooling systems and lifts.

Businesses that want to maximise the value of the higher level of AIA need to be aware that where accounting periods straddle the date of changes to limits, there are some complex transitional rules in place.

While the increased AIA threshold will be welcome, businesses will need to plan carefully to optimise the available tax relief.

At Haslers, we can provide expert advice on how the increased allowance could benefit your business. For more information, please contact us.

Bankruptcy fees pricing out debtors, say experts

By Nick Nicholson, Insolvency Partner

People facing financial difficulty are being priced out of bankruptcy because the fees involved are too high, according to the insolvency industry's trade body.

R3 reported on 6 March that 70 per cent of its personal insolvency practitioner (IP) members had seen people who could not afford the official fees involved in a bankruptcy – a court fee of £175, plus a £525 administration fee payable to the Insolvency Service for what is known as the debtor's petition.

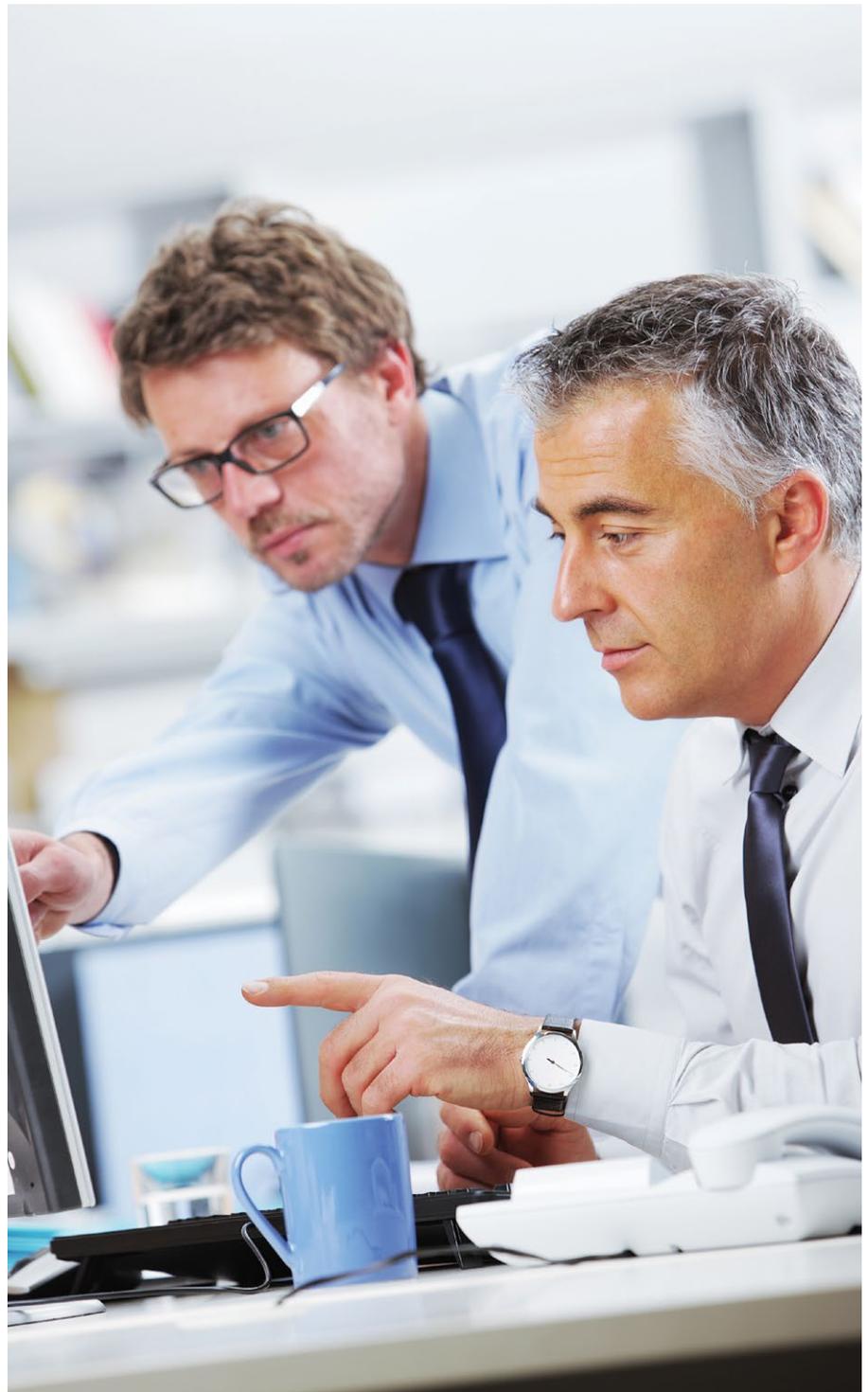
As a result, many of those affected by financial difficulties took no other action to tackle their problems.

Only six per cent of IPs said that individuals had entered an Individual Voluntary Arrangement, with another five per cent saying they had entered either a debt management plan or debt relief order.

Stuart Frith, chair of R3's personal insolvency committee, said: "It is a matter of some concern that entering bankruptcy has become unaffordable for some."

He suggested allowing the administration fee to be paid in instalments, saying this would make the process "accessible", adding: "Regardless of whether an individual got into debt through reckless spending or through no fault of their own, the insolvency regime needs to make all available options available according to the circumstances of each case."

The longer you allow a financial problem to continue, the fewer options you may eventually have to resolve the difficulty.



That's why the insolvency and recovery team at Haslers always recommend seeking early professional advice, to explore the options for formal and informal approaches to resolving debt and insolvency issues.

Our team can advise on all types of individual insolvency situations, to help those affected by debt to make informed decisions and achieve the most positive outcomes from their situation. For more information, please contact us.

New service aims to ease employment dispute burden

By Christine Inch, HR Manager



A new process is now in place to help employers and employees resolve employment disputes more quickly.

As of 6 April 2014, anyone considering making an employment tribunal claim about a workplace issue – such as challenging the termination of their employment as an unfair dismissal, claiming a redundancy payment, issues around equal pay or rights to flexible working – must first need to notify employment relations service Acas.

Acas will then offer them a free service called Early Conciliation, which involves the employee completing a form on the Acas website and a conciliator then making contact with both parties with the aim of trying to resolve the dispute quickly.

Acas chief executive Anne Sharp said the earlier that people involved in a dispute started talking, the more chance there

was of success, adding that Acas would act as “a kind of broker to help the two sides come to some sort of agreement.

“This may mean that the claim does not progress to tribunal, which could save both parties time and money. All conversations are conducted on a ‘without prejudice’ basis, so nothing said during this process can be used later on in a tribunal.”

From a time and cost point of view, it certainly makes sense to try to negotiate an outcome satisfactory to all parties, to avoid the problem escalating to the level of an employment tribunal.

Businesses should have their own in-house policies and procedures to help in resolving employment-related issues and where a firm is too small to justify having its own in-house HR adviser, bringing in external, outsourced expertise, like **Haslers’ HR Consultancy** is likely to prove a wise investment,

whether in drawing up documentation or helping to resolve a workplace issue.

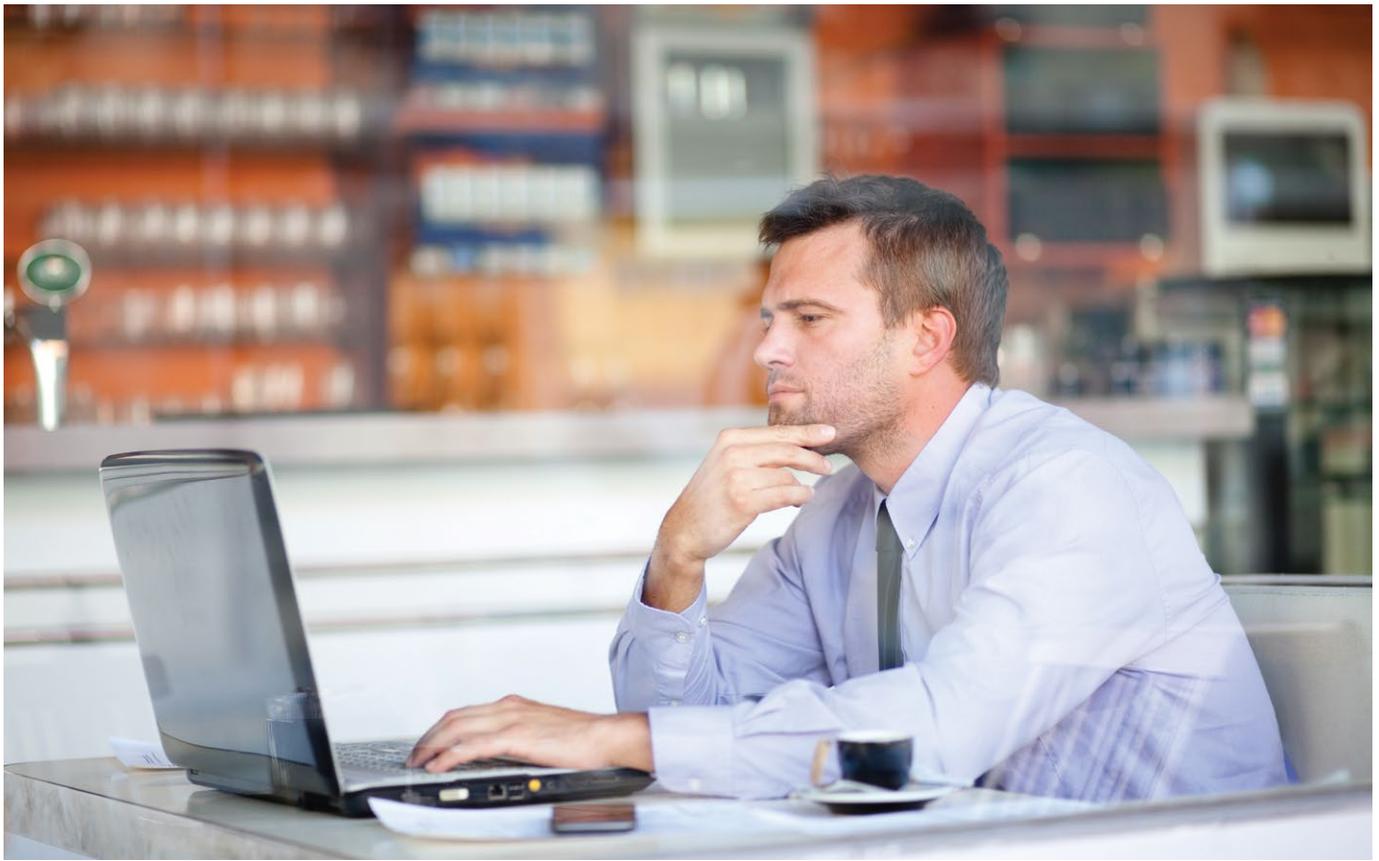
Our HR Consultancy service provides a commercially-minded, “can-do” approach to support employers in employment disputes, as well as in managing staff and helping them stay up-to-date with new legislation and best practice.

We can provide HR support over the phone or face-to-face and our services are available on a pay-as-you-go, retainer or project basis.

As well as giving employers flexible access to HR advice, as and when they need it, our support provides offers a cost-effective alternative to employing an in-house HR professional and provides valuable peace of mind that when employment law queries or issues arise, expert help is at hand. For more information, please contact us.

VAT? It doesn't need to be taxing

By Debra Dougal, VAT Partner



New research suggests that more than a third of UK small and medium-sized enterprises are missing out financially by not reclaiming VAT.

A recent survey of 1,000 business owners by Sage found that 36 per cent were failing to reclaim VAT and that more than half (52 per cent) estimated they were losing more than £500 every year by not claiming for everything they were entitled to.

The research also revealed that 30 per cent of business owners felt that a deeper understanding of VAT could help to make their firm more profitable.

At Haslers, we understand that the VAT regime's complexities often creates real challenges for businesses and offer a full range of VAT support services to help them get to grips with the

issue, including registration and deregistration, advice on the most appropriate VAT scheme and VAT compliance.

But we go a step further, through our specialist **UK VAT Advice** service, which provides high level VAT consultancy to business clients and professional firms, on issues including land and property and disputes with HM Revenue & Customs (HMRC).

An increasing part of our work at UK VAT Advice is advising small and medium-sized enterprises (SMEs) on cross-border VAT issues and that is only likely to grow as businesses increasingly take advantage of opportunities in the global marketplace.

For example, from 1 January 2015, the VAT place of supply rules for broadcasting, telecommunications and

e-service will be taxable in the EU member state in which the consumer is located, rather than where the business supplying them is established.

At the same time, HM Revenue & Customs will be introducing the VAT Mini One Stop Shop (MOSS), an online service that will give businesses the option of registering in the UK to account for the VAT due in respect of B2C supplies of these services in all the other member states by submitting a single return to HMRC.

As with most VAT issues, expert advice in advance of this change will help to avoid costly VAT pitfalls before they arise and maximise the efficiency of VAT arrangements.

For more information on our VAT services, please contact us.

IHT bill tops £662m in South East

By Jon O'Shea, Tax Partner

More estates in the South East paid inheritance tax (IHT) than in any other region of England, according to new analysis of HM Revenue & Customs data.

The research, issued by Prudential on 21 February, was based on the latest publicly available data on tax receipts, for the financial year 2010-11.

In that year, inheritance tax was paid on 15,600 UK estates, which faced a total bill of just under £2.6 billion. The average amount per estate was £165,700.

London and the South East of England accounted for as much inheritance tax revenue as the rest of the UK put together, even though only 42 per cent of liable estates were in the two regions.

The average amount paid in IHT stood at £174,200 in the South East and £234,400 in London £234,000 as a result of higher property values in these areas. However, in the South East 3,800 estates paid inheritance tax compared with 2,700 in London.

In contrast, in the North East just 200 estates paid a total of £26 million, an average of £130,000 per estate.

The figures suggest that only six per cent of estates paid IHT in 2010-11 but with property prices rising again – and the nil rate IHT band, below which no inheritance tax is paid, frozen at £325,000 until 2017-18 – many more estates could find themselves vulnerable to inheritance tax liabilities.

One financial and business advisory firm has already recently predicted that the number of estates affected by IHT annually will rise from an estimated 21,000



in 2012-13 to 42,000 in 2016-17, as a result of the housing market recovery pushing up property prices.

Expert advice and early tax planning are key steps to mitigating future IHT. At Haslers, we work in partnership with Essex-based Pacific IFA, an independent financial advisory

firm providing expert advice on issues including inheritance tax.

Pacific IFA can also advise on retirement planning, wealth creation, wealth preservation and tax mitigation, investments, savings plans, personal and business insurance products, tax structures and inheritance tax planning.

Go4Growth keeps on growing

By Bradley Rood, Director, Go4Growth Strategy Limited

The future is looking brighter for the British economy and that can only be good news for UK businesses.

In this more upbeat environment, it makes sense for businesses to make sure they have the knowledge and tools they need to make most of new opportunities and unlock their full potential.

At Haslers, our innovative Go4Growth programme acts as a springboard to growth by helping owners and leaders look at their businesses with fresh eyes, then to turn their ideas into realistic targets, with support from expert business advisers and each other.

There's been an enthusiastic response from participants since we launched our programme 12 months ago and now we are moving Go4Growth into a new phase, under the directorship of Bradley Rood.

A key feature of Bradley's career has been building and growing successful businesses. After a City career that included senior trading and sales positions and working for a US bank in Hong Kong, he founded an award-winning executive search company that he grew to a £1 million-plus business and then established his own coaching and leadership company.

Most recently, he has been involved in a private sector/government business growth initiative, during which he worked with more than 100 small and medium-sized enterprises to identify the factors that were holding them back and then put in place the support needed to help them achieve fast, sustainable growth.

As part of our latest phase of Go4Growth, we're also introducing two new programmes.

- **The Milestones Programme** is designed for business owners committed to achieving significant growth and includes five, half-day, group workshops – in strategy, marketing, leadership, high performing teams and finance – quarterly progress check meetings and telephone and email coaching support. The first Milestones programme will begin with a strategy workshop in June and continue until January 2015.
- **The Pinnacle Programme** has been created for more established businesses and provides monthly coaching sessions designed to help identify and remove barriers to growth, with the aim of creating long-term, sustainable success.



Both programmes include membership of our Go4Growth Forum, which will meet twice a year.

Go4Growth also offers the option of other bespoke coaching and mentoring, workshops and other support, including 360° assessments.

For more information on Go4Growth, and how the programme could help your business to grow, please contact Turinder Toor or Rhonda Elliott on 020 8418 3333 or at g4g@haslers.com.



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