

Post Holiday Times

I trust that you have all rested well after either a lovely warm summer (that's if you went away in July) or a soggy one (if you went away in August). In either event we trust that you are ready and invigorated for the next set of challenges that will doubtless be coming our way over the next 12 months or so.

Having talked with all of the major banks recently, it is absolutely clear that if your business accounts disclose negative worth (even if you are currently making profits) then requests for finance will be automatically rejected. The gap between bank base rate (0.05%) and 3 month LIBOR remains stubbornly high which means that there is less liquidity in the banking system. Take that with the fact that banks are a) being asked to provide more capital to weather future "crises" and b) required to repay £300+billion in Government support loans and interest by this time next year then it is inevitable that funding for businesses is going to be severely rationed. On a positive note though our banker connections and our "pushing for profits" programmes should ensure that our customers stand more of a chance of getting funding than others.

Taxing Times

At the time of writing we have just received notification that because of the drive to cut costs, HMRC will no longer be sending to us (and the rest of the accounting profession!) copy PAYE coding notices, P800 tax calculations as well as a collection of self assessment notices. This has been announced without any consultation whatsoever! It is therefore even more essential that you forward to us straight away copies of any communication that you receive from HMRC. I can see this leading to some "disaster stories" in 12 months time.

There are new rules coming in for Child Tax Credits from next April, when those with earnings above £40,000 per annum will have their credits reduced by 41p for every pound of earnings over that amount. The income limit will be reduced again in April 2012.

It has also been announced that the former Government's plans for reducing tax relief for high earners pension contributions have been scrapped, thus avoiding the inevitable complicated mess. As from 1st October 2010 the new National Minimum Wage rates will be £5.93 an hour for workers aged 21 and over, £4.92 for workers aged 18 to 20 and £3.64 for workers aged 16 to 17. There is also a new "Apprentice" rate of £2.50 for apprentices under 19.

Team Update

The great news is that Victoria passed her Chartered Institute of Marketing degree course last month and is now a fully fledged Member of the Institute. Victoria worked really hard for this and is now well rewarded for her efforts. Sadly (for us) however, she has decided to gain more experience in a different field and will be leaving us at the end of September. We must not let this moment pass without thanking her for her 4 years magnificent contribution to Thomas Cox and we wish her well in her new post. Despite her father's mixed emotions over this, it is absolutely the right thing for her to be doing.

On this day in 1962 Peter walked through the doors of Africa House, Kingsway and embarked on the professional voyage he is currently still navigating!!

Peter
10th September, 2010