



MAY 2004 NEWS UPDATE

VAT

As from 1 January, 2004 the limit for simplified retailers' invoices was increased from £100 to £250. This means that provided the retailer's VAT registration number is shown on an invoice for £250 or less, then a separate VAT amount is not necessary. In these cases a VAT registered customer needs only to apply the 7/47 fraction to claim any input VAT.

National Minimum Wage

As from 1 October 2004, a national minimum wage for 16 and 17 year olds will be introduced. The new rate will be £3.00 per hour and will apply for all 16 year olds who are no longer of compulsory school age, and 17 year olds.

That untapped Profit Potential

We were recently working with a business that was unsure about how it should make the next progression from the start-up stage. Briefly it had successfully survived the first year, had created 36 customers who bought four times a year at an average spend of £1,800 per transaction. After allowing for the owner's commercial salary, the business had broken even. We took the owner through our unique profit potential analysis and identified three, easy to implement, strategic options that would improve the net profit to £42,000 by the end of the second year. The owner had already set himself a modest target for year 2, but was amazed to find that this could comfortably be exceeded. He was amazed at the clarity our analysis had provided for him and he left our office fired with enthusiasm for the next part of his business journey and saying that it was one of the most enjoyable business meetings that he had ever attended. He had been provided with a focus that had previously been lacking.

Some Things that may well be of interest to You

Firstly we are attaching a brochure promoting the third St Albans District Chamber of Commerce annual conference. Peter helped inspire the original conference in 2002 and has been a leading figure in the organisation of the subsequent 2003 and 2004 versions. This year's conference promises to be really worthwhile with our two local MP's sparring with each other over the Euro. Not only that, we have successfully engaged the services of Nigel Risner who is a leading expert in the art of Networking. The conference is open to Chamber members AND non-members, so if you are interested in attending, get your applications in to Tonia Harvey as soon as possible.

Secondly, did you know that Company owners could be prosecuted if one of their drivers is involved in a road accident? Sadly the incidence of road accidents is increasing so why not protect your businesses from increased costs and the incidence of disruption by having your drivers trained professionally by the incredibly nice people from Intelligent Defensive Driving. Their brochure is also attached. Peter has undertaken their training which has led to him achieving ROSPA advanced driver status. The skid pan training was an amazing and exhilarating experience in itself and well worth the investment made, including the dry cleaning bill for the slacks afterwards!! We are really pleased to recommend Mark Dowding and will guarantee that you will not be disappointed if you decide to use his services.

Peter