



Welcome!

It's good to know, that despite all the doom and gloom, there are still real success stories happening around and about.

Our newsletter this time highlights one such business, CAA, which has, in just half a dozen years, taken its particular industry by storm, already working with some of the top names in the fleet industry.

Perhaps we are all becoming so accustomed to bad news stories that we fail to see the businesses that are flourishing. The media was roundly blamed for talking up the crisis in which we find ourselves. That may or may not be true.

But one thing's for certain, if we can talk about our successes and start to believe in our ability to pull through, slowly but surely, confidence will return.

Best wishes

LBGROUP

WHAT'S NEW?

IPSWICH LAUNCH EVENT

It was one of the summer's few fine evenings, as LB Group's new Ipswich office was launched in style. The venue was one of the town's finest restaurants, The Galley. More than 30 business contacts from across the local business community gathered to enjoy a taste of the restaurant's signature Turkish menu, accompanied by raki and fine wines.



From left to right: Brian Scott of Gotelee & Goldsmith, Mike Carter of Lloyds TSB, John Jardine of LB Group, Victoria Judge of Gotelee & Goldsmith.

GOOD NEWS AS GOVT FUNDS HR ADVICE

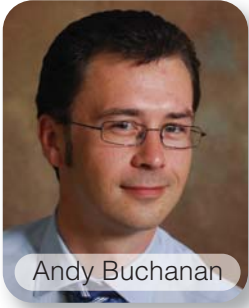
Thanks to funding from the Learning and Skills Council, we are now able to offer business owners the opportunity for a very cost-effective strategic review of their HR leadership and management. This includes a review of contracts and handbooks, including design of new ones where appropriate to suit the business, protect its interests, whilst ensuring they are legally compliant.

For instance, if new documentation costs £650, £575 of that is fully funded. This means that any company who wishes to take up the funding and meets the criteria (businesses with 5 - 249 employees, who have not previously claimed) can receive an HR review and updated, legally compliant contracts and handbook for only £75.

Further funding is available on a matched basis of £1,000 (i.e. £500 of HR support is available for free, or up to £1500 worth for just £500. This can include projects such as designing job descriptions, management training or an appraisal scheme, etc.

It can also be accessed in smaller amounts. This is ideal for business owners who may need only a set of employment contracts (normally costing £300, and you would just pay £50 to future proof your business).

For a referral, please speak to your usual LB contact.



Andy Buchanan

EXPENSES: FOR THOSE IN BUSINESS THE RULES ARE NOW CLEAR

When it comes to things like floating homes for ducks, adult movies and the like, the situation is clear. The only people who think they are a valid expense – one wholly and necessarily incurred as a part of their business – seem to be the MPs who tried to claim for them.

But what about the cost of food and drink employees buy while they're at work? Here, says Andy Buchanan, based in our Colchester office, the situation has been much more complex. Take the case of self-employed traders, for example. People have tried to convince HM Revenue & Customs otherwise, but it has been adamant – the cost of food they consume while at work can't be set against tax. They would have to eat anyway, so the expense isn't "wholly and exclusively" a result of their business.

There have been exceptions – the most common being that the costs of meals taken in conjunction with overnight stays in hotels have generally been tax deductible. Even though HMRC's rules prohibited the expense, case law showed that they were indeed deductible.

New legislation clears things up, both for the self employed and for employees. It allows "modest" subsistence costs associated with business travel to be claimed against tax provided the journeys themselves are "wholly and exclusively" made for business purposes.

The new rules are much clearer. They allow a "breakfast rate" of up to £5 to be paid to people who need to leave home earlier than usual and, specifically, before 6am. A "one meal rate" can be paid when people are away from their home or normal place of work for at least five hours – an amount that can be doubled if the period exceeds 10 hours. Finally, a "late evening meal rate" of up to £15 may be paid to those required to work later than usual, finishing after 8pm. If the employee regularly starts early or finishes late (e.g. due to shift patterns) then this allowance cannot be used.

There are a few caveats – people actually have to buy food and/or drink to claim, for example. Overall, though, the system is simple and straightforward. In order to benefit from the new arrangements, employers will still need to apply for a dispensation using the P11DX form.

However, these new arrangements should in no way be confused with expenses associated with entertaining, which is a whole area of regulation in itself.

Please contact Andy Buchanan, based in our Colchester office, on 01206 867551 or your normal LB Group contact if you need clarification.

HMRC SCAM: PLEASE TAKE NOTE

Fraudsters are targeting taxpayers with scam emails purporting to come from HM Revenue and Customs (HMRC) and advising of a tax refund. The "phishing" email asks the recipient to provide personal credit card information using a fake website.

Magnus Baird, of our Colchester office, says, "HMRC would not inform customers of a tax rebate via email, or invite them to complete an online form to receive a rebate of tax. If you receive an email of this nature, do not visit the website contained within the email or disclose any personal or payment information."

If in doubt, please speak to your usual point of contact at LB Group.

TAX TIMETABLE

5th Oct	Individuals/Trustees to notify HMRC of new sources of income in 2008-09 tax year if no Tax Return has been issued
19th Oct	Payment of any tax due on PAYE Settlement Agreements due for 2008-09 tax year
31st Oct	Deadline for manual submission of 2008-09 Tax Return using the HMRC's pre-printed form
31st Dec	Deadline for electronic submission of 2008-09 Tax Return if HMRC is to calculate the tax due, or if an employee/pensioner wishes their balancing payment to be collected by next year's tax code
31st Jan	Deadline for electronic submission of 2008-09 Tax Return Income Tax - balancing payment due for 2008-09 Tax and Class 4 NIC liability Income Tax - first payment on account due for 2009-10 Tax and Class 4 NIC liability Capital Gains Tax payable for gains in 2008-09
1st Feb	Penalty of £100 levied if 2008-09 Tax Return not filed
28th Feb	Deadline for payment of balancing payment of 2008-09 total Tax and NIC to avoid 5 percent Surcharge

LB GROUP HELPS CAA ONWARDS AND UPWARDS

For the last four years, we've worked with Countrywide Accident Assurance Limited (CAA), an Ipswich-based company.

Whilst established less than five years ago, already it's a market leader in outsourced claims handling. Amongst its clients are household names - Pizza Hut, KFC, BASF, Travis Perkins and Honda.

A key part of its success is its ground breaking software programme – CARAT - developed in-house.

Shrewd financial management has underpinned CAA's exceptional growth. Director, David Hayward, says the directors are very "hands on".

With a background in vehicle repairs, rather than finance, he and fellow directors, David Quance, Simon Bennett and Mark Collis, called in the help of LB Group at an early stage.

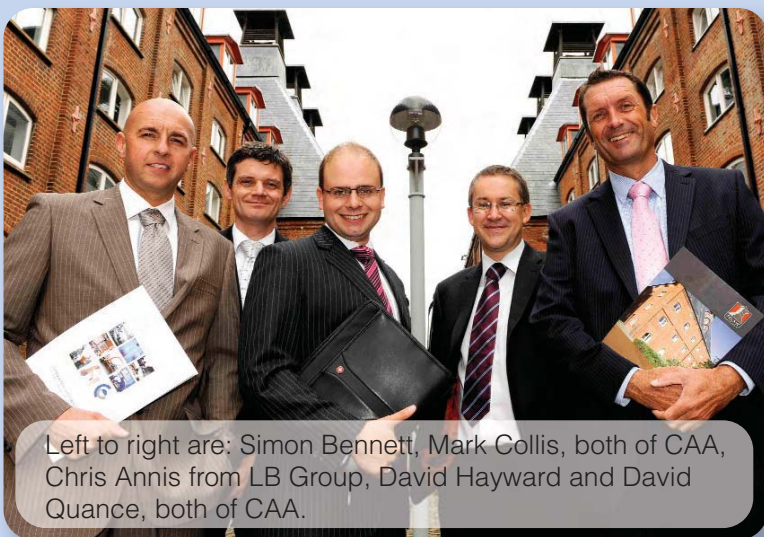
Chris Annis has ensured that not only is CAA fully compliant with accounts preparation but also that the company's and directors' tax affairs are as efficient as possible. He's also given advice on cash-flow projections, and helped recruit finance staff.

David Quance said, "At no stage have we wanted to borrow money, so we've kept a tight rein on expenses and cash flow. In our business there can be a long period between doing work and receiving payment."

"But also, when we win a new contract we like to hit the ground running. Clients don't want to wait until we've trained up a team, so having the extra staff in place from the start is important, which increases cost," he added.

David Hayward added, "Chris is clearly at home with young, ambitious companies and has helped us create a strategy that has allowed us to grow quickly, but in a controlled way."

CAA is shortly to move to brand new offices, tripling its ground space. We wish them continued success in their new home.



Left to right are: Simon Bennett, Mark Collis, both of CAA, Chris Annis from LB Group, David Hayward and David Quance, both of CAA.

NEW REQUIREMENTS FOR EMPLOYERS CONTRIBUTIONS TO PENSIONS



Henry Hayden

If you have five eligible employees or more, including directors, as things stand you need to offer a stakeholder pension. But that is about to change, says Henry Hayden, pensions adviser based at our Chelmsford office. They are being replaced with new Pension Personal Accounts and it is important that you understand the difference.

First and foremost, you will have to ensure that the existing scheme is a qualifying pension, that your administration systems are compliant and that all employees are automatically included.

So what does the new PPA mean to you and your business?

As an employer, your contributions must be at least three percent of "band earnings" (currently between £6,035 and £34,800). You can phase this in, starting at one percent in 2012 and increasing by one percent in each of the following two years. An auto-enrolment facility needs to be in place at the start of the 2012 tax year.

The employee will need to contribute four percent of salary unless choosing to opt out, and HMRC will contribute a further one percent in tax relief.

To find out more, and how you can meet these new regulations, call Henry Hayden, based at our Chelmsford office, on 01245 254780.

Business Payment Support Service – a reminder

If you're worried about meeting tax, NIC, VAT or other payments owed to HMRC, or even anticipate problems, you can call the Business Payment Support Line on 0845 302 1435. Alternatively, speak to your usual LB contact who can get in touch for you.

The sooner you make that call, the sooner an agreement can be reached. If payment isn't due yet, you can still ring the Support Line and nearer the time confirm your plans. We strongly advise you to contact them ASAP and not wait until payment is overdue.

LB GROUP NEWS

FOOTBALL TOURNAMENT

LB Group was an enthusiastic – if not altogether successful – participant in the Suffolk Chamber of Commerce football tournament during the summer.



With a team comprising four staff members and several clients, who could be prevailed upon to help save the company's honour, they missed out by a single point in qualifying for the semi finals. Nonetheless a good time was had by all!



LB SPONSORS KIDS WHO ARE REACHING FOR THE SKIES

LB Group is the new sponsor of the Ipswich Basketball Academy and coaching staff. The organisation, one of the most prestigious in the UK is committed to working with both schools and individuals to raise the standard of the sport in the run up to the 2012 Olympics and beyond.

Nick Drane, who leads the coaching team at the sports centre at Copleston High School in Ipswich, says that there are several talented players amongst the squad. Such is the academy's reputation that it recently featured on the BBC children's news programme, "Newsround".

Nick explained that he aimed to give children, often from underprivileged backgrounds, the opportunity to progress to professional level, whilst supporting their overall education through the high school.

Chris Annis, who champions the sport, said, "The work that Nick is doing is really outstanding. He has a knack of engaging with children and encouraging them to reach their potential. Some of these youngsters are already playing at international level, thanks to his hard work, and many more have the potential to scale the heights."

STAFF NEWS

We're delighted to welcome:

- Bradley Sinclair, who has joined our Colchester office as audit & accounts senior/supervisor
- Kat Milne, who has joined our Colchester office as payroll senior
- Kayne Harrison, who has joined our insolvency team in Chelmsford
- Marco Kammerlander, who joins our Stratford office as a trainee accountant

And to congratulate:

- Catherine Sawyer (Chelmsford) and Chris Light (Stratford) on recent exam successes



Bradley Sinclair and Kat Milne



Kayne Harrison

About us

Established in the 1960s, LB Group has offices in Colchester, Chelmsford, London and Ipswich. As such, it is well placed to look after the financial affairs of businesses and private individuals across the capital and throughout East Anglia. Experienced teams offer a great breadth and depth of expertise and experience. We pride ourselves on a practical, no-nonsense, jargon-free approach. Most directors of LB Group have worked for international firms of chartered accountants and in commerce and industry. They are widely experienced in finance, far beyond traditional accountants. Directors, individually, take overall charge of each client, working through team managers.

Specialist divisions include: LB Business Solutions, LB Wealth Management, LB Insolvency Services and LB Corporate Finance.

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