

ESSEX COUPLE ENJOY FRUIT OF THEIR LABOURS

David and Thea Dunn spent over 30 years building up a successful fruit farm on the outskirts of Manningtree in Essex. With a turnover of £1.75million, 12 acres of glasshouses and tunnels on 28 acres and customers including Tesco, Marks & Spencer and Sainsburys, they had established a very solid business.

But, as can often happen, the next generation was not keen to follow in the family's farming footsteps. So the Dunns wanted to negotiate a good price for the sale of the business, so they could enjoy a long and prosperous retirement. They turned to LB Group, their accountants for the past four years, to structure a sale that would achieve their objectives.

David explains, "It was a strange experience for us, because, of course, the buyer wanted to go into every aspect of the business: physical, financial and environmental. Thankfully we had great support from Trevor Lake, Chris Annis and Paul Mustoe who all did a great job for us. They guided us through the process very professionally and gave us the best possible advice."

As part of the deal, a share sale, the staff transferred to the new management. David and Thea have achieved their ultimate goals of a secure retirement to spend more time in their holiday home and with their children, whilst still maintaining an income through providing consultancy to the new owners.

LB BUSINESS SOLUTIONS



Bradley Borley

LB's Business Solutions division is growing fast under the management of IT expert, Anil Mahendra.

In recent weeks he and Paul Flaherty have been joined by an experienced support engineer – Bradley Borley – who will be staffing our helpdesk in the future. We are aiming to achieve the ISO 2000 standard for IT Service Management, which will underpin the quality and range of services we offer.

The service was launched a couple of years ago to offer a wide range of IT and networking solutions, alongside a range of complementary consultancy services, such as implementing workflow systems and technologies. We're now able to support Apple Macs running Windows applications too, thanks to the very latest virtual machine technologies.

For more information about our support packages, please see the Business Solutions page on the LB Group website: www.lbgroupltd.com.

STAFF NEWS

We're delighted to announce a string of exam successes amongst the LB team:

Sue Brown, who is now part-qualified following success in audit and tax exams. Sue received a First Place Prize from the East Anglian Society of Chartered Accountants for her performance in the Audit & Assurance paper of the Professional Stage examinations which were held in December

Kirsty Cottis has passed her ACCA qualification
Laura McCabe has completed her AAT Foundation
Daniel Perkins has completed his AAT Intermediate



Sue Brown

About us

Established in the 1960s LB Group has offices in Colchester, Chelmsford and Stratford, and so is well placed to look after the financial affairs of businesses and private individuals from London, through Essex, into East Anglia and beyond. Experienced teams offer great breadth and depth of expertise and experience with 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 accountancy. 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

How to contact us

Colchester office
82 East Hill, Colchester C01 2QW
Tel: 01206 867551 Fax: 01206 865976
Email: info@lbgroupltd.com

Chelmsford office
129 New London Road,
Chelmsford CM2 0QT
Tel: 01245 254780 Fax: 01245 254799
Email: info@lbgroupltd.com

London office
Number One
1 Vicarage Lane, Stratford
London E15 4HF
Tel: 020 8221 8282 Fax: 020 8221 8283
Email: info@lbgroupltd.com

www.lbgroupltd.com

No part of this newsletter is to be reproduced by any means without the express prior knowledge of LB Group. All information is believed to be correct at the time of going to press. LB Group accepts no responsibility for errors or omissions. This publication is for information only.

LB Group is registered to carry on audit work and authorised to carry on investment business by the Institute of Chartered Accountants in England and Wales. © LB Group Limited 2007.

LB Group Wealth Management Ltd are appointed representatives of Greyfriars Asst Management LLP, which is authorised and regulated by the Financial Services Authority.



Accountability
LB Group your accountable business partners

LB GROUP
Chartered Accountants
Business Advisors
Chartered Tax Advisers

Spring 2008

Welcome!

It's a common misconception that accountants lead fairly dull lives! We're characterised as lonely figures stuck in dark garrets, poring over figures and only lifting our heads occasionally to take in food and drink.

Actually, it's a long way from the truth in the modern day accountancy practice. Whilst we're still very reliant on skilled people, with a string of professional qualifications to their name, (and of course, the odd software programme) the work-life balance is pretty important to us too!

Indeed, two of our senior members, Richard Francis and Trevor Lake, are particularly keen on fresh air and exercise. This summer, they're both participating in sporting activities to raise money for charities.

Trevor is training hard for an Olympic distance triathlon: a 1500m swim, 42km bike ride and 10km run, all in aid of a testicular cancer charity, the Orchid Cancer Appeal.

Richard took part in the London Marathon. He's been training hard and hopes to raise substantial sums for St Helena Hospice in Colchester.

If you'd like to pledge your support then please fill in the coupon on page 3 of this newsletter.

Best wishes

LB GROUP

TAXPAYERS COULD SAVE £1BN ON INHERITANCE TAX

Nearly £1bn in Inheritance Tax (IHT) contributions could be saved if taxpayers only wrote life policies in trust, according to recent estimates from life insurer, Skandia.

According to Henry Hayden, our Independent Financial Adviser, the filling in of a simple form could make all the difference to thousands of people every year. When a life insurance policy pays out, it can often substantially increase the value of the estate of the deceased, which means that it is liable for Inheritance Tax.

"A trust form is no more than four pages long and doesn't take long to fill in at all. Yet, it means that the proceeds of life insurance policy are then excluded from the overall estate of the deceased. This in turn can dramatically reduce the Inheritance Tax liability," explained Henry.

"The other clear benefit is that writing a policy in trust ensures that payment is made quickly and to the right people. Delays all too often arise, whether the estate is liable for IHT or not," he added.

Life insurance can be purchased through a variety of routes, including the internet, independent financial advisers, or even off the shelves of supermarkets. It should be possible to write a life insurance policy in trust no matter how you purchase it, but by opting for an independent financial adviser, individuals are far more likely to buy a policy suitable for their needs, with the appropriate trust arrangement put in place.

Contact Henry Hayden in our Chelmsford office for more detail.

TAKE ADVICE TO AVOID CREDIT CRUNCH

All the indications are that money is harder to come by this year. For company directors, for whom PAYE salary is often a small part of the overall income package, mortgages can be difficult at the best of times.

Happily, the combination of our wealth management expertise and close working relationship with mortgage lenders means we're in an excellent position to help you achieve your financial goals. Speak to your regular LB Group adviser for more information.

What's new?

CAPITAL ALLOWANCES: PLAN AHEAD IF YOU CAN

Some wide-ranging Capital Allowances changes which were first announced last summer, and clarified in the 2008 budget are effective from April 2008. The impact on your business depends very much on your year-end date, but also on the level of capital expenditure involved.

If you think you may be affected and want to understand how the timing might impact on your tax liability, please get in touch with your usual LB Group contact.

More information and details about the new regime is available on our website: www.lbgroupltd.com.

ENHANCED CAPITAL ALLOWANCES: GO GREEN AND SAVE ON TAX

Enhanced Capital Allowances are a government initiative which enables businesses to claim 100 percent first year allowances if they make "green" choices. They are well worth considering, as the whole of the capital cost can be written off against taxable profits within the same period.

The schemes cover:

- Energy saving plant and machinery
- Low CO2 emission cars and natural gas/hydrogen refuelling infrastructure
- Water conservation plant and machinery

For more information, check out the government website: <http://www.eca.gov.uk/> or speak to your tax adviser at LB Group.

THE BUDGET: WHAT YOU NEED TO KNOW

No big surprises in this year's Budget. The Chancellor made most of the plans public in his pre-Budget statement long before he stood up in the House of Commons on March 12th.

If you're still unclear about its impact or would like more information to clarify your position, then please see our website for more information: www.lbgroupltd.com

PEP & ISA REFORMS

From 6th April 2008, the rules governing Individual Savings Accounts (ISAs) and Personal Equity Plans (PEPs) have changed. This means:

From the start of the new tax year you can subscribe up to £3,600 to a cash ISA (currently £3,000) and £7,200 to a Stocks & Shares ISA (currently £7,000), with an overall total investment of £7,200 per annum.

The terms Mini ISA and Maxi ISA disappear. Instead you may subscribe to a Cash ISA or a Stocks & Shares ISA.

PEPs become ISAs: all existing PEPs will automatically become Stocks & Shares ISA's and will be subject to the ISA rules.

You can transfer some or all of your money saved in Cash ISAs to Stocks & Shares ISAs without affecting your annual ISA subscription allowance. However, you cannot transfer cash from a Stocks & Shares ISA to a Cash ISA.

SAGE TRAINING

At LB Group, our clients often ask questions such as how to post entries or generate reports on their computerised accounting packages.

So that we can assist, we're looking at running a series of fairly-informal training sessions for anyone using SAGE, the most widely-used accounting package. (As authorised dealers and regular users, you can be sure we're in a strong position to help!)

Content will include a general overview, how to get the best from the programme, completing monthly tasks, etc. As such, the courses are aimed at either beginners or those with existing experience of SAGE.

If you're interested, please email Stuart Sheldrick at stuart.sheldrick@lbgroupltd.com or phone him on 01245 254780. We're confident that the nominal charge for attendance will quickly be recouped in time savings around your office!

TAX TIMETABLE

6th April	New Tax year begins
19th April	Deadline for the payment of any outstanding 2007-08 PAYE and Class 1 NIC (Interest will be charged on any payments received after this date)
1st May	Change in VAT Scale Charges for private motoring
19th May	Last day for filing 2007-08 PAYE Returns P14, P35, P38 and P38A
31st May	Last day for the issue of Forms P60 to employees
5th July	Last date for the Revenue to receive the Tax Credit claim to enable a full years credit to be given for 2008/09 (The Inland Revenue will only backdate a claim by three months)
6th July	Last day for Employers to send Forms P9D and P11D to Revenue and issue copies to employees
19th July	Payment of Class 1A NIC due on relevant benefits provided to employees for the year 2007/08
31st July	Income Tax - Second payment on account due for 2007/08 Tax and Class 4 NIC liability
30th Sept	Deadline for manual submission of 2007/08 Tax Return if the Revenue are to calculate the tax due, or if an employee wishes their balancing payment to be collected by next year's tax code.
5th Oct	Individuals/Trustees to notify HMRC of new sources of income in 2007/08 tax year if no Tax Return has been issued
31st Oct	Deadline for the submission of manual 2007/08 tax returns

IMMIGRATION, ASYLUM & NATIONALITY ACT 2006: YOUR RESPONSIBILITIES

Tough new measures have been introduced to prevent illegal working, placing onerous responsibilities on employers. In summary:

Fines of up to £10,000 for each illegal worker found on the premises. This applies whether or not the employer was aware of their illegal status

If it can be proved that the employer knowingly employed an illegal worker, then the fine could be unlimited (or a prison sentence handed down)

To have a successful defence (or statutory excuse), employers must:

- Have checked and copied original documents and stored them securely
- Have carried out visual checks to ensure that the documents apply to the employed individual e.g. photograph and date of birth correspond to their appearance and apparent age

FEE PROTECTION INSURANCE

With HM Revenue & Customs opening more tax enquiries than ever, covering yourself against the professional costs of dealing with enquiries is increasingly important.

In our experience, tax enquiries are not only time-consuming, but they often prove expensive. Worse still they can have a big impact on the day to day running of your company.

We can arrange a comprehensive insurance programme, arranged through Professional Fee Protection (PFP) which can protect you against the impact. The standard policy insures against the cost of full enquiries, and for an additional premium, cover can be obtained against the more commonly opened aspect enquiry.

The premiums are based on the size of your business and also your previous experience with tax enquiries.

We've opted not to receive any commission on this insurance, instead passing the benefits to you, our clients, who in turn receive lower premiums.

A TOAST TO JIM SHERINGHAM

Jim Sheringham, commercial manager at Royal Bank of Scotland, was the winner of a magnum of champagne, as pledged in our last newsletter

I'd like to support Richard Francis and Trevor Lake to raise money for St Helena Hospice and for the Orchid Cancer Appeal.

I'd like to pledge £

My name:

My job title:

My address:

My telephone number:

My email address:

Please make cheques payable to: LB Group Limited Charities Account.

Details of money raised will be published in our next newsletter.