

the bottom line

Issue 1



Welcome to our newsletter

Welcome to the first issue of **The Bottom Line**, the new quarterly newsletter from Meades & Company. We decided to launch **The Bottom Line** to keep our clients and contacts up to date with news and gossip about what's happening both within Meades & Company and within the world of accountancy and business development.

Fear not though, we too recognise that so many accountants have a reputation for being

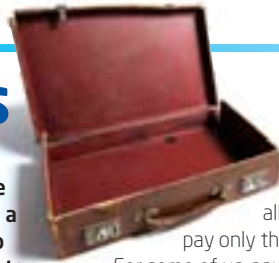
dull and uninteresting! Over the coming months then, we hope to demonstrate how we differ from a typical grey-suited firm by sharing our ideas, youth, energy and enthusiasm with you.

We're open to suggestions though and are eager to know if there are things in particular that you would like to see covered, as well as any comments you wish to make about any of the content. If so, then please do email us at experts@meadesandco.co.uk

Budget news

With the emergency budget behind us, taxpayers and businesses need prepare themselves for what's likely to become a tax war whilst the Government turns to higher taxes and fewer public services, to help reduce the UK's debt.

That's why we want our clients to be prepared. Prepared for higher income tax, VAT and capital gains tax; prepared for reductions in state benefits; prepared for the decimation of tax incentives for business investment; prepared for an increase in unemployment; and prepared for the very real risk that austerity measures both here and abroad will lead to a double dip recession.



In view of the additional financial burden being imposed on us all, our advice is to ensure that you pay only the legal minimum amount of tax.

For some of us, paying more than the legal minimum could mean a reduction in living standards, and working longer to build up the same retirement fund.

With tax saving strategies, one of our areas of specialism, clients can be assured they won't be paying more than the legal minimum amount of tax. However, if you think some of your business contacts aren't in the same fortunate position, we'd be more than happy to offer them a free review.

We believe that given the right advice, there's always something more that can be done.



Budget key points

- Corporation Tax to fall by 1% from 1 April 2011
- Annual Investment Allowance reduced from £100K to £25K from 2012
- VAT rate to increase to 20% from January 2011
- Capital Gains Tax rises to either 18% or 28% according to income level

Did you know...

We recently said goodbye to Shirley Ellett, who after 22 years with Meades & Company, decided the time had come to pack up work and instead to spend time focussing on that famous 'things to do when I have time' list that most of us will recognise.



Before she left though, we couldn't resist asking about how the business had changed since Paul's father Brian Meades, originally ran the company.

So, for those of you that don't already know, before moving to our current offices in Watford, the business occupied a terraced cottage on Rickmansworth high street.

According to Shirley, these offices remained in their original state, other than a tiny kitchen that was subsequently added to the back of one of the buildings and a newly constructed internal wall that provided a corridor. Downstairs comprised four modestly-sized rooms and four further small offices above. Staff simply comprised of Brian and another accountant together with three part-time secretaries/administrators.

When Paul joined the company some 15 years ago however, he not only computerised the business but five years later, took over the firm from his father. A further seven years down the line and Meades & Company had developed to such a size that it had outgrown its premises. With Paul at the helm, we moved to our purpose-built offices in Watford - "with free parking and much improved facilities," Shirley eagerly pointed out.

And the rest is history. Since moving to The Metro Centre, according to Shirley, the business is 'unrecognisable'. Not only is its day to day running far removed from years ago, but Paul has introduced numerous systems that benefit both clients and staff, developed a clearly defined career structure whilst also ensuring that the very latest in accountancy software is always in place.



Cyprus 2010 tax conference

We are delighted to say that our early summer tax conference, which this year was held close to Protaras, Cyprus, was a resounding success. Attended by a number of our clients from the waste management and building and

construction industries, the event focussed on the launch of several tax saving strategies, designed by us to help businesses significantly lower their tax liabilities. Please call the office for further information..

Contractor, freelancer, consultant?

If you are a contractor, freelancer or consultant and run a limited company, then look no further. Our recently launched Contractor Service is designed to magically increase your net income from 75%, to up to 85% and that's after tax and accountancy fees - and all for a fixed price of £95 + VAT per month!

What's more, the service includes preparation of year-end accounts and corporation tax, IR35 reviews, bookkeeping and VAT returns, payroll, annual return completion, dividend services and personal tax return completion. We're also offering each client a dedicated manager to handle all admin



associated with running a limited company as well as paperwork, form filling and spreadsheets.

If you're looking to free up valuable revenue earning potential, then look no further!

Spy Games



Our recent team building event held at Spy Games HQ in Milton Keynes on Friday 18 June was a roaring success! At 11.30am, with rain chucking it down outside, 13 of our 17 staff piled into their cars and made their way to the ultimate world of Spies and Secret Agents to take part in spy training, using surveillance gadgets and spy weapons.

Once the competition rules, events and activities had been explained (basically the team that earned the most imitation dollars throughout the day would be crowned winner) we divided into two teams, to become known as 007 and Thundercats.

By 2pm, full of energy and enthusiasm following a scrumptious buffet lunch, we headed off for three hours of ultimate fun thanks to team building games that included axe throwing, mortar attack, code breaking and laser challenge.....to name but a few.



With team 007 having collected the most 'dollars' throughout the afternoon, at 5pm we were called to a presentation ceremony, where each winning team member received a trophy!

Presentations over and 13 wet and bedraggled yet happy staff members piled back into their vehicles en route for an overnight stay at nearby Horwood House Hotel. Oh and although it seems a lifetime ago now, we sat on the edge of our seats watching England draw with Algeria. Enough said. The rest of the evening was spent at the bar drowning our sorrows.

Such was the success of the day, we're now hoping to arrange a company-wide activity every quarter! Whoever said accountancy firms were boring!



What I think is...

Paul Meades has his say



Some of you may still be unaware of an extremely clever and convincing scam, supposedly from HMRC that is currently doing the rounds. How it works is that a client will receive an email (sometimes even signed off 'kind regards', which is not typical HMRC jargon!) or telephone call even, from someone purporting to be from HMRC telling you that you are due a tax refund. Everything about it seems genuine, reference numbers are quoted and HMRC logos attached to the email. But here's where it all goes wrong, they ask for bank account details, something that HMRC would never do. Whatever you

do, please, please don't hand over any details and don't even visit the website contained within the email, as you will be linked to a fraudulent site.

Remember, HMRC doesn't send emails or make calls regarding tax rebates. It will only ever write both to the person and to the accountant. So for the first of my regular 'what I think is' column, I think anyone who receives a call or email from:

*refunds@hmrc.gov.uk
info@hmrc.gov.uk
attached.form@hmrc.attached.gov.uk
service@hmrc.gov.uk
hmrcrefunds@hmrc.gov.uk
refundsdept@ir-efile.gov.uk
noreply@notifications.gov.uk
customers@hmrc.gov.uk
taxcredits@hmrc.co.uk
notice-hm@hmrc.gov.uk
securemail@hmrc.gov.uk
hmrc@tax-revenue.uk
tndrftnpcb@aol.com*

should report it straight away to phishing@hmrc.gsi.gov.uk or go to www.hmrc.gov.uk/security/examples.htm for information on the latest scams doing the rounds.

Don't get caught out

New HMRC regulations mean tax payers can now be fined up to 30% of tax owed for careless mistakes, and up to 100% for errors that it believes to be deliberate.

Under new penalty regulations, a recent tax payer that tried to reclaim £3000 in overpaid tax that he believed was owing to him for the year to April 2010, was fined £1400 by the revenue after it calculated the tax payer was owed £1000.

With the HMRC now imposing fines for honest mistakes and with calculating tax rebates a specialised process, being represented by an experienced adviser has become more and more critical. .

magic numbers

£90,000

the amount of additional tax the average household will need to pay over the next five years



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