

# Fox Facts Issue 7 Summer 2011

## Contact Details:

Kilby Fox  
4 Pavilion Court  
600 Pavilion Drive  
Northampton Business Park  
Northampton  
NN4 7SL

Tel: 01604 662 670  
Fax: 01604 662 681  
Email: [advice@kilbyfox.co.uk](mailto:advice@kilbyfox.co.uk)  
Web: [www.kilbyfox.co.uk](http://www.kilbyfox.co.uk)



## Seasonal Kilby Fox News

All the Partners and Staff here at Kilby Fox hope you enjoyed the Easter Break and the Royal Wedding! In our quarterly spot we bring you some news that may be of interest to you.

### Staffing

With this issue we welcome Anna to the Kilby Fox team. Anna has joined us as a Marketing and Administration Assistant with a view to growing our Marketing Department. Anna is fitting in well and I'm sure will be speaking with many of you very soon.



### Helping Local Groups

The Spinney Hill Swim Club have recently asked Kilby Fox to sponsor a team banner. The swim club meet at Northampton School for Girls and compete all over the Midlands. The team have been established for five years now and thought it would be a good idea to have a banner to take to their galas so that they can be recognised. Good luck to all in the team, we hope to come along to some of your next races for moral support!

### Examination Time!

Good luck to all who are due to sit exams this summer. We again have a number of staff sitting exams this year and will let you know how they fared in the next issue of Fox Facts! If you would like to congratulate anyone in particular in our next issue, please do not hesitate to contact us on 01604 662 670.



### Sponsored Leg Wax!

Lee Thompson, son of our Payroll Manager, Gerry Thompson has recently raised over £1200 in aid of Myasthenia Gravis Association - National Childrens Branch, by taking part in a sponsored leg wax.

Lee, aged 16 has suffered with this condition since the age of 10, when doctors diagnosed him with the condition, they told him he would never be able to swim a mile. Lee decided to prove them wrong, swimming 4 times a week, and competing at County level. Myasthenia Gravis (MG) is an auto-immune disease which affects the muscles. The body's immune system produces antibodies that attack and damage the nerve signal reception areas on the muscles - causing a breakdown in communications between the nerve and muscle. This results in a loss of muscle strength. The weakness commonly affects the muscles of speech, swallowing, eyes or breathing, as well as the legs and arms. It is rare - one in 10,000 - but even rarer in children. The cause is not known.

For more information on MG, please visit [www.myasthenickids.org](http://www.myasthenickids.org). Congratulations to Lee from all at Kilby Fox!! Keep up the good work.

## Spring Clean Frock Swap



Over 70 women with a passion for fashion flocked to the Northamptonshire Community Foundations (NCF) very first Spring time Frock Swap on March 31st - swapping shoes, accessories, suits, dresses and more. The Highgate House event raised just over £1,000 for the Foundation. As this event was such a success, the NCF are planning to hold another Frock Swap on October 13th 2011, again at Highgate House. If you would like to come along, a donation can be made via the "Just Giving" page <http://www.justgiving.com/NCF> all you need to do is print the receipt and bring it along with you on the day. Once your details have been registered, you will receive up to date instructions and information nearer the time via email. For more information on the Frock Swap or what the NCF are doing in your area, you can contact Jessica at [jessica@ncf.uk.com](mailto:jessica@ncf.uk.com) or on 01604 230033.

If you would like to receive earlier editions of Fox Facts please contact Gemma on 01604 662 670

# Fox Facts



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### Kilby Fox Accountants & Business Advisers

Kilby Fox  
(Financial Services) Limited  
Kilby Fox  
Forensic Accountants

4 Pavilion Court  
600 Pavilion Drive  
Northampton Business Park  
NN4 7SL  
Tel: 01604 662 670  
Fax: 01604 662 681  
Email: [advice@kilbyfox.co.uk](mailto:advice@kilbyfox.co.uk)  
Web: [www.kilbyfox.co.uk](http://www.kilbyfox.co.uk)

**Welcome to the current edition of Fox Facts!** We hope you enjoyed the Easter holiday and the extra bank holiday for the Royal Wedding. In this issue you will find several important topics and articles which we hope will be of interest to you! If you would like any further information on any of the subjects covered in this quarter's newsletter, please do not hesitate to contact us on any of the contact details listed below. We also welcome any feedback you may have on the subjects covered in this issue and any other comments you may have. Also, if there are any subjects you would like us to cover in our next newsletter or you would perhaps prefer to speak to someone about a particular subject, please email [advice@kilbyfox.co.uk](mailto:advice@kilbyfox.co.uk) with a convenient time slot and the relevant person will call you.

### 50,000 Business Records Checks to be conducted annually for the next 4 years

HMRC published a Consultation Paper on 17th December announcing that they intend to start a programme of Business Records Checks (BRCs) that will review both the adequacy and accuracy of business records within the SME sector.

No-one should think that HMRC are consulting about whether they should go down their chosen path, this programme of checks will happen. Starting in the second half of this year HMRC expect to do 50,000 reviews each year for the next 4 years. This Consultation is merely concerned with how to implement the programme.

It is no secret that the Treasury needs more money and so it is the intention that the BRC programme will include a penalty regime for failure to keep proper records. And the maximum penalty will be £3,000. We don't yet know at what point the Revenue will determine that a penalty for failure to maintain business records will kick in, nor do we know how they will structure the penalties. But we do know that HMRC expect to raise £600million over the next four years.

The Revenue have said that they will target businesses for an initial Records Check which they will want to undertake on your premises so that they can speak to you about your business. If your records are deemed inadequate, not only will a penalty be charged, but it gives the Revenue the opportunity to come back and make a further, more in-depth investigation into your business and, potentially, your personal financial affairs. We have always advised clients that, as far as the Taxman is concerned, you stand or fall by your



Clive Adkins, Partner

records; if HMRC find them wanting it may be difficult to avoid a penalty purely for the quality of your records. The good news is that the Kilby Fox Tax Investigations Service will pay for our fees to ensure that you are fully represented at a Business Records Check and where the Records Check leads to a more intrusive HMRC investigation, we can also claim on our insurance policy for the fees to defend you.

Nevertheless, the key to running a successful business is getting the basics right in the first place - if you follow our advice about record-keeping, you will avoid a penalty because your records will be adequate. And if they can't find anything wrong with your records, you may well avoid the hassle and distress of an investigation as well.

If you are concerned about your records, please contact me on 01604 662670 as soon as possible and let someone else worry about penalties.



### Plumbers Tax Safe Plan

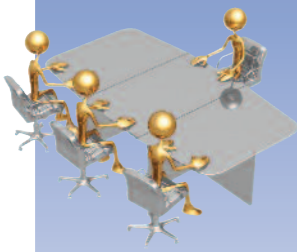
HMRC have introduced the Plumbers Tax Safe Plan. This is the latest of HMRC's disclosure opportunities and follows on from the doctors and dentists disclosure facility.

According to the HMRC website:

'The Plumbers Tax Safe Plan (PTSP) is designed for people working within the plumbing industry who have not told HM Revenue & Customs (HMRC) about all their income in the past and who now want to get back on track. It is intended to cover people who work (or worked) in the plumbing, heating or gas installation trades and this includes anyone who installs and repairs pipes and fixtures for water, drainage or gas systems in a building.'

If you would like any more information on the PTSP please do get in touch on 01604 662 670.

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## The Hunt for Talent

Despite record unemployment levels resulting in increased numbers of applicants to vacancies there appears to be an increasing skills gap. The last 2 years has seen a period of reduced training and development which combined with an understandable reluctance for talented / qualified employees to look externally for a new position has resulted in employers finding it more difficult than ever to appoint a member of staff. When faced with a high volume of applications employers must adapt their selection process to hunt out the most talented applicants and avoid hiring candidates

looking for stop-gap roles, pay increases and other poorly motivated reasons for changing roles. If an employer is recruiting in this climate then it is clearly essential they employ the right person first time. To achieve this, employers need to be carefully assessing and matching candidates experience, behaviours, competencies and motivations to a clearly defined role. Easier said than done when you have 100 applicants for one role, however using the right techniques and tools can make the process far more straightforward. Tools such as competency frameworks and interviewing techniques can help to clearly define the role and enable you to gain a picture of a candidate's past experience and a true indication of their likely future performance. When combined with personality profiling tools such as SHL's OPQ you have a powerful assessment package which gives you all the information you need to make a clear, unbiased and rational decision, particularly when faced with candidates who, on paper, may look very similar or are particularly good at being interviewed yet may not have the strongest skills. As an SHL Partner Wavelength Employment Services is able to advise on and deliver a variety of personality and ability testing tools as well as providing In-house recruitment services; the design and delivery of competency frameworks and competency based interview training. To find out more please contact Wavelength Employment Services. Call 0800 432 0736, email [info@waverecruit.com](mailto:info@waverecruit.com) or visit [www.waverecruit.com](http://www.waverecruit.com)



## Implementation date announced for the Bribery Act 2010

At the end of March 2011, the Justice Secretary, Kenneth Clarke announced that the Bribery Act 2010 will come into force on 1 July 2011. The new Act replaces, updates and extends the existing UK law against bribery and corruption. This important new legislation:

- introduces a corporate offence of failure to prevent bribery by persons working on behalf of a business. A business can avoid conviction if it can show that it has adequate procedures in place to prevent bribery;
- makes it a criminal offence to give, promise or offer a bribe and to request, agree to receive or accept a bribe either at home or abroad. The measures cover bribery of a foreign public official; and
- increases the maximum penalty for bribery from seven to 10 years imprisonment, with an unlimited fine.

The introduction into law of the new corporate offence of failure of commercial organisations to prevent bribery is an important development that essentially requires all businesses to consider the requirements of the new Act. This new corporate offence is coupled with a defence where, if the business can show that it had 'adequate procedures' in place to prevent bribery, it can be protected from committing the new criminal offence.

All businesses should now familiarise themselves with the statutory guidance and begin to assess the risk of bribery occurring in the business. The extent of any further action will be dependent on the results of this risk assessment.

The Act also requires the government to produce guidance on what constitutes 'adequate procedures' and the Ministry of Justice has produced this.

If you would like more details on this Act please do get in touch.



## £1.3 million tax credits identity thief jailed

Olaide (John) Taiwo, aged 35, has been jailed for his part in stealing the identities of at least 350 people and using the identities to submit over 300 fraudulent tax credit claims.

A woman who also took part in the fraud was also convicted. She will be sentenced in April. Richard Young, Senior Investigating Officer for HMRC said:

'This pair blatantly hijacked the identities of over 350 innocent people and stole from British taxpayers by submitting over 300 fraudulent tax credit claims between June 2004 and July 2008. They deliberately attacked and abused a system designed to provide financial help to the most vulnerable people in our society. The sentences given will be a warning to anyone considering committing this type of fraud - it will not be tolerated. HMRC will pursue, prosecute and reclaim the financial gain from those found to commit these types of crime. I urge anyone who has information about Tax Credits fraud, to call the National Benefit Fraud Hotline on 0800 854 440 and help us stamp this fraudulent activity out.'

Upon sentencing Taiwo, His Honour Judge Simon Davis said:

'This is a fraud on a substantial scale. You lied and sought to manipulate with ease and confidence and with an arrogance that was astonishing. You were intimately connected with every aspect of the fraud, stealing real details of real people to commit identity fraud on the large scale.' As part of the investigation, a search of his home uncovered evidence of the fraud taking place, including details of numerous bank accounts held in the defendants' names and aliases, plus documentation which held hundreds of innocent people's identities. HMRC investigators also seized £70,000, which is believed to be proceeds of the crime.



## Online VAT returns

HMRC have confirmed that all businesses will have to complete online VAT returns and pay their VAT liabilities electronically from April 2012. Currently many businesses have to comply with these rules. However smaller businesses, registered prior to 1 April 2010 with an annual turnover of less than £100,000, can currently complete paper VAT returns and pay by non electronic means. If you would like any help with VAT matters please do contact Gemma on 01604 662 670.



## Cheque Guarantee Card Scheme to End

It has been announced that the Cheque Guarantee Card Scheme will come to an end. The closure of the Scheme means that it will no longer be possible to guarantee a 'domestic' cheque using a card after 30 June 2011. The decision to close the Scheme was taken by the Payments Council as guaranteed cheque use is in decline. The end of the Cheque Guarantee Scheme does not necessarily mean the end of cheques as businesses may



continue to accept them if they choose to do so. However businesses that currently accept cheques with a guarantee card may wish to look into alternative payment methods.

## Construction site visits

The Health and Safety Executive (HSE) are advising that they are currently carrying out a series of inspection visits of construction sites. The visits, which are unannounced, form part of an 'intensive inspection initiative aimed at reducing death and injury in one of Britain's most dangerous industries'.

According to the HSE, during 2009/10 42 workers died while working in construction. They intend to target the key areas which led to deaths in 2009/10 which were refurbishment, repair and maintenance activities. Other areas subject to review include ensuring that sites are managing work at height safely, the risk of exposure to asbestos and that sites are generally in good order.

Philip White, HSE's Chief Inspector of Construction, said:

'This will be the fifth year that we have run the inspection initiative across Britain and we anticipate that that there will be examples of both good and bad practice - those where employers are taking all the measures they can to protect their workers and those where safety is way down the list of priorities.'

A lax attitude to health and safety in one of the more dangerous industries is not acceptable, especially when many of the incidents are completely avoidable by taking commonsense actions and precautions. As we've demonstrated in previous years, we will not hesitate to take action if we find poor practice that is putting the lives of workers at risk.

This year, as part of ensuring risks from asbestos are properly managed, we will also be checking that, where appropriate, asbestos surveys have been carried out prior to any refurbishment work.

Many workers believe that, because asbestos has been banned as a building material, it's no longer a threat to them. But that simply isn't true. Any premises built or refurbished before 2000 could contain asbestos.'

## P11D Deadline Looming

The forms P11D, and where appropriate P9D, which report employees and directors benefits and expenses for the year ended 5 April 2011, are due for submission to HMRC by 6 July 2011. The process of gathering the necessary information can take some time, so it is important that this process is not left to the last minute.

Employees pay tax on benefits provided as shown on the P11D, either via a PAYE coding notice adjustment or through the self assessment system. In addition, the employer has to pay Class 1A National Insurance Contributions at 12.8% (for 2010/11) on the provision of most benefits. The calculation of this liability is detailed on the P11D(b) form. If you would like any help with the completion of forms P11D or the calculation of the Class 1A liability please get in touch.

For monthly updates and tax reminders, why not register free of charge at [kilbyfox.co.uk](http://kilbyfox.co.uk)

A journey of a thousand miles begins with but a single step.

Anon