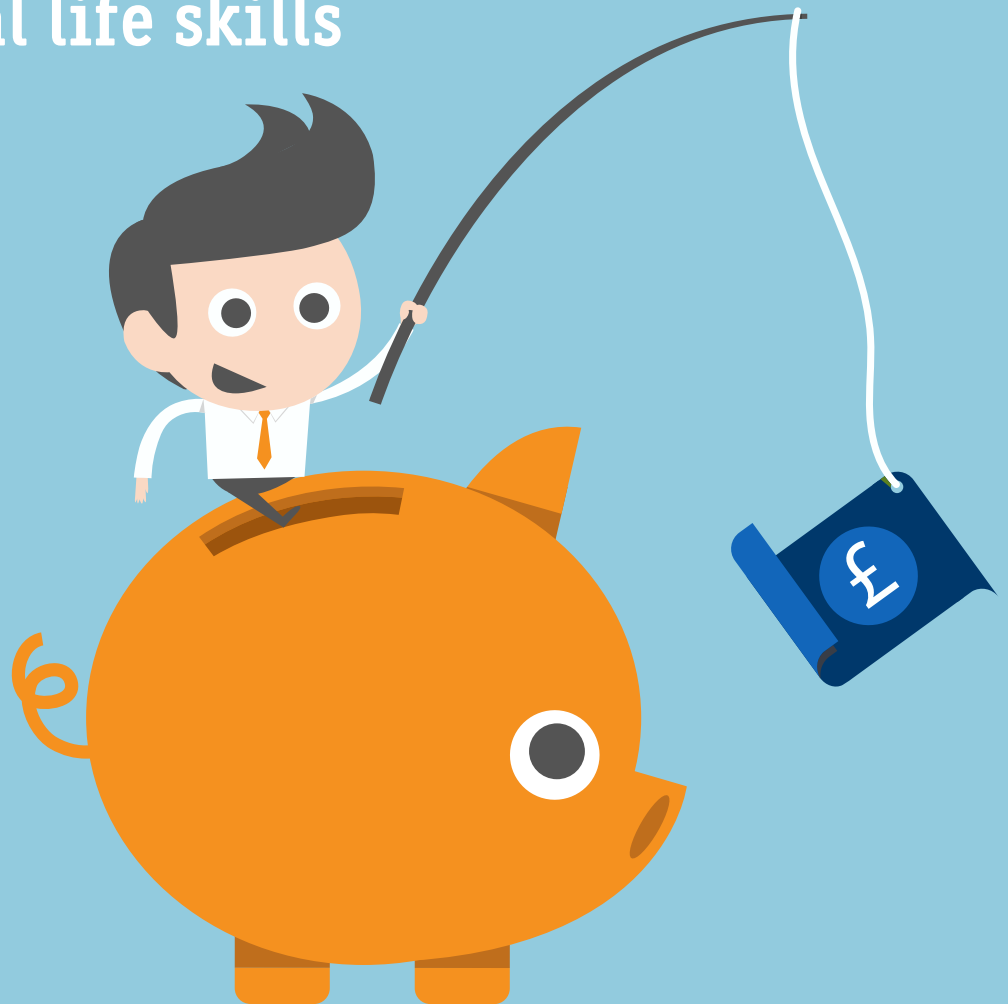


KIDS & CASH

Why teaching children the value of money from an early age equips them with essential life skills



PLUS... DEAL NEWS, BUDGET UPDATE, PENARTH'S "BID" BID, Q&A...



**The
Lowdown:
Crowdfunding**
PAGE 8



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Credit
Ratings**
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**Marketing
Mastery:
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PAGE 12



PRIDECYMRU

CARDIFF | 2014

GET INVOLVED

**5 WAYS TO GET RECOGNISED AT WALES' LARGEST
CELEBRATION OF EQUALITY AND DIVERSITY**

[1] SPONSOR PRIDE

[2] BOOK A STALL

[3] ADVERTISE WITH US

[4] JOIN THE PARADE

[5] JOIN THE CONVO

FOLLOW @PRIDECYMRU

Saturday 16th August 2014 | Coopers Field

pridecymru.co.uk

Editor's Notes

Several points of positive economic note have been released since iNstight last went to press. On a local level, it was announced that the Small Business Rate Relief Scheme will be extended in Wales until March 2015, supporting small firms across Wales to boost businesses and encourage growth. Secondly, unemployment in Wales fell to 6.7% in the last quarter, lower than the UK as a whole, and finally, exports from Wales also surpassed UK figures, with exports from the Principality having increased 11.2% in the past year from Wales, as opposed to just 0.4% for the UK as a whole. Proof in several ways that small can indeed be mighty...

On the wider UK front, in a statement released at the end of April, the Chancellor announced that the economy has grown at its fastest

rate in six years over the past year, and that for the first time in a decade all three main sectors of the economy - manufacturing, services and construction - have grown by at least three per cent in the last year. In services all four main components of the sector demonstrated growth.

It's not just the larger organisations which are benefiting from a rosier economic outlook. An April report by Bibby Financial Services indicates that small business output during the first quarter of 2014 is the highest since 2014.

Keep in touch with us on Twitter (@penarthaccounts) and Facebook/EvansEntwistle and we'll continue to keep you updated on all economic trends, as well as a host of other issues - and if you haven't already done so, please do subscribe to our

monthly accounting and tax tips e-zine...just sign up on the website homepage.

In the meantime, we hope that you enjoy this issue of iNstight magazine - as always, we've covered a broad range of business topics, but if there is anything in future which you would like us to feature, then please do not hesitate to contact us on mail@evansentwistle.co.uk

Kind regards

Lisa

Follow editor Lisa on LinkedIn for regular news & views

Also follow us on Facebook [facebook.com/EvansEntwistle](https://www.facebook.com/EvansEntwistle) and Twitter [@PenarthAccounts](https://twitter.com/PenarthAccounts)



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Business Bites

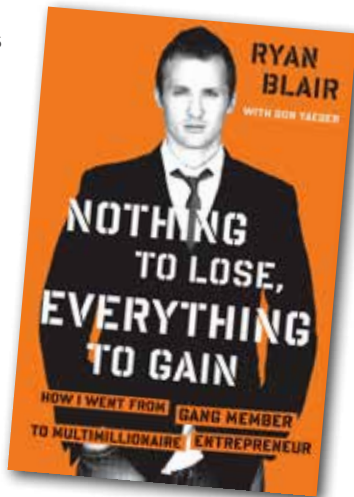
Our round up of the latest reads, hottest apps and best sites to help you manage your business...

Bookshelf

This issue we've previewed two inspiring tomes – one a tale of rags to riches, the other of prosperity to....pencils!

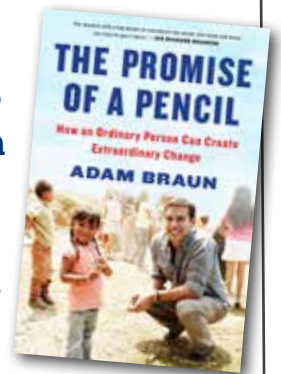
Nothing to Lose, Everything to Gain: How I Went from Gang Member to Multimillionaire Entrepreneur

The incredible story of a gang member who became a multimillionaire CEO. Ryan Blair's middle-class upbringing came to an abrupt end when his father succumbed to drug addiction and abandoned his family. Blair and his mother moved to a dangerous neighbourhood, and soon he was in and out of juvenile detention, joining a gang just to survive. Then his mother fell in love with a successful entrepreneur who took Ryan under his wing. With his mentor's help, Blair turned himself into a wildly successful multimillionaire, starting and selling three companies worth hundreds of millions of dollars. This book will inspire and guide people who are willing to do whatever necessary-hard work, long hours, sweat equity-to take their vision from paper to pavement. Blair gives readers a road map for successful entrepreneurship. www.ryanblair.com/book



The Promise of a Pencil: How an Ordinary Person Can Create Extraordinary Change by Adam Braun

The riveting story of how a young man turned \$25 into more than 200 schools around the world - and the guiding steps anyone can take to lead a successful and significant life.



Adam Braun began working summers at hedge funds when he was just sixteen years old, sprinting down the path to a successful Wall Street career. But while traveling he met a young boy begging on the streets of India, who after being asked what he wanted most in the world, simply answered, "A pencil." This small request led to a staggering series of events that took Braun backpacking through dozens of countries before eventually leaving one of the world's most prestigious jobs to found Pencils of Promise, the organization he started with just \$25 that has since built more than 200 schools around the world. The Promise of a Pencil chronicles Braun's journey to find his calling, as each chapter explains one clear step that every person can take to turn your biggest ambitions into reality, even if you start with as little as \$25. His story takes readers behind the scenes with business moguls and village chiefs, world-famous celebrities and hometown heroes. Driven by compelling stories and shareable insights, this is a vivid and inspiring book that will give you the tools to make your own life a story worth telling. www.adambraun.com/book/. Available on Kindle.

Pin This!

For everyone who has had a bad day...there's always tomorrow...

DON'T LET
YESTERDAY
TAKE UP
TOO MUCH
OF TODAY

*"Listen. Take the best.
Leave the rest"*
- Richard Branson

App-solute Genius



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DocuSign helps businesses of all sizes easily and securely sign, send, and manage documents in the cloud, with unmatched availability and legal enforceability. Quicker, and better for the environment than printing all that paper! Avoid the ink and sign up for any mobile device via www.docuSign.com



Plenty to say when you're on your way?

Whilst we'd all appreciate having our very own Miss Money Penny on hand, having a full time PA is but a dream for most small business owners. Fortunately, Nuance's Dragon Dictation iPad app can make it a reality (of a fashion...) by taking all of your on-the-move dictated notes and, using voice recognition software, recreating them as documents, emails or social media posts. The only downside to this effortlessly easy and impressively accurate app is that your iPad must be connected to the Web to work. Dragon Dictation is free from the App store.

Wonders of the web

If you want to know about a great website...ask a great web designer! Chris Gardner from WebjectS says: "A great tool for both start-up businesses – as well as those looking to minimise administrative costs – is an alternative to MS Office. This is where Open Office comes in. Head to www.openoffice.org to see how it integrates with all MS documents, spreadsheets, presentations – the only difference is that it's arguably better – and free!"



Big Screen Big Shots

In the wake of *The Wolf of Wall Street*, we're wondering which was the best ever Hollywood take on global finance's finest address...? Bet big on our online survey at evansentwistle.co.uk/wallstreet and one lucky pollster picked at random will win a bottle of bubbly (what else would a City trader expect?)

- *Bonfire of the Vanities* (1990)...this tale of how a Wall Street hotshot sees his perfect life unravel perfectly captures the essence of New York society in the 1980s.
- *American Psycho* (2000)...we'll never look at our business cards in quite the same way again after Christian Bale plays the consummate if psychotic Wall St professional
- *Rogue Trader* (1999)...OK, not exactly set in New York, but the story of how one of the world's oldest merchant banks was brought down by just one man is worth a watch.
- *Wall Street* (1987)...yes of course we mean the original! "Greed is good", says Gecko...
- *Trading Places* (1983)...classic comedy, Eddie Murphy and Dan Ackroyd at their finest; really needs no other introduction (unless of course you're under 30...in which case, head to LoveFilm and rent it!!!)



**VOTE
ONLINE**

Accounting

CREDIT RATINGS THAT CONVEY

If you're seeking business borrowing, the first thing any lender will do is to check your credit rating on one of the major reference agencies such as CreditSafe, MINT, Experian, etc.

Here's a few tips for presenting your proposition in the most positive light:

Ensure your balance sheet is well structured – in other words, making sure assets and liabilities are classed correctly. As an example, reclassifying Directors loans to the company as long term liabilities rather than short term liabilities improves net current assets

Collect the cash - towards the end of financial year end, try to collect as much cash as possible so that the balance sheet is strong. You may wish to temporarily offer discounted payment terms to get invoices (although not too much discount as that impacts profitability)

File your accounts on time – late filing at Companies House will get you a black mark

Pay your suppliers on time - take advantage of the terms they offer, but not a day more

Check for errors - even a simple mistake such as an incorrect address can affect your credit history. If you believe that there are errors in your report, you can dispute these with the credit agency but will probably need to provide documentary evidence of your claim.

Show you can pay your debts as they fall due – positive net current assets e.g. having more trade debtors than trade creditors, will demonstrate this

Check your fellow Directors ratings - if any Director has a CCJ

DESMYSTIFYING... MONEY CLAIM ONLINE (MCOL)



Money Claim Online (MCOL) was set up in 2001 to support government policy in making justice affordable and accessible to all. It gives individuals and businesses a low cost route to take those who owe them money to court without engaging legal representation.

An online service, MCOL allows county court claims to be issued for fixed sums up to £100,000 by individuals and organisations via the net, pioneering the first example of a so-called 'Cyber-Court' in the UK. Using MCOL, a claimant can request a claim online, check the status of the claim and, where appropriate, request entry of judgment and enforcement by warrant of control. Likewise, the defendant can also use MCOL to reply to and check the status of their claims online.

Fees apply which are scaleable, according to the size of the debt (e.g. £60 for a debt between £500 and £1000) and these are payable online via card, and are non-refundable. However, if you are successful in your claim, you may add costs and interest to the sum owed.

STRUGGLING TO SETTLE HMRC DEBTS?

Where cash is tight, and your biggest creditor is HMRC, then you really need to be proactive – burying your head in the sand (i.e. binning those brown envelopes) will not cover you in glory with the taxman. Instead, ask your accountants to speak with the relevant Debt Management team on your behalf.

Where there is a sound reason (e.g. a major client of yours is in financial difficulty) then it is often possible to negotiate a payment plan with HMRC over a period of time. But be warned, this is discretionary, and you will need to be able to show that you have exhausted all other avenues first.

If your case is accepted, you will need to sign an instalment payment acceptance letter, which binds you to the agreed terms – and in most cases, if one instalment is late or missed, the agreement becomes void and the debt is then immediately due in full again.

CREDIBILITY

or IVA, then that will seriously affect the rating; likewise of course if the company itself has any CCJs (unless you paid the amount in full within 28 days of the claim being made, then the judgment will have been cancelled and this shouldn't appear on your record)

Have your accounts to hand – if your company is not incorporated, then the lender will most likely ask you directly for the last 2-3 years sets of accounts. Having these to hand will avoid delays in your application.



BANKING ON A BANK LOAN?

UK retail banks do appear to be lending more, as we have seen with our own clients, but what are the key metrics that they will be looking for before they decide that you are a good bet?

Damian Evans explains: "It's all about the three "Ss... Stake, Security & Sustainability"

STAKE

How much you have invested in the business? If you are asking for £100k then a bank will ideally want to see you matching their funding with £100k yourself, in the form of share capital or retained reserves.

SECURITY

Banks don't just lend money. If you are sole trader, it is implicit that you will be liable personally for the debt. But when lending to a company, the bank will want to pass on some of the risk to the Directors, which may be in the form of a personal guarantee or a charge over the Director's home or other assets.

SUSTAINABILITY

A measure of how well you can make the repayments. Lenders don't look at profit before tax; they look at both EBITDA ("earnings before interest, tax, depreciation and amortisation") and more importantly, at cashflow. The cashflow statement is the most important part of any forecast provided to a lender as you need to show that you are capable of making the repayments (So remember the old adage: "turnover is vanity, profit is sanity but cash is king".)

DEMYSTIFYING... GEARING

You may have heard the term "gearing" in relation to business finance. Gearing is the ratio of debt to equity i.e. loans to share capital. A ratio of more than 1 is to be considered high gearing; this would not necessarily preclude you from obtaining funding, but may result in other conditions such as a higher borrowing rate.



Corporate Finance

TYPES OF CROWDFUNDING

You may think that the term crowdfunding is universal, but there are actually multiple models, essentially falling into two camps; those that provide a financial return for backers and those that are more of an altruistic nature. Here's the lowdown:

Donation Based Crowdfunding: This is the most straightforward case, in which a contribution is made to a project or cause, and where the donor doesn't receive anything in exchange other than a warm glow for supporting something in which they believe (and perhaps an opportunity to offset tax...!). This approach is most often deployed for charities, social enterprises, good causes and sometimes political campaigns, rather than for entrepreneurial endeavours.

Equity Based Crowdfunding: Equity crowdfunding allows businesses to raise capital by selling ownership stakes,

thereby creating the opportunity for individuals to become shareholders and have a potential for financial return.

Debt Based Crowdfunding: Also known as peer-to-peer lending, investors are repaid for their investment over a period of time at a fixed rate of interest. Backers are attracted towards getting a return and in turn for the business, financing costs can be lower – plus it avoids the need for lengthy loan applications and bypasses the need for security (which for most banks these days is a deal breaker). Debt crowdfunding is usually most appropriate to existing businesses with some track record

Reward Based Crowdfunding: Investors receive no financial return but are instead awarded a tangible "perk" in the form of an item or service as a thank you for their funds. In most cases, the reward will be the product that the entrepreneur is trying to launch – a clever way of

getting the item to market, although it also works in the service sector where a company may offer a discount voucher for example. The big plus for the entrepreneur is that you don't have to give away equity or repay the debt – plus you've gathered yourself a great audience for market feedback on your new invention!

Royalty Based Crowdfunding: This mode offers backers a percentage of revenue from the venture once it is generating capital. Often a long game, as the project will need to get to market, and start generating income before

What the watchdog says...

The Financial Conduct Authority (FCA) is taking a close interest in crowdfunding to ensure private investors fully understand the risks they are taking. There is concern that sites offering 7% returns could lure inexperienced investors, such as pensioners with cash savings, into unnecessary risk. A consultation presented in October 2013 set out a framework seeking to achieve balance between consumer protection and access to finance and investment opportunities. Regulations are set to commence in April 2014, so make sure any site you are considering investing with is signed up. Visit the Corporate Finance pages of our website for more.

CROWDFUNDING FEE MODELS

As with the different models of crowdfunding, there are of course varying fee structures so it's vital that you check the small print of any platform you are considering hosting your project with. Most reward-based platforms charge a success fee (in the region of 5%) on funds raised, but be careful as some actually charge a higher rate) if you don't reach your goal. The costs for using a debt, equity or royalty platform are more complex and can include numerous variables including creditworthiness, or a sliding fee structure based on the capital you are looking to raise. You'll really need to do your homework on this front.

Where do I start? Here's our pick of the top 5 UK sites to consider:

- Kickstarter
- Funding Circle
- Zopa
- Crowdcube
- SyndicateRoom



DEMYSTIFYING...

CROWD FUNDING

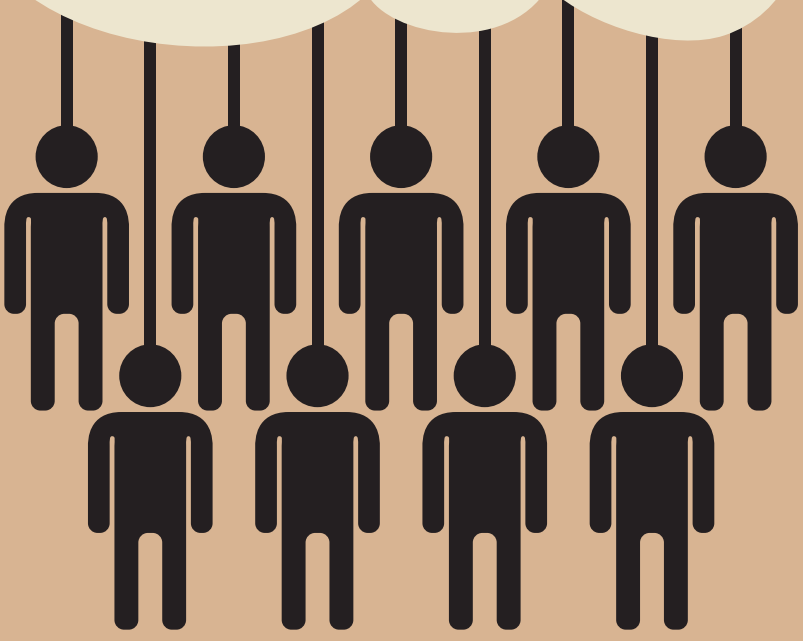


Until recently, financing a business typically meant asking a small group of investors to each commit sizeable sums of money. Crowd funding turns that model on its head by asking a large number of people to each invest a small amount of cash. It's an interesting concept which has benefits all round – an opportunity for fledgling businesses to bypass banks in a bid to access finance and also chance for those with funds to spare to invest in exciting new ventures, at a level of risk that they determine. And crowd funding is not just for anonymous donors – it also gives friends and family of would be entrepreneurs a platform for investing in a project (or person) that they believe in.

February 2012 saw the first time a crowdfunded project raised over £1m – impetus enough for those of an entrepreneurial bent to kick start their venture. But before you invite the crowd into your kitchen, what do you need to know?



TIP: THE FCA SAID SMALL INVESTORS SHOULD NOT HAVE MORE THAN 10PC OF THEIR SAVINGS IN ENTERPRISES.



TIP:
IF YOU'RE INVESTING, CHECK WHETHER THE SITE UNDERTAKES DUE DILIGENCE I.E. DO THEY VET THE PROJECT OWNER? BORROWERS SHOULD AT LEAST BE CREDIT CHECKED, AND RATED ACCORDING TO RISK.

CROWD FUNDING DOES NOT SUIT ALL BUSINESS MODELS! TALK TO US ABOUT YOUR VENTURE, AND WE'LL WORK WITH YOU TO DESIGN AND SECURE THE MOST APPROPRIATE FUNDING FRAMEWORK

BUDGET SUMMARY

IT'S TRUE WHAT THEY SAY...YOU CAN'T PLEASE ALL OF THE PEOPLE ALL OF THE TIME...AND NEVER MORE SO THAN AT BUDGET TIME. GEORGE OSBOURNE ANNOUNCED A WIDE RANGE OF MEASURES IN HIS 2014 SPRING STATEMENT, STARTING WITH A CLEAR FOCUS ON DELIVERING ECONOMIC STABILITY AND SUPPORTING SAVING...

WE LOOK AT SOME OF THE "WINNERS" AND "LOSERS" OF THE COALITION'S PLANS TO CONTINUE TO REDUCE THE DEFICIT AND KEEP BRITAIN ON A FISCALLY FORTUITOUS TRACK...



KEY FACT: THE POINT AT WHICH WE START PAYING INCOME TAX WILL BE RAISED TO £10,500 FROM APRIL 2015

SURPRISE ANNOUNCEMENT
THE BUDGET ALSO ANNOUNCED THE INTRODUCTION OF A SECURE NEW 12 SIDED POUND COIN FROM 2017 – AND THERE WILL BE A PUBLICATION COMPETITION TO DECIDE THE DESIGN OF THE REVERSE!

WINNERS

ISAs. George's first crowd pleaser was a rise in the amount that UK citizens can save tax-free, up from £11,520 to a healthier £15,000 from 1st July 2014. Grand news if you have cash to spare...

Pensions. The second stunner was a fundamental overhaul of the pensions system – for example, more flexibility over taking income from a pension, coupled with the pledge that no one would actually be forced to buy an annuity. There was also an increase in the amount that can be taken as a cash lump sum from a small pension pot. However, if you're under 40, it's not all rosy! The age at which you can access your pension pennies - be it the 25% lump sum or the balance of your bounty (taxable!) - will be raised from age 55 to 57 in 2028.

Savers. The 10% tax rate on savings income, applicable if your total income is less than circa £13k, will be scrapped in favour of a 0% rate and the amount to which it applies will be doubled to £5,000 – this is a rather complicated tax break, but worthwhile for savers to claim, with pensioners and stay-at-home parents being the most likely beneficiaries. Premium Bond savers will be happy with a rise on the purchase limit, up from £30k to £40k from August 2014 – plus there is the chance to bag an extra £1m monthly prize!! (Well, you've got to be in it to win it!!!)

Investors with a social conscious also benefit, from a new social investment tax relief with a 30% tax break, similar to that realised by those invest in venture capital trusts.

Pensioners. Those aged 65+ will be offered a new type of savings account paying significantly better rates than those currently on the market. "Pensioner bonds" (we're not sure we like that "catchy" strapline here at EE!) are available from NS&I from January 2015 and are expected to pay up to 4% on a three-year fixed-rate bond (compare that to the current rate of 2.25% on a 3 year bond). Pensioners will be allowed to put up to £10,000 into each type of bond but watch this space as further info will be conveyed in the Autumn Statement.

Those earning less than £100,000 will pay less income tax thanks to a welcome rise in the personal tax-free allowance, rising from £9,440 to £10,000 from April 2014, and then to £10,500 in 2015. The higher rate 40% tax will also take effect at a higher rate, from the previous £41,450 to £41,865.

Around 1.9m parents will be eligible for a new system of child care tax breaks to replace the current voucher system. Last year, the Government offered parents the equivalent of their basic-rate tax payments on up to £6,000 spent on child care (for each child) worth £1,200 a year. The latest update increases the eligible amount to £10,000, meaning a benefit worth £2,000 for each child – an additional saving of around £1,516 under the scheme. The Child Trust Fund and Junior ISA yearly allowance is increasing to £4000 in 2014-15.

Business also benefits – by April 2015, the UK's corporation tax rate will be 20% - by far the lowest in the G7 and joint lowest in the G20.

Drivers will be pleased to hear that the "fuel escalator" on petrol, due to increase duty again September, has once again been pronounced redundant.

Alcohol aficionados may be pleased that duty on ordinary cider and Scotch whisky will be frozen, whilst duty on beer will be cut by 1p (possibly not a cut great enough to raise a glass to...) and if you're a bingo buff, then you'll also benefit from a reduction in bingo duty to 10% (that's Friday night sorted, then...)

For those traversing the globe, the **tax on long-haul flights** between 4,001 and 6,000 miles will be reduced by £14 per person, while those over 6,000 miles will be cut by £26. As an example, a family of four would be better off by £104 when heading Down Under...and those in business class or first class will save twice as much (in suitable style!)

LOSERS

Those who sought to buy property worth over half a million using a holding company to avoid stamp duty on homes have been thwarted. Previously only applying to properties valued at over £2m, the threshold has been significantly downgraded to £500k.

Investors who use tax-efficient schemes such as VCTs and EISs, beware, as abuse of such schemes will be taken seriously. We've covered the benefits of such tax efficient vehicles in previous issues, and will post the latest guidelines to the website as soon as possible. VCTs currently offer a 30pc income tax rebate and tax-free income but the withdrawal of VCT status from two funds earlier this year could fuel fears of tighter regulation and a possible loss of tax breaks. In wider measures, the Government will also seek to crack down on so-called tax avoidance schemes by adopting a "guilty until proved innocent approach" – tax will be payable in advance and refunded only if the avoidance scheme can be shown to comply with HMRC rules

Families where one parent stays at home as carer of children aged up to 12 will not qualify for the new child care subsidy, which will come in from September 2015

And those who considered planning to retire at 55 may order a rethink! The age at which savers can access their pension (either the 25% tax-free lump sum or the taxable remainder) will rise from 55 to 57 in 2028, so as at Budget day, that affects anyone aged 40 and under.

THE LAST WORD...

"...with several of our clients working in branches of the emergency services, we welcomed the news that Inheritance Tax would be waived for members of emergency services who give their lives in the line of duty, and that VAT is to be waived on fuel for air ambulances and inshore rescue boats"

Business Consulting

PR

101

Per the Chartered Institute of PR *"Public Relations is about reputation - the result of what you do, what you say and what others say about you. Public Relations is the discipline which looks after reputation, with the aim of earning understanding and support and influencing opinion and behaviour. It is the planned and sustained effort to establish and maintain goodwill and mutual understanding between an organisation and its publics"*

In simpler terms, PR means getting your business known about by the public in the way you want, by managing your business' image and the information you give out about it.

The advantage of PR is that it can create wide exposure - and often at low (or no) cost. All it takes is a little time, and a dash of creativity....



A PORTFOLIO OF PR PLOYS...

It's a common misconception that PR equates solely to firing off press releases to jaded journalists. Here's a few more ways to raise your profile.

GUEST SPEAKING - whether it's an interview on a hot topic or presenting at a conference or exhibition, seek ways to make yourself heard and share your expertise on relevant matters. Just remember persist, don't pester (there's a fine line between letting journalists know that you are available and being known as a nuisance...)

CHARITY WORK & COMMUNITY

RELATIONS – charitable does not have to equal big cheque. Many not-for-profits need volunteers, materials and services so there are many ways to get involved to raise your profile without increasing your overdraft. Choosing an organisation with a good “fit” is important – perhaps something which fits with your product, your local community or perhaps a cause that is close to one of your employee's hearts.

SOCIAL MEDIA – if you have a tight PR budget, make sure you are social media savvy. Sites such as Facebook, Twitter and LinkedIn are free and can connect you with a whole new audience. You still need to be focussed about your content – random Tweets of your breakfast are unlikely to win followers (unless you are a café, of course!).

SPONSORSHIP – whilst this is likely to involve some initial outlay, sponsoring a local sports team or other group can often generate regular positive press, plus your

name & logo will be visible each time they play.

NETWORKING – become a social butterfly and make an effort to attend as many local events as your diary permits, be they exhibitions, speed networking, seminars... or just a Friday pint after work with other like-minded businesses.

AWARDS – being recognised in your field is a sure fire way to gain credibility amongst your audience and these can also be used to good visual effect in other areas of marketing e.g on websites and literature (just make sure it is relevant and not the “employee of the week” award for making the most tea...)

PARTNERSHIPS – partnering with complementary organisations can double your exposure – plus if they are a larger organisation, they may well have an in house marketing team working on joint PR that you can piggyback on.

MEDIA COVERAGE...and yes, the tried and tested press release still works! See our top tips for how to give it extra mileage...

As with all marketing tactics however, planning makes perfect. Whilst of course you should grab any ad-hoc opportunities that come your way, most PR activities still need to be co-ordinated and targeted to make sure they reflect your brand and your organisation in the most positive light. A timeline of forthcoming events over the next quarter will make sure no golden opportunity goes unmissed.

Top Tips for Perfect Press Releases

Know your media. Create a PR distribution list – essentially a list of all media contacts relevant to your business – so that you have them to hand should an opportunity arise. Include the local press, business magazines, and any specific publications that relate to the industry in which you operate (you'll be amazed at what's out there!)

Make sure your news is newsworthy! Sounds simple but (as exciting as it may be to you!) a press release regarding the launch of your new website is unlikely to capture the attention of a journalist. Instead think of an angle that that will capture attention, perhaps something topical that is trending, then think how you can link your business to it.

Be succinct. Capture the reader's interest in the first paragraph, citing the what/when/who/how, etc. ...

Illustrate your point...literally. An exciting high resolution image will increase your chances of coverage

Timing is everything...if your release is seasonal, make sure you allow plenty of time to get in touch with the editor as some publications, particularly magazines, work to longer schedules than other. So for a Summer holidays themed piece, you should be making contact now.

Make it easy. Give the journalist access to further information if required by adding a short company profile, your web address and contact details at the end of the release.

Dymystifying...guerrilla marketing

No, nothing to do with the jungle. Guerilla marketing was originally a marketing strategy in which low-cost, unexpected and unconventional means are deployed to get the message across, such as graffiti, sticker bombing, etc. Originally the realm of small business (where innovation has to triumph over budget!), the concept now has a looser definition as any non-traditional marketing tactic and is widely used by larger organisations in the form of online & viral marketing campaigns.



Private Clients

MINI MONEY MATTERS

You're sat at the kitchen table, with a not insignificant pile of paperwork to sort – bills to pay, forms to fill in, a few unopened HMRC envelopes to brave - and the kids are badgering to see what you're doing...we've all been there. You try to head them off towards the Xbox with a vague promise of some sugar laden treat a little later... but they are not buying it. Which made us think – should we hide money matters from little people, or should we encourage open honest discussions about the value of pennies?

Research shows that how we behave around money as adults is learned early on from our parents. A good financial education makes for a good financial understanding, an essential life skill. Money doesn't grow on trees, and neither does the cash machine just churn it out with wild abandon, but by being up front, honest and transparent, you can equip children with the tools and information to stay in the black rather than in the red when they are older – and if you plan it carefully, it can be fun too!

A report commissioned by the Money Advice Service (MAS) practices “*need to be constructed so that the child experiences the process or idea in tangible terms rather than just being told about it as an abstract concept*”. In other words, showing with practical examples, rather than trying to just talk it though...



TIP: HAVE A LOOK AT THE BRILLIANT CHILD FRIENDLY RESOURCES ON THE PERSONAL FINANCE EDUCATION GROUP'S WEBSITE WWW.PFEG.ORG/, THE UK'S LEADING FINANCIAL EDUCATION CHARITY FOR IDEAS ON TEACHING BUDGETARY BASICS.

BE BILL SAVVY

As the bills come through the letterbox, explain what each is for (electricity bills are a really good way to explain why they should flip the lights off when they leave a room!) Council tax bills are interesting as you could discuss the services you get in return (e.g. imagine if nobody paid this – how much rubbish would build up outside in our street?!)

It's also useful to explain what a direct debit is, and how it can help you manage your monthly money (mostly because "Mummy brain" can make you forgetful...)

EARN IT TO LEARN IT

We're not talking child labour, more like one shiny new pound for helping with the chores now and again, which is an excellent lesson that money does not grow on trees but that you have to work to earn it.

SAVE FOR A RAINY DAY

The importance of saving and having a "slush fund" is an important lesson. Your child probably already has a piggy bank of some fashion and pops any pennies they earn (or find!) into it but put it into context by explaining that if her Furby ran out of batteries, she would be able to buy new ones immediately if she had saved up enough (although, for any parent with a Furby in the household...this is not necessarily good news!)

AND SAVE SOME MORE...

You may want to open a child savings account for larger chunks of cash such as birthday money (out of sight, out of mind!) and then if an important "need" arises (in the form of new Nerf gun, no doubt), you can help him work out if he has enough, or if he needs to save for a little longer. Designing a progress chart together is also helpful, and make sure the goal is realistic otherwise they will become frustrated waiting for months for the pennies to stack up.

As well as a saver account, if you child was born between 1 September 2002 and 2 January

2011 and took advantage of the Child Trust Fund scheme, you can top tax free – the £3,840/year allowance (rising to £4,000 from 1 July) runs from birthday to birthday, and will rise with inflation each year. This is then locked away until the child's 18th birthday – although do be aware your offspring can choose to spend the money as they wish (so they may fund an extravagant summer in Ibiza rather than paying those uni fees as you had hoped...)

FIND YOURSELF A SHOPPING BUDDY

Try working out a weekly meal plan and accompanying budget, then head to the supermarket (or laptop if you prefer to shop online). Equip your child with a calculator, and ask her to add up the total as items are ticked off the list and added to the trolley. This shows how quickly money is spent - and why there may not be enough left at the end of the shop for that big bar of chocolate she is hankering after.

NEGATE PEER PRESSURE

Get out all your child's "gotta have" toys that you were persuaded (or more likely pestered) to buy over the last few years, and for each one, ask him why he so desperately wanted it – and how often he actually still plays with it. In many cases this will illustrate the difference between wanting something because they found it really fun and interesting...and wanting something just because their friends have it. (Remember that Cabbage Patch doll that is still in your parent's attic....?)

DEAL WITH DEBT

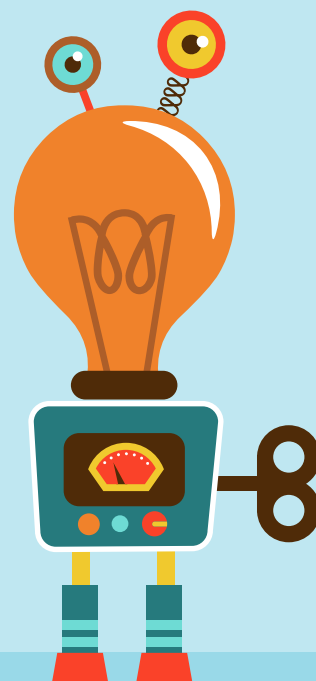
Whilst some would want to cushion children from adult woes, others feel that a proactive approach now is more conducive to avoiding such situations when older. In simple terms, explain what debt is – in other words, that you have borrowed something, and need to give it back. Using simple online calculators (try MoneySavingExpert) you can work out how long it will take to pay back and also explain what could happen if the debt is not repaid (not to be scary, but to outline the implications of getting into debt, and how to important it is to take control of it)

PLAN YOUR OWN POUND SHOP

The concept of value is difficult to convey – so perhaps show what its worth by asking your child to guess what a pound will actually buy. You may want to show some images of products which fit the bill – and some that don't – to illustrate your point.

COUNT THE COST

If you're constantly being harassed to head out for the day (bowling, movie, swimming, the arcades at Barry Island which necessitate selling your soul for two-pence pieces...etc) then try constructing a simple spreadsheet to help youngsters appreciate that cheerful is not necessarily cheap. Ask them to think through which it involves, and what each might cost – multiplied by how many members of your family. Think petrol, entry fees, lunch, snacks, rides, souvenirs, etc etc – and then when they have their "grand total" worked out, compare that back to the weekly shopping budget, above... and they will soon see why a weekly Saturday family outing could see you eating nothing but beans on toast for Sunday dinner!



Mark Ryan of Professional Solutions IFA Ltd comments:

"Children's' Trust Funds (CTFs) have been a huge success and have seen outstanding returns, offering tax free growth, access to top performing funds and proving that long term equity investment is the best strategy when saving for your children.

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EE Pinboard

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CHARTERED MANAGEMENT ACCOUNTANTS & TAX ADVISORS

We've been busy on extra curricular activities this quarter! EE Director Lisa Entwistle-Evans has been asked to sit on the Penarth BID Steering Group as Marketing Lead. For those not familiar with the term, BID stands for Business Improvement District, and is a business-led partnership that improves trading conditions in a high street or town centre. Penarth Town Council are backing a bid for a BID - read our article on page 19 for more information on how local businesses can get involved.

EE's Lisa has also been invited to edit the business section of the quarterly Penarth View magazine - so if you have any local news, stories or comments, then email lisa@penarthview.co.uk

Deal News

British business is buoyant again. This quarter we've assisted several companies in the leisure, hospitality and social care sector to raise over half a million in finance; some are taking the exciting step of starting a new venture, some are established businesses looking to expand their business. Either way, its pleasing to see banks lending to companies with a solid proposition supported by a well crafted financial forecast and comprehensive business plan. See our tips on page 6 for what lenders look for...

Charity News

We're pleased to announce that our charity for the 2014/15 financial year will be Marie Curie Hospice in Penarth - follow us on Facebook and on Twitter for news of how the team will be trying to raise our £1000 target!

Out and about

There's a treasure trove of golden business advice out there for South Wales entrepreneurs...so head to our website's Social! page to diarise networking, seminars, workshops...and a good old fashioned after work pint... click www.evansentwistle.co.uk/social!

A little reminder that the Penarth business community meets up on the First Friday of each month from 4.30 - 6.30pm, and new faces are always welcome! Organised by Penarth web developers IT Pie, it's a very relaxed, informal (and free!) chance to catch up with fellow business folks, do a bit of networking... and generally get the weekend off to a flying start! The venue rotates around Penarth's independent cafés and bars, so check IT Pie's website for details.

Flying the flag

Great to see the team that we sponsor - Cogan Coronation AFC under 9s - proudly waving their flags as Guards of Honour at the Cardiff City vs Norwich home game on 19th April. Well done, boys - we're looking forward to sponsoring you again next season!



BIDding for a better Penarth!



The inaugural meeting of the Penarth Business Improvement District (BID) steering group took place on 15th April, with the team eager to move forwards on this exciting project for the town.

A Business Improvement District is a business-led partnership that improves trading conditions in a high street or town centre - in a similar way that a shopping centre manager does in modern malls. BIDs vary in size but typically comprise a few hundred businesses within a designated area essentially “clubbing together” and backing a business plan that sets out a range of activities to support and promote the town. In Penarth, some of the potential suggestions include transport measures to ameliorate parking, a more attractive streetscape with benches, trees and public art, better signage, public transport connecting the barrage and Esplanade and a website and other marketing initiatives to create a strong Penarth “brand” which attract shoppers and tourist to the town.

The projects would be funded by a levy that is usually equivalent to 1.5-2% of business rates - in Penarth, this would amount to around £4-5 per week for most average sized businesses. Unlike business rates which are paid in to and redistributed by government, BID levy money is ring fenced for use only in the BID area - and in Penarth, this could include the Town Centre, the Esplanade and Marina, depending on further consultation.

A Business Improvement District will enable our local businesses to work together to improve the town’s trading environment in a proactive and planned way and combat some of the pressures which high streets find themselves under - such as the massive growth in internet shopping, supermarket discounting, out-of-town retailing & outlet villages, the economy and questionable transport policies. In other words, the BID will help to ensure Penarth stays strong as both a retail and tourist destination.

There are approximately 180 BIDs operating across the UK, and benefits cited include increased footfall, better promotion of the area, business cost reduction through joint procurement,

increased staff retention at office based businesses, a collective business voice and representation on issues affecting the area, and assistance in dealings with the Council, Police and other public bodies.

A well run Business Improvement District should actually save most independent businesses more than they spend. This is done by organising collective purchasing deals for utilities, waste etc. Clearly the power of several hundred businesses negotiating as a ‘block’ creates economies of scale that generate significant savings. These savings have been shown to outweigh the ‘levy’ - effectively meaning that we could work together to make big improvements to Penarth - and reduce our business costs at the same time!

Whether the BID proceeds is subject to a vote by all the businesses that will pay the levy if it goes ahead. The vote is carried out strictly independently through the council by a postal ballot which is anticipated in November this year. If there is a YES vote then all businesses have to pay regardless of whether they voted no or didn’t vote at all (unless specifically excluded). The legislation is designed this way to ensure that all businesses contribute - because we will all benefit!

If you want to find out more you can get in touch with BID Advisor George Grace (george@penarthbid.co.uk), BID Manager Robert Callaghan (robert@penarthbid.co.uk) or Marketing Lead for the steering group Lisa Entwistle-Evans (lisa@evansentwistle.co.uk). Further information will be distributed in May to all Penarth businesses and a series of consultation meetings are being planned for June so you can find out more about how the BID could benefit Penarth! A website - www.penarthbid.co.uk - is also coming soon.

Tax our business brain...

Q&A

Q: I'm thinking of transferring an asset to my son. What is the difference between a deed of trust and a deed of gift?

A deed of gift is a signed document that voluntarily and without recompense transfers ownership of real, personal, or intellectual property from one person (or institution) to another. It should include any possible conditions specifying access, use, preservation etc. Full title and ownership rights are transferred to the beneficiary of the gift.

A trust is a relationship whereby property is held by one party for the benefit of another. A trust is created by a settlor, who transfers some or all of his or her property to a trustee. The trustee holds that property for the trust's beneficiaries. Trusts have existed since Roman times and have become one of the most important innovations in property law. Full title and property rights are transferred to the trustees to act in the interests of the beneficiary as set out in the trust deed.

Depending on the aims of the settlor or transferor will depend on which type of deed is used to transfer the property. Generally trusts are used as they allow the settlor a degree of control over how the property is to be used whereas gifts are used when no control over the asset is required. There is also different tax treatment of each type of deed. It's quite a complex area, so it's best to take professional tax advice.

Q: I've heard the term "company staging date" – what is this, and how do I know when my date is?

Every employer has date from when the automatic pension enrolment duties come into force for their business. This is called an employer's 'staging date'. Automatic enrolment is being staged over a period of six years and started with the largest employers in 2012. Your date will depend on the number of people in your PAYE scheme – and, if you have your PAYE reference to hand, you can find out the date allocated to your business on the Pensions Regulator's website (we've posted a link on the PAYE page of our website)

Q: It's the payroll year end and I understand that the year end processes have changed since 2012/13 – so what do I need to do differently for RTI?

When using RTI, at the end of the tax year you must submit your final Full Payment Submission (FPS) for the pay period as normal – on or before the date you pay your employees. If you do not pay any employees in the final month of the tax year (6th March – 5th April 2014), you should send your final submission on an Employer Payment Summary (EPS) which must be submitted by 19th April. If you pay some employees weekly and others monthly, your final submission will be the later one of the two. On your last FPS (or EPS) you need to indicate that it is your 'Final Submission for the Tax Year' and then proceed to answer the end-of-year questions which enquire about any special payments you made during the year, such as expenses and benefits, or overseas payments. You must complete this even if you have not made any deductions of PAYE tax or NICs from your employees in the pay period. In previous years, these questions and the accompanying declaration were included on the form P35.

As a result, when reporting in real time, you do not need to send a P35 or P14 at the end of the tax year. If you have submitted your final FPS (EPS where appropriate) and failed to indicate that it was your 'Final Submission for the Tax Year', you should submit an EPS informing HMRC that it is indeed your 'Final Submission for the Tax Year'. You do not need to send another final FPS – just a final EPS and completion of the end-of-year questions and declaration are required.

If you fail to submit your final FPS on time and do not inform HMRC in the form of an EPS that you haven't paid any employees in the tax month, you will be charged a late filing penalty. Penalties accrue for each month (or part month) that a return remains outstanding.

Don't forget, you must still provide each of your employees who was working for you on the last day of the tax year with a form P60 by 31st May 2014. Furthermore, you must send forms P11D and P9D, which relate to expenses and benefits, to HMRC by 6th July 2014. Likewise, form P11D(b) indicates the overall amount of Class 1A NICs due on the expenses and benefits and must reach HMRC by this date.

Send in your business questions to the EE team at mail@evansentwistle.co.uk – if we publish your question, we will draft a personal response and also donate £50 to the charity of your choice.

Client Corner



This issue we speak to Katrina O'Connor, owner of Celtic Dove Release, about her rather unusual but rewarding business...

Tell us about Celtic Dove Release...

For the past 4 years, we have specialised in the release of white pure breed Logan rock doves to mark special occasions, mostly weddings, making an important day even more memorable. More recently, we've also welcomed Precious, our magnificent African Barn Owl and Angel, our adorable European Barn Owl to the "flock".

It's not your run-of-the-mill business venture! Where did the business idea originate from?

My son - now 23 - built a dovecote as a school project many years ago, and we bought two doves to occupy it; then, whilst on holiday in the US, we came across a business specialising in releasing doves and thought it would be an ideal way for us to combine a hobby with business. My partner, Phil, is a keen bird enthusiast - in fact, he kept racing pigeons as a child, and has since kept goshawks, so he's effectively "Head of Training"!

How do you train and look after the birds?

White Doves are athletes, and are cared for as such on a high protein diet! They can fly in from as far afield as France and Belgium to return to their home in South Wales, which is why our work takes us all over the county. Like all athletes, the doves do not just sit around and do nothing until an event comes up - the training of the doves is a 24/7 labour of love that most people who care for these birds have in common. Initial training can take 7 - 8 months, which is why we now have 80 doves, all at various stages of their "education".

What's involved in a typical day's work?

We typically arrive at the venue, and if required, can display our doves in gorgeous beribboned white cages, which dresses the venue beautifully. During the ceremony, Precious swoops down, and lands on the Best Man's fist, with the rings in a pouch attached to his foot. We insist that the Best Man has training in welcoming the bird so that all goes smoothly. When he has completed his task, Precious flies back to us...although he has been known to do a lap of honour, much to the amusement of the congregation! After the ceremony, we then arrange a complimentary dove release, following which the guests can take photographs and handle the birds - always very popular with the children!

A barn owl as a ringbearer must be quite a sight!

Precious is an amazing creature - he loves to come in the house, and doesn't "bat a wing" at music playing or the dogs barking. He's one of the family! Angel however is a little more reserved, and much happier just posing for the wedding photos than actually doing the real ringbearing work!

So what's next for Celtic Dove Release?

Well, we already offer an unusual touch to weddings, and are looking to expand our services on that theme - we're looking at many potential options - designer chair covers and accessories, carriages pulled by goats, a vintage VW campervan - anything bespoke which we feel will add that something extra special to a bride and groom's perfect day!

For more information, visit www.celtic-dove-release.co.uk

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