



CREASEYS

CHARTERED ACCOUNTANTS

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Press release

Another big turnout for the Creaseys Budget Breakfast

Michael Fallon, MP for Sevenoaks described last week's Budget as 'a plan for growth



and an aid to helping families with the cost of living'. He was speaking at Creaseys' ever popular Budget Breakfast last Friday. Held at The River Centre in Tonbridge and attended by business leaders and private clients, as well as other local

professionals, the event was an opportunity for guests to listen to an overview of the main points in the Budget.

After a networking breakfast, guests were welcomed by Creaseys' partner Mark Howard.

"This is an exciting time in the tax world," he said. "The UK boasts the largest and most complex tax system in the world – so there's plenty to get excited about."

Mr Fallon told guests the Budget had plenty in it for businesses – with such measures as a cut in corporation tax, the doubling in the number of Enterprise Zones and a package of entrepreneurial reliefs.

In terms of tackling the cost of living, Mr Fallon highlighted the help which the government is giving to the lowest paid in the public sector, plus the cut in fuel duty. He then hinted about changes which may be on the horizon, such as a reduction in the burden of health and safety and further reforms in the welfare system.

He added: “This Budget means that Britain will be a different place by 2015 – a more competitive place. It was, I believe, a successful Budget.”

Mr Fallon then responded to a number of questions – covering subjects including the forthcoming referendum on the voting system and the merging of the income tax and national insurance systems.

Neil Edwards from The Marketing Eye said that the government wanted to get the country ‘back to work’, but questioned why some initiatives are not available in the south east? Mr Fallon said the evidence showed that more jobs needed to be created in the north and the Midlands – so initiatives needed to be focused on those regions. He also pointed out that the halt in regulation for small businesses was nationwide.

Four partners from Creaseys gave presentations during the morning – Elizabeth Robertson (covering Budget issues for businesses); Sharon Crush (looking at VAT); Richard Holme (changes for individuals); and Stephanie Parker (trusts).

Elizabeth said that one of the biggest surprises in the Budget was the welcome cut in corporation tax – which will see it fall to 23% by 2014 – making the UK a ‘really attractive place for international business’. She also mentioned other incentives for business growth – such as a rise in R&D tax credits, an increase in the number of Enterprise Zones and improved capital allowances.

With no changes to VAT in the Budget, the report by Sharon Crush was brief. However, she did look at the lowering of the threshold for Low Value Consignment

Relief and added that businesses need to bear in mind that from 1 August next year VAT registration and de-registration needs to be completed online.

Richard Holme explained that Creaseys acts for a number of non-doms and outlined some of the changes for these people. He said that the non-UK domiciles' favourable tax treatment is to become generally less favourable from 6 April 2012. The remittance basis charge will be increasing to £50,000 for any non-domiciles who have been resident in the UK for 12 years or more. The £30,000 levy will still apply for those who have been resident for between seven and 11 years.

Richard then went on to cover the new Capital Gains Tax regime, with particular emphasis on the new rules for Entrepreneurs' Relief. He said the increase in the limit to £10 million was 'stunning' and underlined how important it is that business owners make sure they comply with the qualifying criteria.

Finally, Creaseys' Trust Manager, Stephanie Park, reminded guests that the Inheritance Tax (IHT) nil-rate band remains frozen at £325,000 until April 2015 and added that there will probably be a full review of IHT over the next few years – so it is important to plan for IHT sooner, rather than later.

Stephanie also outlined the changes in charity giving announced in the Budget. Where at least 10% of a deceased's net estate is left to charity, the rate of IHT will be reduced from 40% to 36% for deaths on or after 6 April 2012.

Mark Howard concluded proceedings by humorously highlighting some of the more esoteric tax reliefs that are to be abolished – such as Millennium relief. He then encouraged guests to take action, such as paying bonuses before 5 April and considering EIS or VCT investment.

The event was free to attend, but Creaseys asked for donations for its 'charity of the year' – Yippee – which provides a social network for young people with acquired brain injury.

Feedback after the event was positive – with guests feeling that they had been given a very comprehensive overview of measures announced in the Budget:

“I was impressed by the quality of the guests, the speakers and the content. One of the best I have been to.”

Paul Hancox, International Commercial Manager, HSBC Bank

“I found it (the Budget Breakfast) very informative and extremely well organised.”

Dr David Aldwinckle, personal tax client

“Very good format and the venue works well.”

Jonathan Jensen, director of RoseSwift

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Image supplied showing Michael Fallon MP (left) with Mark Howard from Creaseys

Notes to editors:

- Creaseys is one of the top 100 firms of accountants in the UK – www.creaseys.co.uk
- Creaseys has eight partners and approximately 80 support staff based at offices in Lonsdale Gardens, Tunbridge Wells.
- The practice has two specialist divisions: Corporate & Business and Private Clients.
- Creaseys has advised more than 40 smaller accountants on specialist tax queries over the last year.
- The practice has been established for more than 150 years and has always been at the forefront of business life in Tunbridge Wells.
- Creaseys is a founding member of the Kent Corporate Finance Alliance (KCFA) and is also a member firm of IGAF Polaris, an association of independent firms that shares ideas and expertise across the globe.

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