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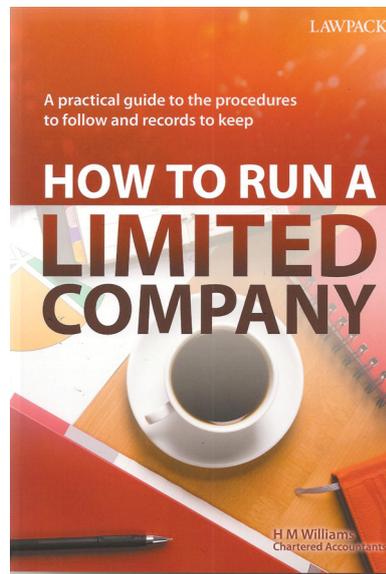
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Account



Our latest book
How to run a Limited Company
explains in layman's language all the
obligatory company procedures that go
with running a limited company -
appointing directors, paying dividends,
holding AGM's, etc.
We are most proud of the appendix called
'Quick Cribbs', where we explain 32 of the
commonest procedures in really quick and
simple language.

Most limited company clients leave all of
this stuff to us here at HMWca, but for
those who want to do it themselves, just call
in and inspect a copy to see how it could
help.

Reclaiming VAT on your home business.

When you work from home,
what VAT can you reclaim on
non-business expenses?

Household costs: If your
house has *(say) eight rooms
and you use one of them
(which might be a bedroom or
an office) for work, you can
reclaim 1/8th of the VAT on
heating etc.

Phone costs: if you do not
have a separate business line
for work, then claim a fair
percentage.
Necessary decorations and
furniture for the room used as
an office; reclaim the full VAT.

If you (say) convert a loft into
an office, you should also be
able to reclaim the full VAT.
You may have to fight for it
but, as we read the legisla-
tion, you are entitled to do
this. One way to avoid hassle
is to inform the VAT office
before you reclaim the VAT on
a return form and get their
permission. If you get into
difficulties, let us know.

Who says you can't change the law

Well done Tim (Tim Smith, our tax partner) who has been praised recently
by our institute for initiating the *Tax Law Rewrite Project*
fifteen years ago when he was an MP.

Tim promoted *Section 160 of the Finance Act 1995*,
to require HMRC to report by the end of that year on what it was doing to
simplify tax law. This led to the setting up of the Tax Law Rewrite Project.
This year that project has closed because almost all of our complex tax laws
have been rewritten in simpler language.

Thank you, Tim.

Marriage Breakdown - are trust assets protected?

When marriages break-down, the assets are normally split between the two parties - unless there has been a pre-nuptial agreement which will have already determined how the assets are to be shared.

Trust assets will also be split where:



The trust is shown to be a sham.



The assets have been put deliberately into a trust by one of the parties in anticipation of marriage breakdown to try to protect them.



The trust is a nuptial settlement set up by (say) a grandparent in recognition of the marriage. The court may order all of such assets to be given to just one party.



Certain other cases.

In short, trust assets may not be protected in the event of a divorce but, if a trust fund was set up for one individual at the time when he or she is neither married, nor contemplating marriage, that trust is likely to remain the sole possession of the beneficiary.

A friend of ours asked us, 'Should I invest in gold?'

We asked Martin Gwynne who we knew was up to date with what's going on in the gold market and this is what he had to say...

Yes. Gold is in my opinion an indispensable investment for the medium and long term, but I have no idea at all what will be happening in the short term. It has, after all, moved from about \$850 per ounce to its present price of about \$1100 price per ounce in the last year or so, though of course it has come off from its 'high' of about \$1200 per ounce.

If I had no gold now,

I would put most of what I can afford into gold, in some easily marketable form, at this price, because I think it is quite likely that it won't go any lower; and then, if it did go lower, I should be delighted and should add to my holding, and add more to my holding if the price dropped further, and so on every time the price dropped further still, even if that meant ending up investing more than I had originally intended. In other words, contrary to any other investment I have ever made or recommended, I should be *delighted* by a price-drop, or even a price-collapse, because I don't see how it could be anything other than very temporary - whereas the sky is the limit upwards (unfortunately, though, in one respect, because a sky-high price in fact means worldwide currency-collapse, which in fact is what I am expecting, the only question being when).

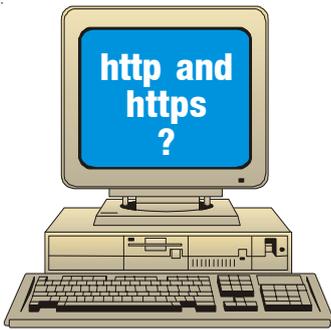


One thing that must be recognised is that some sort of Government intervention relating to the ownership of gold is *always* a real possibility. It is, after all, only a few decades ago that the ownership of gold was illegal in England, the US and other countries., and had been since well before the Second World War; and, since then, the Government, has for some reason it is not clear to me, given every sort of favourable advantage to buying it (no VAT, no capital gains tax on British gold coins as far as I know, and so on). All such advantages may be reversed, but, by contrast with when the ownership was illegal before, for reasons of space I cannot give here, I rather doubt it would have the same effect this time. But I'm only mentioning that for the sake of completeness. At present there is no indication whatever that the Government will create that sort of problem for dealing in gold.

Finally, the kind of gold I would buy would probably be coins — British coins (such as sovereigns) in England because, as far as I know, they are more tax-advantageous. Coins sell at a bigger premium over bars, as far as the weight-for-weight gold content is concerned, but they are very convenient and of course much easier to value at a glance.

We found this very interesting but, not being financial advisers, you must take professional advice before taking action.

What's the difference between



The main difference is **Security**.

http stands for
Hyper Text Transfer Protocol.

The **S** stands for 'Secure'.

If you buy stuff on the net, this might be of interest to you.
It's worth remembering:

If you visit a website or web page, and look at the address in the web browser, it will likely begin with **http://.**

This means that the website is talking to your browser using the regular 'unsecured' language.

Therefore it is possible for someone to 'eavesdrop' on your computer's conversation with the website.

So, If you fill out a form on the website, someone might see the information you send to that site. This is why you never ever enter your credit card number in an http website!

But if the web address begins with **https://,**

your computer is talking to the website in a secure code that no one can eavesdrop on.

If a website ever asks you to enter your credit card information, you should automatically look to see if the web address begins with **https://.**

If it doesn't, you should **never** enter sensitive information... such as a credit card number.

If you have found it difficult getting to the bottom of the credit crunch and who was to blame - the banks or just the system, this may shed some light on it.

Bill runs a pub but all his customers are unemployed alcoholics, so he offers them credit. 'I'll put it on your tab' he says.

Bill keeps a ledger, a record of all these loans. Word gets out and soon every lush in town is drinking in 'Bill's bar', pushing sales volumes through the roof.

When Bill puts up the prices the customers don't mind. It's 'drink now, pay later' for them, so they keep on drinking, and sales increase massively.

Down at Bill's local bank a whiz kid with gelled hair, pimples and a too-big collar, realises that all these customer debts look like a valuable future asset; so he increases Bill's overdraft and alerts his trader friend at Bank HQ.

The man at HQ bundles up the debts and sells them as Alcobonds on the international derivatives market. Investors, including banks and pension funds, snap them up, not realising that they are buying the debts of unemployed alcoholics who, even at this very moment, are cheerfully getting plastered with no prospect of ever paying their bar tab.

But then the barrel of rotten apples bursts.

A risk manager at the local bank looks carefully at Bill's business, sees the overdraft not coming down and decides to call in the debt.

Bill can't get the money from his customers so he goes bankrupt.

Word gets out and Alcobonds drop by 90% overnight, which means that these assets have turned worthless in double quick time; this means that the banks have no spare cash and cannot

offer new loans, thus freezing the entire economic sector.

Not only has Bill gone bust but his suppliers haven't been paid and so they go bust too.

This means that the people who work in breweries are thrown out of work. On top of this, the pension funds suffer because their holdings in Alcobonds are now worthless.

So there you have it; people going bust, unemployment increasing, stocks and shares plummeting,

banks not lending and interest rates kept desperately low in the hope that it might stimulate the economy.

But even that seems not to work.

In 2010, the recession seems to be as deep and endless as it ever was.

Is anyone not suffering you ask?

Yes, the banks. Because they have cronies in government, the banks are bailed out with billions of government money (yours and mine) in no-strings-attached deals. The money to pay them is created by imposing new taxes and cutting the benefits paid and services provided for sober, hard working people who have never crossed the threshold of Bill's bar.

Clear now?

Last question. Anyone any ideas how we get the economy going again?

Having problems with credit control?

We have recently engaged and can recommend the services of Rapid Collections, run by Carol Reynolds. She is on 01566 782811 or 07753 129010.



We get CVs

One's heart bleeds for all of those people who write to us sending their CVs and to whom we invariably write, politely, that we are not looking for any more trainees thank you. In short we have a file of failed CVs.

If you were to look at the CV's in the file I think you'd agree that they have not turned our heads because, let's face it, they all look the same. The one CV that didn't look the same was from a man called David Fisher. He sent us an accompanying letter that started, "I worked with Pat Joseph (as some of you will recall, Pat worked for us until her retirement nearly two years ago and was really popular with our clients) and she told me how much she enjoyed working for you..."

Now starting off like that is so much more enticing than the "I think you should give me a job" sort of approach.

David's approach attracted our attention and we are therefore now delighted to tell you that he has indeed joined us on a short-term contract.

We read this recently:

Life should not be a journey to the grave with the intention of arriving safely in an attractive and well-preserved body, but rather to skid in sideways, Chardonnay in one hand, chocolate in the other, body thoroughly used up, totally worn out and screaming 'Woo-Hoo, what a ride!!'

I don't think we totally share such sentiments, but shouldn't we all aim to finish on a Woo-Hoo?

Let me tell you about our two clients, George Mudge and his son Andrew who have just come fifth in the world blade shearing competition. There are six shearers in a team and the top two teams from each country get to compete in the World Championship. The team consists of two machine shearers, two wool handlers and two blade shearers. George and Andrew made up the blade shearers in their team. Andrew is 30 and George 63. Surely some sort of record in itself.

This year the competition was held at the Royal Welsh Show at Builth Wells. Because they rotate it between hemispheres, next time it will be in New Zealand, so it really is a world championship. Well done indeed George and Andrew. A fantastic effort.

Quick reminders

Late settlement of fees

Our tax return service lasts for twelve months (1 May to 30 April each year) but it's only an all-inclusive service for those clients who kindly settle their fees on time.

Late payers are not only liable to lose out on our benefits and guarantees, such as free tax investigation service and our free telephone advice service, but also to be charged extra.

VAT goes up to 20% on 4 January 2011

As happened when it went down two years ago, we have prepared a one page crib-sheet to help VAT registered traders cope with implementing this increase.

Let us know if you would like a free copy.

You might like to know about The Back Office Team

who have set themselves up to help small business people keep their affairs in order. Whether it's book-keeping, invoicing, stock control, utility management, providing management information or general administration, might they be of service to you? If so, call them on 01822 834609. www.thebackofficeteam.co.uk

These sentences (with all the BLOOPERS) actually appeared in the church bulletins or were announced in church services

Ladies, don't forget the rummage sale. It's a chance to get rid of those things not worth keeping around the house. Bring your husbands.

Remember in prayer the many who are sick of our community. Smile at someone who is hard to love. Say 'Hell' to someone who doesn't care much about you.

Miss Charlene Mason sang 'I will not pass this way again,' giving obvious pleasure to the congregation...

The eighth-graders will be presenting Shakespeare's Hamlet in the Church basement Friday at 7 PM. The congregation is invited to attend this tragedy.

Potluck supper Sunday at 5:00 PM - prayer and medication to follow.

The pastor would appreciate it if the ladies of the Congregation would lend him their electric girdles for the pancake breakfast next Sunday.

Many thanks to Zenon Kusik, a reader in New Zealand, for sharing these items found in church bulletins