

# ProActivity



**Foxley  
Kingham**  
CHARTERED & BUSINESS  
ACCOUNTANTS & ADVISORS

## MAKING TAX DIGITAL IS COMING

**Just when you've got over the GDPR regulatory hurdle and you thought it was safe to take a breather, the next regulatory challenge looms into view. Like GDPR, and Auto Enrolment before that, Making Tax Digital (MTD) is another phrase that seems to have been around for some time, particularly as the government moved the original implementation dates back a year in order to deal with a little thing known as Brexit!**



### Phase 1 – April 2019

From April 2019 all VAT registered businesses with a turnover in excess of the VAT threshold (currently £85,000) will have to adhere to the MTD regulations. This includes sole traders, partnerships, LLP's, limited companies and charities.

These businesses will have to keep their VAT records digitally and file their VAT returns electronically through MTD compatible software.

The main software houses (SAGE, Xero, Kashflow, Quickbooks) have committed to being MTD compatible in time. However, if you already keep your files electronically, you should check with your software provider that they will be MTD compatible by the deadline, particularly if you use a bespoke or an older package.

### Phase 2 – April 2020

The government currently intends to broaden the scope of MTD to include income and corporation tax from April 2019 (at the earliest). There is a formal consultation planned in 2018, however, it is understood that the government will not widen the scheme until it has been found to work well in its current form.

Therefore the finer details of the

future of MTD are unknown, but it is expected that businesses below the VAT threshold and property landlords will be brought into the scheme. There may be an exemption for the very smallest businesses (currently mooted to be businesses with a turnover of £10,000 or under).

Inclusion in the scheme will mean that businesses will be required to keep income and expenditure details digitally and report them to HMRC on a quarterly basis, with a final balancing fifth return on which taxes are assessed, due by 31 January. There is currently no requirement to pay taxes quarterly under the scheme, but we don't think it takes a genius to work out where this may be heading in future!

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## THE FUTURE OF ACCOUNTING

We believe the advancement of technology will radically change the way we interact with clients for the better. MTD is a move towards quarterly digital reporting, which will open up a new way of working and could bring major benefits.

As part of the shift towards more frequent reporting we can review financial information four or five times a year with a lighter touch, rather than one major exercise six months after the year end. This will ensure that you can provide the HMRC with the best quality information (and thus reduce the risk of a tax enquiry).

The move will mean that better quality business information will be available on a more timely basis, enabling better decision making. It can also give you the opportunity to plan for taxes or business changes in a more forward looking manner, rather than relying on information that is six months out of date.

# The answer is in the cloud

Cloud accounting is a potential solution for some of the problems thrown up by MTD. Essentially cloud accounting is just a term that refers to a digital accounting package that is hosted on someone else's server and accessed by the user through an internet browser.

This can bring a number of benefits, particularly to owner-managed businesses where the balance of working and home life is often more fluid. Because it is internet-based, cloud software packages can be accessed from anywhere with an internet connection. Therefore, unlike a traditional office server-based system, cloud accounting can allow the busy business owner to access all of their accounts from home, as well as the office, or even on the road between meetings.

It can also bring efficiencies in the way we work with you as your figures can be accessed directly from our office; if there is something you need help with, we can see what you see, or log on and fix it directly without incurring travel time or expenses. Cloud accounting can prove to be a very cost efficient in a number of ways, depending on the package used.

This is just one example of how technology continues to develop new and innovative ways of improving processing efficiencies. Apps are available to access figures on mobile devices in any location. Bank feeds are now widely accessible, reducing the input time on bank reconciliation. Invoices can be posted directly into the system using scans or photographs and OCR (optical character recognition), further improving processing times. It's difficult to know where technology will end.

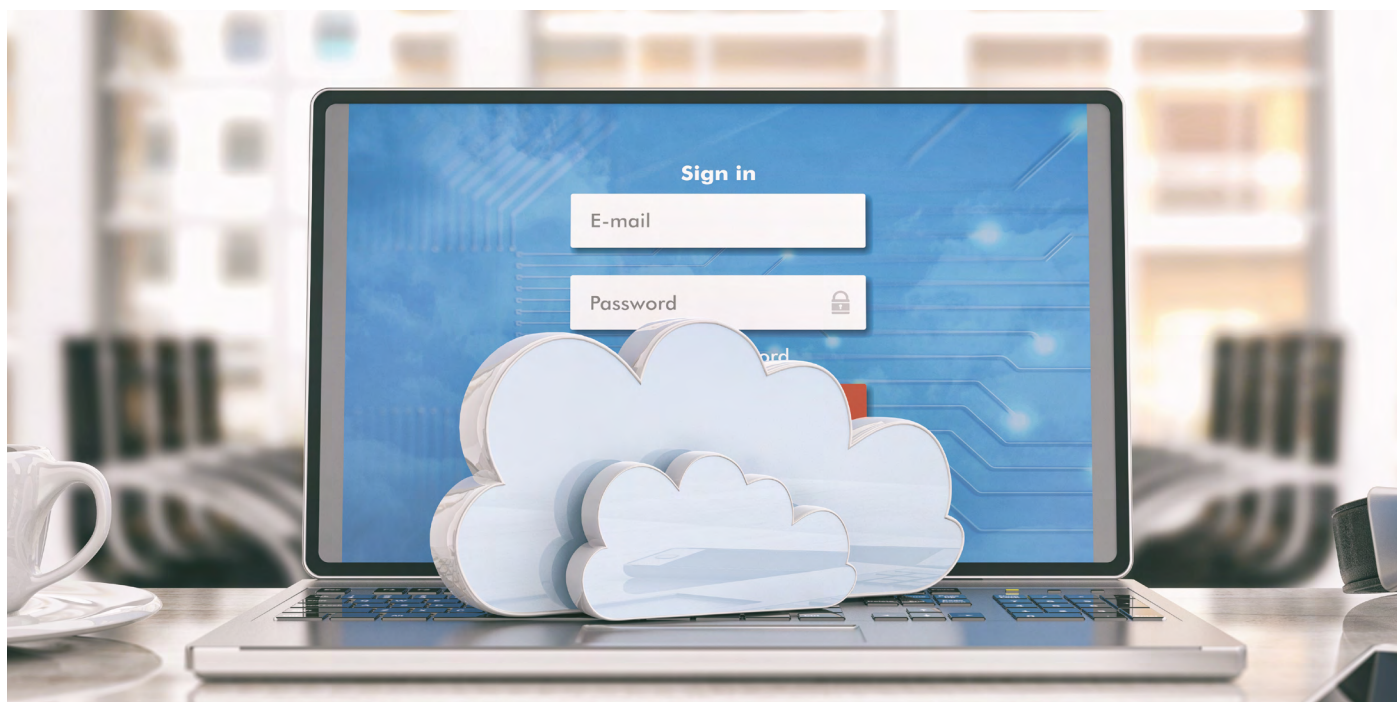
For more details on cloud accounting please see the Winter 2016 issue of *ProActivity*.

## MTD AT FOXLEY KINGHAM

We're committed to helping our clients to meet their obligations and to make the most of the opportunities that these changes might bring. To drive this forward we have established a MTD working group.

- Last year we set up FoxKash Limited, a new independent service designed to give expert online book keeping support [www.foxkash.co.uk](http://www.foxkash.co.uk)
- We will be reviewing the impact on every client and speaking with you as to the potential impact and your options
- We are accrediting our staff in the major accounting software packages, so we can help guide clients through the change process
- We are researching new ancillary software products which will help users maximise efficiencies in their book keeping function
- We will be looking at different ways of working with clients, to ensure the changes deliver maximum benefits without incurring significant costs

HMRC have launched a pilot for Making Tax Digital for income tax. If any clients would like to join us in working on the pilot please call Alfie O'Dell on **01582 540800**.







# GDPR

## GDPR UPDATE

**The General Data Protection Regulation (GDPR) has come into force to help improve the way all organisations handle personal information. The Information Commissioner's Office now has new powers to penalise those who misuse data.**

Many of our clients have been ahead of the curve with GDPR, however in a recent Populus survey, 60% of businesses have stated they are not yet "GDPR ready". Don't worry if that includes your organisation – compliance is more of a long term journey, and what's important is to start taking measures to become compliant. The good news is that Elizabeth Dunham, the Information Commissioner, who is responsible for enforcing the new regulations, said they would not be expecting perfection from small firms.

If your firm is compliant this does not mean that you can rest on your laurels! Here are a few areas to keep focusing on:

- Staff training should continue to ensure that any new members of staff are brought up to speed with both the regulations and your internal data handling procedures, and to consolidate previous training of existing staff.
- You should also have plans in place to keep track of new data and an ongoing data audit to delete any data that is no longer required.
- Communication is key when ensuring continuing compliance, so regular meetings with all relevant staff across the business to discuss data issues are vital, and the documentation of your GDPR procedures must be kept up to date.
- It is also worth remembering that any data breaches, whether deliberate or accidental, must be reported to the ICO within 72 hours so that you can prove that you have got appropriate data protection measures in place.

If you're still right at the start of your GDPR compliance journey, and haven't started, it may be useful to look at some practical steps you can take to get started. Why not check out our blog post "Get Ready for GDPR" (just search GDPR from our home page [www.fkca.co.uk](http://www.fkca.co.uk)) which provided ten handy steps to help you get ready. More information can be found on the ICO website: [www.ico.org.uk](http://www.ico.org.uk)

## Foundation news: Board welcomes new trustees

The Foxley Kingham Anniversary Foundation is delighted to announce the appointment of two new trustees to its Board to support its governance and oversight function. Justin Richardson is Chief Executive of Bedfordshire Chamber of Commerce, and Fasil Hussain is a company commercial solicitor at Neves Solicitors.

Commenting on the new appointments, Tara Aldwin, Partner at Foxley Kingham, said: "We are immensely proud to welcome Justin and Fasil to the board, and are very grateful for their support. Their experience will be invaluable as we move forward through our exciting anniversary year. Our company has flourished over the last fifty years in this, our local community, and we are hugely committed to playing our part in the local community through our fundraising." Foxley Kingham will also be match funding any money raised by its staff across the year.

# THE FOXLEY KINGHAM ANNIVERSARY FOUNDATION

**The Foxley Kingham Anniversary Foundation was established as a way to raise funds and awareness for a range of local charities as part of the celebrations to mark 50 years of Foxley Kingham. We are delighted to report that, at time of going to print, the Foundation has raised over £13,400!**



We have already had lots of enjoyable events including a wine tasting in February, a sell out quiz night in April and a charity football tournament hosted by Luton Town Football Club in May. The rest of the year is looking just as exciting and we are keen to get as many clients as involved as possible. As you can see from the list (right), there is something for everyone, from beer tasting and murder mystery, to a London to Windsor cycle and the Love Luton Half Marathon. And of course there is the Foxley Kingham Anniversary Foundation Gala dinner. If you, or any of your team would like to join us (or sponsor us!), please contact us at [Sarah.Robertson@fkca.co.uk](mailto:Sarah.Robertson@fkca.co.uk) or call us on **01582 540800**.

## EVENTS

### Beer Tasting

Friday 27 July

Get your tastebuds buzzing!  
6.30pm at Icon Hotel, Luton.  
Tickets are £15 per person.

### Race Night

Friday 31 August

A fun night with the horses.  
7.30pm at Barton Rovers Football Club,  
Barton Le-Clay.  
Tickets are £15 per person

### London to Windsor Cycle

Sunday 9 September

Are you a keen cyclist? Come ride with us!

### Quiz Night

Thursday 20 September

Foxley Kingham, Kirkby Diamond and Rotary Club of Luton Someries are holding a quiz night at Silsoe Village Hall. £15 per person or £90 for a team of 6 (ticket price also includes a cold buffet).

### Bedford Super Sprint Triathlon Series

Sunday 30 September

A team of Foxley Kingham staff and friends are taking part in the Sprint Series. Get your trainers/goggles/bike helmets on and join in! Or sponsor us as we battle our way round the course.

### Love Luton Half Marathon or 10K

Sunday 28 October

Join the Foxley Kingham team or sponsor us. We'll see you at the finish line...

### Murder Mystery

Friday 16 November

Classic 1920's Country House Whodunit! You'll know their names but do you know who committed the murder? How & Why? Enjoy a three-course dinner at Putteridge Bury from 7pm. £50 per person

Tickets for all events are available at  
[www.tickettailor.com/events/foxleykinghamanniversaryfoundation](http://www.tickettailor.com/events/foxleykinghamanniversaryfoundation)



You can sponsor us at  
[www.totalgiving.co.uk/donate/the-foxley-kingham-anniversary-foundation](http://www.totalgiving.co.uk/donate/the-foxley-kingham-anniversary-foundation)



## You are cordially invited to a Night to Remember!

Get your dancing shoes on and join us at the Foxley Kingham Anniversary Foundation Gala Dinner. This glittering evening will take place on Friday 14th September at the beautiful Offley Place Country House Hotel.

There will be a drinks reception, a three-course meal, and a charity auction, before we dance the night away to the strains of the live band. All the proceeds from the Gala Dinner will go to the 17 local charities nominated by Foxley Kingham staff and clients. Tables of ten cost £1,200 and tickets are available online at [www.tickettailor.com/events/foxleykinghamanniversaryfoundation](http://www.tickettailor.com/events/foxleykinghamanniversaryfoundation)

Or for more details on how to book, please contact Sarah Robertson at [Sarah.Robertson@fkca.co.uk](mailto:Sarah.Robertson@fkca.co.uk) or call **01582 540800**. We hope to see you there!



# NOMINATED CHARITIES

After careful consideration, the Foxley Kingham Anniversary Foundation has chosen 17 local charities to support. They are:

## Autism Bedfordshire

An independent charity providing information, advice, emotional and practical support to individuals with Autistic Spectrum Conditions, their parents/carers, families and associated professionals throughout Bedfordshire.

## CHUMS

A mental health and emotional wellbeing service for children and young people in Bedfordshire. They support children who have been bereaved, traumatised or suffer with other mental health difficulties.

## Dogs Trust

An animal welfare charity and humane society which specialises in the wellbeing of dogs. The charity rehabilitates and finds new homes for dogs which have been abandoned or given up by their owners.

## Families United Network (FUN)

A membership organisation and charity which supports children and young adults living with additional needs and disabilities throughout Bedfordshire.

## Keech Hospice Care

The adult hospice for Luton and south Bedfordshire, and the children's hospice for Bedfordshire, Hertfordshire and Milton Keynes.

## Level Trust

A Luton-based charity that believes that poverty shouldn't stop children from developing a love of learning.

## Luton and Dunstable Hospital

The Neo-Natal, Maternity Bereavement and Cancer Units provide a wide range of general and specialist services for our community. All charitable money raised allows the hospital to enhance its services and provide a safe and more comfortable environment for patients and their families.

## Luton Town FC Community Trust

The Trust aims to make a positive difference and measurable impact to all members of its diverse community through the promotion of sport and learning opportunities.

## Mind BLMK

A mental health and wellbeing charity for Bedfordshire Luton and Milton Keynes, providing community support and service, training, consultancy and information.

## NOAH Enterprise

A charity which provides a practical, empowering and caring service to people who are homeless, particularly those who are temporary or entrenched rough sleepers, and those who are marginalised and socially excluded, or have simply fallen into poverty.

## Rett UK

This is the only UK charity which provides professional support to people living with Rett syndrome across the UK.

## Road Victims Trust

A charity that offers a range of free support services to residents of Bedfordshire, Cambridgeshire and Hertfordshire who have been affected by fatal road collisions.

## Samaritans (Luton, South Beds and Harpenden)

An organisation that listens and supports people in need from all over Luton, South Beds and Harpenden and the surrounding area.

## TOKKO

A charity based in Luton which supports local young people aged 13-19 (or those with disabilities up to aged 24) to advance in life, feel safe, and bring their imaginative ideas to life.

## The Karen Trust

The Trust provides a much-needed break for terminally ill cancer patients and their families. Their mission to open a dedicated retreat in the UK for terminally ill cancer sufferers in the thirty-plus age range.

## The Wildlife Trust for Bedfordshire, Cambridgeshire and Northamptonshire

The Trust has a mission to conserve local wildlife by caring for the land. It also aims to inspire and inform people to take action by offering advice and shared knowledge to protect wildlife and their habitats.

## Women's Aid in Luton

A voluntary organisation supporting women and children who fall victim to domestic abuse. It offers support and guidance to women and children from all backgrounds and circumstances.







# How to deal with a HMRC investigation

**Tax may be a certainty in life, but for some small businesses a tax investigation can come as an unwelcome surprise. If your business has not been investigated yet there is a strong chance that it may come under scrutiny of the HMRC at some point in the future.**

If and when this happens, it is important to stay calm, and use the help and support offered by your professional advisors. By taking professional advice you can avoid any pitfalls, and help make the process as straightforward and painless as possible.

You can be the subject of a Full Enquiry or an Aspect Enquiry. A Full Enquiry is wide ranging, whereas an Aspect Enquiry tends to originate from a specific part of a tax return but can develop into a Full Enquiry if the HMRC believes that is appropriate.

A straightforward enquiry can take from three to six months, a more complicated one can drag on for years. It is therefore important to prepare yourself for the long haul, and even more important to meet any deadlines stipulated by HMRC and respond to any questions as fully and clearly as possible with help from your professional advisors.

Foxley Kingham's Tax Investigation Service offers protection for those going through an HMRC investigation. For an annual fee we will:

- Make sure you have the strongest possible representation in the event of a tax or VAT enquiry
- Deal with the tax authorities on your behalf (including handling all correspondence and attending all meetings with the Inspector)
- Negotiate the best possible result

In addition the subscription gives you access to a Business Legal Helpline covering employment law, health & safety, and commercial matters.

For more information, or to renew your coverage for 2018/19, please look out for our renewal mailing in August/September or contact us on **01582 540 800**.



## What to do if the HMRC Inspector calls

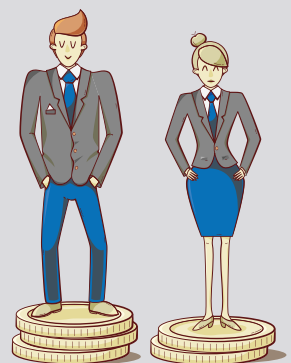
1. Don't panic!
2. Contact professional advisors – this is the time to call on the Foxley Kingham Tax Investigation Service
3. Be as open as possible with HMRC
4. Meet any deadlines in a timely manner

## SME LEAD THE WAY IN GENDER PAY GAP

SMEs are closing the gender pay gap at twice the rate of all other businesses in the UK, according to a study by Informi, the small business information service. However, despite the gains made by SMEs, figures from the Office for National Statistics show that the average woman in the workplace still earns 9.1 per cent less than the average man.

**Action points:** For businesses that wish to challenge the gender pay gap, information is key. According to *The Financial Times*, the three most important reasons for the gender pay gap are 'within-occupation segregation' (men occupying more senior and women more junior roles); 'across-occupation segregation', (men and women in different types of jobs); and a residual bias (gender differences in time on the job as well as bias in pay negotiation and discrimination).

To tackle the gender pay gap employers must recognise these issues and put measures in place to address them, such as better training, more rigorous interview processes, and more balanced and nuanced performance assessments.



# FSB and Small Business Commissioner urge end to late payments

The Federation of Small Businesses has called on larger businesses to do more to end late payments, poor payment practice and supply chain bullying. This call has been echoed by Paul Uppal, the government's new Small Business Commissioner, who has pledged to "make poor payment practices a thing of the past".

But what can you do if you are affected by late payments? Here are some handy tips to help combat late payments:

- Credit check all new customers
- Emphasise your credit terms from the start of any commercial dealings
- Invoice quickly – don't wait until the end of the month
- Use an aged debtors report (this provides all the information you need about the outstanding monies owed to your company)
- Adopt a reliable collection procedure with a system of communication with your debtors that increases the pressure on them incrementally.
- Use technology help you to control the problem of late payers; software can provide at-a-glance updates on who has paid, and which debts are still outstanding.

Source: *The Gazette*

## NEWS: PUBLIC CONSULTATION ON OFF – PAYROLL WORKING IN THE PRIVATE SECTOR (IR35)

In April 2017, the government reformed the off-payroll working rules for engagements in the public sector and in the Autumn Budget 2017, the government announced it would consult on how to tackle non-compliance with the off-payroll working rules in the private sector.

This consultation provides an early evaluation of the public sector reform, which shows that public sector compliance is increasing as a result. It also invites responses on how best to tackle non-compliance in the private sector. The consultation runs from 18 May 2018 to 10 August 2018. A further update should be available in our Autumn/Winter newsletter.

To contribute to the consultation please go to: [www.gov.uk/government/consultations/off-payroll-working-in-the-private-sector](http://www.gov.uk/government/consultations/off-payroll-working-in-the-private-sector)

## Scam and bogus emails

If you receive an email purporting to be from HMRC with an attachment and a subject that reads; "You have received new messages from HMRC", please forward it to [phishing@hmrc.gsi.gov.uk](mailto:phishing@hmrc.gsi.gov.uk) and then delete it. HMRC will never ask for any personal, or financial details over emails or text messages. For more advice on scams, phishing and genuine HMRC contact, please visit [www.gov.uk](http://www.gov.uk).

# PARTY TIME!

John Kingham, one of the founding partners of Foxley Kingham, hosted a fabulous party to celebrate the firm's 50th anniversary at his home in Luton. Guests included current and former members of staff, a number of longstanding clients, and members of John's family, as well as the sons of founding partner Malcolm Foxley. It was a relaxed and happy affair with lots of laughter, as old and new friends shared reminiscences of how times have changed in the 50 years that our firm has been operating.

Guests enjoyed food and drink in the garden and John's wonderful house, where they admired his Disney memorabilia; a tribute to his passion for all things from the Magic Kingdom!

A highlight of the party were the speeches from John and current Foxley Kingham partner Paul Bithrey. John spoke about how the firm started, reflecting on how far Foxley Kingham has come from an unprepossessing office to the thriving firm that we can see today. Paul recounted the story of his first meeting with John and Malcolm, and underlined how the founding partners' commitment to the community was still at the heart of the Foxley Kingham ethos.

The spirit of giving back to the community was reflected in numerous generous donations and the enthusiastic response to the raffle which meant that the event raised over £2,000 for the Foxley Kingham Anniversary Foundation.

All in all it was a lovely celebration!





# Dates for your diary . . .

## Woburn Abbey Gardens Tour and Lunch

18 July, 12.30pm – 4pm, The Sculpture Gallery, Woburn Abbey

## Meet the Neighbours

Event run in association with Milton Keynes Chamber of Commerce, Northamptonshire Chamber of Commerce and the Bedfordshire Chamber of Commerce  
24 July, 12pm – 2pm, Whittlebury Hall, Whittlebury, Nr Towcester

## Charity Golf Day

27 July, 12pm – 6pm, Aspley Guise & Woburn Sands Golf Club, West Hill, Aspley Guise

## Business Buzz Bedford

1 August, 10am – 12pm, Auction Room, 1 Duke Street, Bedford

## Networking@Dunstable

3 August, 7am – 9am, Holiday Inn Express, Dunstable, London Road, Dunstable

## Business Buzz Luton

10 August, 10am – 12pm, The Brache Beefeater, Osborne Road, Luton

## Connect at the Vineyard Bedfordshire Chamber of Commerce

23 August, 5pm – 7pm, Warden Abbey Vineyard, Bedford Road, Old Warden

## ACAS – 7 ways to make your organisation more productive

16 August, 10am – 4pm, The Park Inn by Radisson, 2 St Mary's Street, Bedford

## Institute of Directors Workforce Inclusion and Diversity Conference

25 September, 9am – 3pm, Imperial War Museum Duxford, Cambridgeshire

Disclaimer: Please note that we cannot be held responsible in any way for any consequence arising from the information provided in this newsletter. Whilst every effort is made to ensure that accuracy of the content of all FK publications, no decisions should be taken on the basis of information given without reference to specialist advice.

# The Foxley Kingham Anniversary Foundation



We are delighted that the Foxley Kingham Anniversary Foundation is going from strength to strength and would like to thank all of our clients are supporting us in making a real difference to our local charities.

We want to include our clients as much as possible would love to welcome you to join us in any of the events detailed on page 4. If running a 10K or murder mystery is not your thing, please consider helping us support the many worthwhile charities by donating a raffle prize or sponsoring us in one of our many challenges!

For more information, please contact us on [Sarah.Robertson@fkca.co.uk](mailto:Sarah.Robertson@fkca.co.uk)

## Get FK online

Please visit the Foxley Kingham website [www.fkca.co.uk](http://www.fkca.co.uk) to access information about Foxley Kingham's services and specialist sectors, as well as a wealth of online resources.

You can browse in-depth analysis from our specialists, and dip in for valuable bite-sized news and updates. We constantly review our content, adding helpful information, articles, blogs, newsletters, company announcements and client successes.

We can also be found on Twitter [@FkcaLtd](https://twitter.com/FkcaLtd) and on LinkedIn at [www.linkedin.com/company/foxley-kingham/](http://www.linkedin.com/company/foxley-kingham/)



## FoxKash

FoxKash is a new, independent service that offers both online and offline book keeping. Many of our clients will be forced to submit their quarterly returns to HMRC online under the Government's new Making Tax Digital regulations from April 2019. FoxKash can help; it offers expert online book keeping at an affordable price.

For more information, please go to [www.foxkash.co.uk](http://www.foxkash.co.uk) or contact Helen Spokes on 01582 540 800.