



HOT ISSUES – Corporate Clients

iXBRL – Relevant to all companies

Will it affect me?

The answer is yes as iXBRL now applies to almost all corporation tax returns and associated accounts filed at HMRC.

What is it?

iXBRL is a machine readable format that is becoming a global standard in financial reporting. All corporation tax returns and associated financial statements now need to be filed in this new format.

Dean Statham has the software and processes in place to help you comply with this new filing requirement.

Capital Allowances – Are you maximising your claims?

Planning points to consider:

- Timing of expenditure – writing down allowances reduce from 1 April 2012 from 20% to 18% for the main pool and from 10% to 8% for integral features. Consider accelerating capital expenditure programmes to take advantage of the higher writing down rates.
- 100% allowances for energy saving or environmentally beneficial plant.
- 100% Annual Investment Allowance currently applicable to £100,000 of spend but post 1 April 2012 will only apply to £25,000.
- Hidden plant – are you acquiring commercial premises? If so all spend on non-bricks and mortar should be reviewed for eligibility to capital allowances as integral features.

Dean Statham regularly assists businesses to maximise capital allowance claims by accelerating relief where available or through identifying previously “hidden” integral features for relief.

R&D Tax Credits – Do you qualify for enhanced relief?

If you conduct research and development (R&D) activities you may qualify for enhanced allowances – R&D tax credits. For small and medium entities (SMEs) the current allowance is 200% of the qualifying R&D spend. Loss making companies can apply for a cash repayment.

Dean Statham have helped many local businesses to apply for and ultimately receive these very valuable tax credits. We would be happy to discuss your R&D activities with you and if they appear to comply with the guidelines from HMRC we would work with you to apply for the tax credit.

IFRS & FRSME – Comprehensive changes to the format of your accounts

You currently prepare your financial statements using UK accounting standards (UK GAAP). Did you know there are two other sets of accounting standards and changes being proposed may mean you have to change your financial statements from UK GAAP to one of these alternatives?.....and the transition is a timely and sometimes complex process.

International Financial Reporting Standards (IFRS) are currently applied by listed businesses. A new standard for all UK private companies (except micro entities) to replace UK GAAP has been announced for periods commencing on or after 1 July 2013 - Financial Reporting Standard for Medium Entities (FRSME). This is in essence a cut-down and simplified version of full IFRS.

Dean Statham can talk you through these alternatives and can help you prepare for and undertake the transition to either IFRS or the FRSME.

Call us now to discuss these or any other issues:

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