

## **WINTER NEWS LETTER**

I wish my clients and readers a Happy New Year with the prayer that it brings you fulfilment and joy whatever your circumstances.

The nation faces uncertain times politically and economically which will bring some significant challenges to us all. We need wisdom to make correct judgements whatever our circumstances and this is not necessarily the wisdom of man. The Book of Proverbs in the Bible guides us as to where to find this wisdom following the statutes and words of our Maker and allowing our lives to be guided by Him rather than the culture and ways of our so called modern politically correct current age.

As a firm we have been blessed with significant growth in 2018 somewhat putting ideas for me to slow down a bit on hold. Colin (now a director and shareholder of the firm) and Vanessa (16 years with the firm) continue to share in the responsibilities of running the business. We now have a new Tax Manager, Antonina, who brings along with her tax knowledge, vitality and enthusiasm to all she does – I am sure you will enjoy meeting her. Jacob continues to grow in his role as Audit Manager having qualified in 2018, and we now also have the joy of Tina (one of our Accounting Technicians) expecting twins in the Spring – an answer to prayer and will bring much joy to her and the firm.

We are sorry to have lost Andrew Batchelor who has left us to join Grant Thornton in Crawley to further his career, but I remain indebted to my many long-standing staff for their loyalty. Did you know there are currently 15 of us and 16 when Andrew's replacement arrives. A long way from just myself and a secretary when we started the firm in Station Parade Eastbourne back in 1991.

The major issues within the accounting world will be the effects of Brexit and also the commencement of Making Tax Digital in April 2019. Initially this will only effect filing VAT Returns and if you need help in this direction do not hesitate to speak to Colin or Liam.

Despite all that our government says, red tape and regulation continues to abound particularly in the charitable sector. Charities need to be aware of continued government scrutiny of their operations and it is very important to ensure good governance and procedures. Trustees can be particularly vulnerable here as they bear the ultimate responsibility for a role which invariably is unpaid and done with a good heart and concern for the community.

In the November 2018 budget the Chancellor relaxed the trading rules of Charities whereby it is now possible for a Charity to have secondary purpose trading (i.e. trading activities to raise money) as follows:

Total income to £32K	maximum trading level £8K
Total income £32K to £320K	maximum trading 25% x income
Total over £320K	maximum trading limited to £80K

This is good news allowing Charities to raise money from various trading activities.

Do remember that primarily purpose trading, i.e. trading to achieve your charitable purposes is fully allowable.

If you would like guidance and help in this area do let us know.

Finally, a reminder to all our clients that your 2017/18 Tax Return needs filing by 31 January and if you are one of those who have not yet sent back your signed Return or even worse, have not sent us your papers, then this should be given your immediate attention.

We will be writing to our clients this month advising them of tax payments due to HM Revenue & Customs at the end of the month.

With best wishes to you all.

John and the team.

Caladine Limited

CALADINE/MP/115913

3 January 2019