

LIVES TRANSFORMED BY TOILET TWINNING

Thanks to the help of our clients and friends, we have done it! We have twinned a loo with an impoverished family's household latrine in a country in need. 2.3 billion people do not have somewhere safe and hygienic to go to the toilet.

Toilet twinning is a water and sanitation initiative enabling us to flush away poverty, one toilet at a time.

Just by twinning one toilet, we can help those in desperate poverty to have access to a proper latrine, clean water and the information they need to be healthy.

We will proudly display the certificate on the door to our offices.

Thank you for all your help.



**WE ARE
TWINNING
OUR TOILETS**



Oakwood Reminder



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Business is great but we are always looking for more.

Please pass on this newsletter to any one you feel may benefit.

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EDITORIAL

Here we are in the spring of 2019 and doesn't time fly? Another month and we will be into another tax year as well!

We can report we submitted every possible personal tax return we could by the deadline of 31 January, and we pressed the button on the last one on Tuesday 29 January at 11.29a.m. Not one of our clients missed the deadline- 100% success rate for the 19th year in a row!

This edition of the Reminder is packed with information on important facts you need to take into consideration in the new tax year, including the increase to the contributions to approved workplace pensions, national minimum wage increases, making tax digital, itemised payslips, VAT treatment of entertainment, providing mobile telephones to employees or directors.

We've also included a couple of 'lighter' items about our sponsorship of sporting teams over the next year and our success with our campaign for toilet twinning! Our next venture is a sale of unwanted items to benefit Water Aid.

Our newest member of staff joined in the busiest month of the year, January, and Angela has settled in very well. She took her AAT exams some considerable time ago so is in refresher mode at present and updating herself with completing the bookkeeping for some of our more challenging clients!

We feel very positive about the new tax year in that we are fully staffed and plan to be able to turn work round faster and more efficiently. Joe is progressing very well with his AAT studies and is enjoying looking after our advertising, sponsorship, Facebook postings and website. Claire is now fully trained on tax returns and running the practical side of the office. Denise still comes in one day a week to help out with our various projects, mainly for the community- Cranleigh in Bloom and the Rotary Club.

Do please continue to refer us and recommend us to your friends, family and business contacts, we are busy but never too busy! We will continue to provide you with the same great customer service and if for any reason we don't, please do contact me so we can put the situation right. We want our clients to be happy clients!



Oakwood Business Consultants
has commenced
a Sponsorship Agreement with
Cranleigh Cricket Club
and is pleased to note that the
Cranleigh Rotary Club
will be raising funds for the
Cricket Club under 14 Girls' Team
on 1st March 2019
At their Quiz





“Workers” is a term used to include zero-hours’ workers, casual workers and agency workers.

Many organisations would previously not have been required to issue payslips to staff and will therefore need to amend their processes accordingly to comply with the new statutory requirements.

From 6th April, the total number of hours worked must be included in the payslip for staff whose pay varies depending upon the hours worked in total.

Payroll Any Employer Ltd Employee: 5001 John Date 2/10/2023 Week 2 Weeks 1 & 2 Works: Telecommunications Job Code: A Dept: 1 Work: Telecommunications Job Code: B			
PAYMENTS		DEDUCTIONS	YEAR-TO-DATE
Hourly Rate	10.25		
Hours Worked	36.00		
Hours @ 1.50	2.00	Tax	50.00
Hours @ 2.00	1.00	Tax	20.00
Total Hours	38.00		
		LifeSaver	2.00
		Tax, Deductions	88.00
Bonus	234.00		
Total Gross Pay	424.00		
Less Deductions	88.00		
Net Pay	336.00	Payroll Transfer	
			Employee's
			Net
			Pay @ End
			424.00

If payslips are not received by individuals either before or at the time of payment, the employer will be in breach of this requirement. If the payment statement is issued but contains information over which there is a dispute on the accuracy of the information contained therein, the employer will also be in breach of the requirement. This could result in an individual taking this to an employment tribunal. In this situation, the employer may face a penalty equal to the amount of unnotified deductions made from the individual's salary

Please ensure that your payroll process is set up to collect information on the total number of hours worked for both employees and workers and adjust your payslip information accordingly to meet the new requirements. Please also be sure to get the right information to your workers and employees at the right time.

Be assured that all of our Oakwood Business Consultants Payroll Bureau Customers receive itemised payslips for their employees.

EMPLOYER'S RIGHT TO WORK CHECKING SERVICE

The Government online Employer's Right to Work Checking Service enables UK employers to check the current right to work of an individual and to see whether they are subject to any immigration restrictions. This online Checking Service was launched in April 2018. However, employers have still needed to request paper documents alongside using the online service. Changes to legislation this month mean that employers can solely rely on the online service to demonstrate they conducted the necessary right to work checks on migrants and avoid a penalty if they are found to be employing illegal workers.



VAT ON BUSINESS ENTERTAINMENT, BUILDINGS AND CARS



The recovery of VAT on entertaining business contacts is specifically blocked. However, this does not extend to the recovery of VAT on staff entertainment providing it is undertaken for the benefit of the staff, e.g. to reward them for good work or to maintain or improve staff morale. Where there is a mix of staff and non-staff, the recoverable VAT is apportioned.

The input tax on the purchase of cars that have any private use is blocked. Therefore, the VAT on cars with 100% business use, such as stock in trade cars dealers, taxis, driving schools, hire cars or pool cars etc., can be reclaimed.

The input tax on the installation of certain accessories in cars is also blocked. Input tax on accessories is only allowed if your business owned the car and the necessary accessory was for business use.

If you are a residential building contractor, you can recover input tax on the purchase of building materials. However, the VAT on furnishings, white goods etc., cannot be recovered.

OAKWOOD SPONSORSHIPS

Oakwood Sponsors Cricket

Having announced our sponsorship of Shottermill and Haslemere FC in the December Reminder, Oakwood is proud to announce 3 more sponsorship agreements with local sports clubs! Cranleigh Cricket Club, Bramley Cricket Club and Womersley Cricket Club shall all be beneficiaries of Oakwood Sponsorship for the upcoming 2019 cricket season.



Cranleigh Cricket Club

Established in 1856 Cranleigh Cricket Club is a busy and dynamic Club at the heart of the Community playing a large part in the Summer Sports calendar and in developing Junior sport. The Club provides coaching to approximately 200 Juniors and fields 9 boys' teams and 3 girls' teams in various Surrey leagues from U8 to U17 level. The Club also provides coaching to U6/U7s through its Primary Schools coaching programme. In addition, the Club runs an U19 team which won the Surrey 20/20 Cup last year and 3 Adult teams with the 1st XI playing in the first division of the Surrey Championship. A historic first was achieved in 2018 with the first (and definitely not the last!) Women's Softball Cricket festival held on Cranleigh Common. Oakwood will be the sponsors of the club's Guildford Road sign.



ATTENTION EMPLOYERS



Are you ready for National Minimum Wage and Pension Contribution Increases?

New rates are coming into effect in April 2019, for the National Minimum Wage and Living Wage. Employer and employee pension contribution rates are also on the rise as of next month. It is important these new rates are implemented correctly, to ensure you, as an employer are meeting your obligations and to avoid any issues arising in the future.

The new hourly rates can be seen below:

Type	Current	April 2019
Living Wage (25+)	£7.83	£8.21
Age 21-24	£7.38	£7.70
Age 18-20	£5.90	£6.15
Age 16-18	£4.20	£4.35
Apprentice	£3.70	£3.90

If we run your payroll, we will let you know beforehand if this affects any of your staff.

As part of phased contribution increases put in place by the Government, the minimum percentages for both employee and employer pension contributions will also be rising, as of next month.

The new minimum percentages are shown in the table below:

	Employer minimum contribution rate	Employee minimum contribution rate	Total
New rate 6 April 2019	3%	5%	8%
Current rate	2%	3%	5%

If we run your payroll for you, the pension contribution increases will be implemented automatically by us. If you run your own payroll yourself or through a payroll provider, you should make sure these changes are due to be put into place for April.

Should you require any guidance, please do contact the office, and we will assist you where we can!



MAKING PAYMENTS TO HMRC EASIER



You can now pay VAT quickly by using the green 'Pay now' button on the How to Pay VAT webpage on GOV.UK.

By using the 'Pay now' feature, you will automatically be offered various payment options to choose from and the information they need to pay HMRC.

Payment options:

- Direct Debit is easy to set up to avoid missing payment deadlines and receiving late payment charges
- Bank Transfer by Faster Payment, BACS or CHAPS using clients own banking software or applications
- Debit or corporate credit card, please note that credit card payments are charged a non-refundable fee. This facility is expected to include Self Assessment, PAYE and Corporation Tax

RESIDENTIAL LANDLORDS

We are advised that from 1st April 2018 the granting, renewing or extending of a tenancy for domestic and commercial properties requires an EPC (Energy Performance Certificate). When you are selling or renting your property, you, as the seller or Landlord must provide the EPC. The householder will have to pay for this survey and it should be given to the prospective buyer or tenant prior to entering into a sale or lease agreement.



The treatment of interest on financial costs on a residential property for taxation has also changed.

Bramley Cricket Club

Bramley Cricket Club is a competitive, local club. Operating Saturday league, Sunday friendly, mid-week T20 and Junior teams, Bramley offer cricket to a wide range of ages and abilities. With regular social events and good facilities, new members are always welcome. As the historical home of Woman's cricket, Bramley are keen to re-establish a strong woman's team in the near future as well as continuing to expand upon their existing set-up. Oakwood will be sponsoring the club's roadside sign as well as its annual fixture card.



Wonersh Cricket Club

For more than one and a half centuries cricket has been a feature of Wonersh sporting life. It is not certain when cricket was first played in the village but newspaper reports from 1875 onwards provide glimpses of the history of the club. Wonersh Cricket Club play league and friendly fixtures and were members of the Village Cricket League for 25 years. Oakwood will be the club's annual fixture card sponsor.

Oakwood is proud to be sponsoring the sporting community in and around Cranleigh, supporting clubs and institutions that are a key part of our local community's heritage and livelihood.



Meet Angela...

Angela joined us in January 2019, with 10 year old AAT qualifications Levels 1 and 2, but no experience. Previously having worked in the computing industry doing testing, quality assurance and programme management, Angela is now starting to learn the bookkeeping trade and discovering how accounting works in practice, as opposed to just in the text book.

VAT ON DIGITAL SOFTWARE



A digital download of software is classed as electronically supplied services. From the 1 January 2019, a new €10,000 threshold for Business to Consumer (B2C) supplies has been enforced for electronically supplied or digital services.

The responsibility for accounting for any VAT due in the customer's Member State depends on whether it is a B2B sale or a B2C. Digital services to unregistered businesses are classed as B2C sales.

For B2B, where the supplier and customer belong in the same Member State, it is the supplier's responsibility to account for any VAT due. However, where they belong in different countries, the customer accounts for the VAT due on the supply under the reverse charge mechanism.

For B2C supplies, the responsibility to account for VAT on digital services sits with the supplier. The Mini One Stop Shop (MOSS) simplification allows suppliers to deal with their obligations in other Member States through a single MOSS return.

If you are a VAT registered business based in the UK, the correct way of reporting the VAT is to have reverse charge in the UK and we recommend that the invoice is reported as a purchase of services from outside the UK on the VAT return covering the period in which the service was received, based on the net value charged. It is NOT okay to claim the VAT paid in the EU Member states on the UK VAT return. In these cases you will need to contact the supplier to request the VAT charged be credited on the basis that this is in fact a B2B supply; the UK VAT number will evidence this. A supplier that has treated a supply as B2C must amend the treatment and treat it as a B2B transaction when provided with the customer's VAT number as long as this was valid at the time of supply.

This is set out in the Explanatory Notes to the rules when they came into force in 2015 – link below:

https://ec.europa.eu/taxation_customs/sites/taxation/files/resources/documents/taxation/vat/how_vat_works/telecom/explanatory_notes_2015_en.pdf

More information on B2C digitally supplied services can be found at <https://www.gov.uk/guidance/the-vat-rules-if-you-supply-digital-services-to-private-consumers>.

References:

Notice 741A: Sections 3 and 4 provide information on establishing where a customer belongs; section 5 covers reverse charges; section 6.2 and section 13 provide details of B2B electronically supplied services.

LAUGHTER IS THE BEST MEDICINE

A young accountant dies. He immediately goes up to heaven (wishful thinking we know) and meets Peter. Because Peter is an organised sort of Saint, he goes through the required details:

Peter: "How old are you?"

The accountant: "33"

Peter: "That's impossible!"

The accountant: "Why"?

Peter: "I have looked at your time sheets and examined the hours that you have charged your clients—by my reckoning you are at least 97"!

What did the Accountant say to his young son after reading him a nursery rhyme?

"No son, When Little Bo Peep lost her sheep, it wasn't tax deductible, but I like your thinking"

