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SOME GLIMMERS OF HOPE

Despite the doom and gloom, there are several ways that any business can maximise opportunities in 2012:

The first thing to do is sit down and think about your strategy – what you want your turnover, profit, market share to be and set targets.

Then think about increasing market share. Smart businesses with competitive products and astute marketing skills are well placed to grow their respective market share at the expense of weaker or ailing competitors.

The big question is: “What can we do to increase our market share?”

Maybe if flexibility is the key – consider adding to your product or service offerings – this may give you the scope to move into adjacent markets that are currently underserved, maybe there is some space for newcomers.

Also consider selling into new foreign markets. Foreign exchange commentators suggest the level of sterling will continue to favour British exports in 2012. With this tailwind, UK companies that can hone their products to the specific needs of overseas customers have the opportunity to open up new international markets with competitive prices.

Opportunities in 2012 do exist for those businesses that can demonstrate the right approach and product offerings.

The top three strategies being adopted by our clients in 2012 are:

- 1) Taking business from competitors;
- 2) Lowering costs; and
- 3) Using technology to improve efficiency.

Take time to think about these and how you can maximise your opportunities!

TEAM UPDATE

PBL has been launched!!

We are very happy to be in our new offices in Caerau Road, Newport.

This is our very first newsletter but it definitely won't be our last!

I hope you are finding your way around our new website and getting a feel of the practice.

We're eager to progress things in terms of client relationships and are very much looking forward to getting to know you better.

We can then ensure that we are providing the best possible service to you.

REMEMBER:

WE count because YOU do!

CAUGHT BY THE PERSONAL ALLOWANCE TRAP?

Do you know if you are one of the 700,000+ people paying a marginal income tax rate of 60%? This is an increasingly unfair trap which exists if your income is just over £100,000. That means you are a 40% taxpayer, but still some of your income will amazingly be taxed at 60%. And you may not even realise this as it is not absolutely clear from the tax computation we produce for you each tax year.

How can this happen? It's all down to the withdrawal of the personal tax allowance by £1 for every £2 that your income exceeds the magic figure of £100,000. And with the large increase in the personal allowance (the plan is to get that up to £10,000 eventually) it is a tax trap that will affect more and more people each year. Here is what it means in figures for 2011/12:

Taxable Income	Marginal Rate
£100,000 to £114,950	60%
£114,951 to £149,999	40%
£150,000 +	50%

And for the next tax year 2012/13 it is even worse in terms of the number of people affected:

Taxable Income	Marginal Rate
£100,000 to £116,210	60%
£116,211 to £149,999	40%
£150,000 +	50%

As if the above was not bad enough, add in your national insurance contributions at 2% if employed or self-employed and you suffer a marginal rate of 62%!

There are several techniques available to avoid this unacceptable tax rate. Please contact us for help.

USING QR CODES TO MAKE YOUR EVENT A SUCCESS

Many businesses are using Quick Response codes or "QR codes" as part of advertising campaigns. They simply refer to a barcode, which contains information that can be read into a Smartphone. QR codes can be used as a tool to help make your events a bit different.

Event Promotion

If you are distributing emails, flyers and brochures, you can add a QR code and link it directly to a sign up web-page. Including QR codes on event documents can provide a link to the event schedule for attendees to access.

Registration Badges

Adding QR codes to the registration badges of your attendees will allow attendees to exchange information quickly and effectively by scanning the code using their Smartphone.



There are a number of websites that will generate QR codes for free. One such site is www.qrstuff.com which will allow you to select the instruction type and content embedded within the QR code and even allow you to select the colour of the code.

GOOD NEWS IF YOU ARE A "MICRO" COMPANY

The European Union's financial and economic affairs council agreed a new directive on Tuesday 21 February that allows member states to exempt very small companies from mainstream accounting and financial reporting obligations.

A recent consultation document on company law reforms said the UK will look to implement the changes "as soon as possible".

When the EU directive is enacted in the UK, companies will be allowed to apply the simplified reporting regime if they stay below two of the following thresholds:

- balance sheet total of €350 000 euro
- Net turnover of €700 000 euro; and
- average of 10 employees during the financial year.

Recent research suggests that Micro companies look likely to be required to produce:

- A simplified, cash-based trading statement to replace the profit and loss account;
- A statement of position; and
- A simplified annual return.

It is estimated that around 1.5m micro-enterprises will be able to take advantage of the changes. Rest assured we will contact you when clear rules are known.



MOBILE MONEY – USE YOUR PHONE TO TRANSFER CASH!

Coming soon: Using a mobile phone will be the main payment method for people and small businesses! By the start of next year, every bank customer in the country may have the ability to transfer cash between bank accounts, using an app on their mobile phone.

Barclays became the first bank to launch such an app for its own customers last month – "Pingit". Now the wider banking industry is in the throes of setting up a database which can link all bank accounts to their owners' mobile phone numbers.



This in turn will let every bank or building society plug their own systems into the database while offering their own apps to their customers.

How it will work

Anyone wishing to move money from their account to someone else's will have to have registered with their bank and to have activated its app on a mobile phone. The app will let them select the person they want to pay; knowing their mobile phone number is key here. The recipient must also be registered with their own bank so they can receive any such payments, even if they do not want to use an app to transfer any money on their own behalf.

Under the new system, the money will be transferred instantly from your bank account to the recipient's bank account, using the banking industry's "faster payments" system.

No more hanging around for three days for a cheque to clear. So if you are at home one evening and receive a call from your son or daughter needing money to tide them over, you could move the money from your account to theirs within a minute or so.

"ZIGZAG" UK ECONOMY THIS YEAR

The UK economy will "zigzag" this year, dipping in and out of growth, but avoid going back into recession, Bank of England chief Sir Mervyn King has said. The Bank's quarterly inflation report predicts the economy will grow by about 1% and forecasts inflation will continue to fall in the coming months.

Sir Mervyn said that some business surveys had indicated a pickup in the economy at the start of this year, but said this may not last. "The fiscal consolidation and tight credit conditions at home and the weakness of our major overseas trading partners are acting as a drag on growth," said Sir Mervyn.

"The underlying need for repair of balance sheets means that the path of recovery is likely to be slow and uncertain. For much of this year, there is likely to be a zigzag pattern of alternating positive and negative quarterly growth rates."

For 2013, the Bank is predicting a pick-up in growth to about 1.8%. At least things look like they are now going in the right direction, albeit slower than we had hoped!

JUST IN CASE!

Business Continuity Planning

Most business owners and managers are generally too concerned with how things are going today, to worry about how the business would function in the event of disaster tomorrow.

Although the day-to-day operation of the firm is undoubtedly important, businesses must also focus their attention on how to manage their operations in the event of an unforeseen event. It is understandable that when disaster strikes the regular operations of the firm will be disrupted. People may be unable to make it to work due to adverse weather, equipment can malfunction and data may be lost. In situations such as these you need to have a business continuity plan in order to make sure that the business can adapt quickly to the situation and continue to function.



The terms "disaster recovery" and "business continuity planning" are sometimes used interchangeably because their functions often overlap. When a disaster strikes, you need to have a business continuity plan to help you move forward. There are many simultaneous activities that you need to focus on depending on the priorities of your firm. You also have to manage the people in your firm who are affected and the customers and clients whose orders and business will be disrupted.

You can't afford to wait until a disaster happens before you develop a plan. You may do your planning internally with your managers or you can hire an outside consultant who specialises in business continuity planning. The first item on the list will be to designate the people who will assume leadership in the event of a catastrophe. When there's a designated leader it's easier to implement your plans because someone is taking charge. The second most important part is to evaluate the company's processes to determine which should be prioritised for restoration of its activities in order to minimise the effects of such disruption on the systems and on the company's staff and clients. The next priority will most likely be to determine backup recovery on systems and storage.

In order to ensure that your business continuity plan is ready to roll out in the event of a disaster, it is essential to have a practice run at least once a year – just like a fire drill. Involve your employees, staff and management so that everyone will become familiar with the routine and everything will run smoothly in the event of a disaster.

HUMOUR

A beautiful woman entered a bar and sat next to an accountant. "Listen honey", she said, "For £50, I'll do absolutely anything you want."

The accountant pulled £50 from his wallet and said, "Paint my house".