

Advisers sign up to help those in need

THE award-winning firm Moore Stephens Financial Services, experts in investments and savings, has become the 25th member of the Northamptonshire 100 scheme - an initiative which will enable the firm to support the county's most vulnerable and in need people now and for generations to come.

The Northampton and Corby-based firm, unveiled as the UK's Chartered Financial Planners of the Year at the recent Personal Finance Society awards ceremony, has become the latest gold level Northamptonshire 100 member, an initiative launched last year by local charity Northamptonshire Community Foundation.

Northamptonshire 100 aims to bring 100 local businesses and people together to support people and groups most in need, both now and for generations to come.

Since its launch last summer, nearly £40,000 has been donated by members, who are all asked to commit between £1,000 and £2,500 every year for a three-year period.

Jon Telford, Managing Director of Moore Stephens Financial Services, said: "We have been keen to give back to the community we serve for some time and this seemed the perfect fit. By becoming a Northamptonshire 100 member, we are able to help local people and grassroots community groups.

"Doing this, by joining together with other like-minded and charitable businesses and people, has the bonus of ensuring that our giving will have maximum impact and reach the people who most need the help."

Victoria Miles, the Chief



Jon Telford and Jilly Mann are keen for Moore Stephens Financial Services to help local people and grassroots community groups.

Executive of Northamptonshire Community Foundation, said: "Thanks to the generosity of Moore Stephens Financial Services, we are now a quarter of the way to our target, with 25 silver and gold level Northamptonshire 100 members.

"At a time when the headlines are often full of bad news and financial cut-backs, we are delighted to see so many generous people stepping forward to pledge their support."

A new Northamptonshire

100 fund will be launched this year to award grants to grassroots community groups across the county.

A panel, made up of gold level Northamptonshire 100 members, will help distribute these much-needed grants.

To find out more about Northamptonshire Community Foundation, visit the website www.ncf.uk.com and for more information about the services offered by Moore Stephens Financial Services visit www.msfs.co.uk

Company car tax considerations

A COMMONLY asked question is whether it is better to lease or purchase a company car. While this invariably leads to the question of whether a company car is a good move financially in the first place, it is generally accepted that leasing may now be better for most cars with CO₂ emissions above 110g/km.

The reason for this is that provided that the CO₂ emissions of the car do not exceed 160 g/km, then all of the lease payment is allowable for Corporation Tax purposes.

Where the CO₂ emissions exceed 160g/km there is a 15 per cent disallowance, which seems relatively benign compared to the limits on capital allowances for cars purchased.

Element

In addition, 50 per cent of the VAT element of the lease payment can be recovered, compared with nothing on a purchased car. This is actually a concessionary treatment and consequently not guaranteed to last.

Only recently, an extension was considered and now looks set to last until 31 December 2013.

After this date, the concession could be extended again, but this can't be guaranteed. Therefore, if the VAT recovery helps make a lease deal commercially attractive, now may be the time to consider a new contract to ensure that VAT can be reclaimed for at least the next 22 months.

The choice of company car also affects personal tax and



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there are various changes taking place from 6 April this year.

Hardest hit will be the drivers of luxury cars such as Bentley or Aston Martin. The list price of such cars is currently capped at £80,000 for the purposes of the car benefit calculation. This cap will disappear, so if the list price of the car was, say £160,000, the tax bill should double.

While this is unlikely to affect too many people, the reduction in CO₂ emissions bands will.

The 15 per cent band will start at 125g/km meaning an increase in car benefit for the majority of company car drivers.

Also, there will no longer be any reduction for hybrid or bi-fuel type cars, and all diesels will be subject to the three per cent surcharge.

There are further changes from 6 April 2012. The lowest percentage will still be 10 per cent, but will apply to cars with CO₂ emissions of up to 99 g/km.

The rate for emissions of 100 g/km will be 11 per cent and will increase by one per cent for every five g/km to a maximum of 35 per cent, as at present.

This illustrates that yet again, the goalposts for low emission cars will be moved. Currently, the 10 per cent band applies to cars with CO₂ emissions not exceeding 120g/km. The consequence of the change is that the driver of such a car is faced with up to a 40 per cent increase in their taxable car benefit from 6 April 2012.

The good news, relatively speaking, is that the appropriate percentage for cars with CO₂ emissions figures not exceeding 75g/km was reduced to five per cent for five years with effect from 6 April 2010, subject to the diesel surcharge where appropriate.

The twist is that there are currently no such cars available.

It is anticipated that plug-in hybrids should meet this criteria in 2012 so, in some respects, it's a meaningless rate at present.

It is more relevant that there still exists an opportunity for a company to purchase a car and get full tax relief.

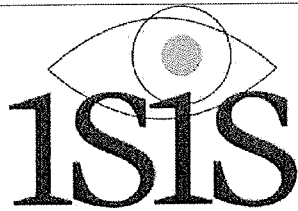
This will run until 1 April 2013, and applies to cars with CO₂ emissions of up to 110g/km that are purchased new, and unused, by any size business.

There are an increasing number of cars that fall in to this category, so you may be pleasantly surprised at what is available with 100 per cent tax relief.

So while the company car rules have been allegedly simplified, there are still a number of considerations to take into account.

If you need help with your decision, contact Michael Dowdy (mdowdy@hwca.com) or Graham Goss (gjgoss@hwca.com) on 01604 746760, who will be happy to help you through the process.

Don't forget that the term company car covers all employer-provided cars, whether that employer is a limited company or not.



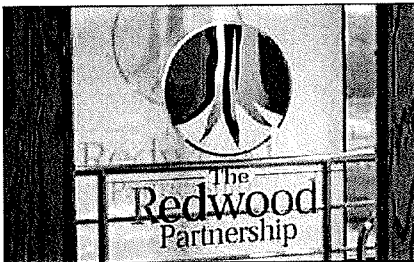
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Fortitude [For'ti'tude], n. [L. fortitudo, fr. fortis strong.]

noun: strength of mind that enables one to endure adversity with courage

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