



## New Year Message



Stewart Martin

Happy New Year to all our clients and readers. As we enter a new decade and say goodbye to the last, we embrace a new era as the parliamentary indecision of the past few years is behind us. Regardless of your feelings towards Brexit, our previous Parliament was in a state of flux; unable to move in any direction and being held to account by a small minority.

Time will tell if the Brexit vote of December will be a positive move forward; there remains much negotiation with our European colleagues and the final format of any deal could still be some way off.

Some clients consider their businesses to have been put on hold due to the period of indecision and it is hoped that we can all move to a more normal trading period in the coming months and years.

Amidst all the uncertainty the UK Stock Market posted a 12% growth for the FTSE 100 index, which with bank rates as low as 0.75%, is a significant rise.

Sterling experienced a roller coaster ride in 2019, starting the year at GBP/EUR 1.14 and ending at GBP /EUR 1.17; with lows of GBP/EUR of 1.07 in August and highs of GBP/EUR of just under

1.2 immediately after the election.

Closer to home, Sandra Morrell ACCA, who qualified with the firm in 2014 became a Partner in April 2019. Sandra has enjoyed great success not only in assisting existing Partners nearing retirement with their clients but also in attracting new clients to the firm.

Many of you will be aware that Francis Whitbread, a Partner of the firm since 2014 will be retiring in the next couple of years and we will miss his expertise in tax and the medical profession. With this

in mind, we are delighted to announce that Alison



Alison McDowall

McDowall will step up as a Partner in April this year.

Alison joined us from university in 2001 having obtained a BA(Hons) in Marketing at Staffordshire University. Alison trained and qualified as a Chartered Certified Accountant and subsequently obtained membership with the Institute of Chartered Accountants in England and Wales through their pathways program.

Not being satisfied with this, Alison pursued her Institute of Taxation exams and become a Chartered Institute of Tax member.

I am sure many of you will meet with Alison in the coming months and years and we all wish her well as she takes up her role as a tax and

medical professional advisor and busy mother of two!

Our financial services company, EC Financial Services Limited, continues to grow and offer our clients, as well as their own, expert independent financial advice.

David Carr, the longstanding founder of the business since 2006 will be stepping down and retiring in March this year. David has a significant number of loyal clients who have been advised and guided for many years. We wish him well as he looks to enjoy the fruits of his labour and move on to the next phase of his life, which will undoubtedly include a great deal of watching cricket!



We are confident that David leaves E C Financial Services Limited in an excellent position with the new Directors, who many of you will know, Stephen Franklin and Phil Giles. Stephen and Phil were appointed as Directors in May 2019 and are settling into their new roles.

They continue to be assisted by Clare Van Belkum and Eve Allum, both newly-qualified, who have visited many of David's clients over the past few months and together with Stephen, Phil and the team at ECFS, we are confident they will continue to offer clients an excellent service.



Returning now to the accounting and tax profession, we must wait until the budget of 11 March 2020 to see how the pledges of the manifestos are to be implemented. Two areas which will need consideration are Class 2 National Insurance for self-employed persons and IR35 changes for personal service companies.

Firstly, many of you may know that the method of collection of Class 2 NIC changed a few years ago, from paying a regular stamp, to collection on your self-assessment return. For some, this has meant deductions have been missed, potentially losing out on extra years for state pension.

After the madness of January tax return deadlines, we will review the position for our self-employed clients and be in contact to advise if years of Class 2 contributions are missing.

Secondly, IR35 was first brought into legislation in 2000, with the simple idea of regulating the taxation of payroll workers with a personal services company. After 20 years, and numerous test cases going to court to try to enforce a strict regime, further changes were implemented in April 2017.

This moved the responsibility to public service authorities employing contractors, to establish the employment and tax status

themselves and as a result, many contractors moved to payroll positions.

It is proposed that further changes will be introduced in April 2020, moving the responsibility for obtaining the employment and tax status of contractors to medium and large companies, regardless if in the public sector or not. A great deal of press coverage has focused on these changes and the Government has promised to look again at the proposals. No doubt, the forthcoming budget will explain the new rules further.

Financial fraud is a regular topic for discussion in the press, with many individuals and organisations having been victimised as a result. We would remind clients to be vigilant when receiving requests from purported staff members for urgent payments, or from their suppliers to change bank account details for settlement of supplier payments.

Always take extra care to ensure requests are genuine and check the

full email address carefully, not just the name. We would recommend multi-factor authentication and anti-virus software are used and kept up to date. Better to delay a payment for a few days rather than pay a fraudulent request!

It is with great regret that I need to inform you that Michael Vandome, a former partner of the firm, over many years, recently passed away. Michael contributed to the firm greatly during his tenure as a partner and our condolences go to his family.

Finally, we would like to thank you for your loyalty and business over the last decade and look forward to continuing working with you over the coming years and decades! If there are any matters contained within this newsletter you wish to discuss further, please do not hesitate to contact your Edmund Carr or ECFS team.

#### Disclaimer

This newsletter is intended to give general guidance only and no liability can be accepted for any action taken based on the information given.

Edmund Carr LLP  
February 2020

Advice@EdmundCarr.com

**If you think this information might be useful to a friend or colleague, please pass it on.**

**Registered Auditors and Chartered Tax Advisers**  
Edmund Carr LLP, 146 New London Road, Chelmsford, Essex, CM2 0AW, UK  
+44 0 1245 261818 www.EdmundCarr.com



David C Drain  
Francis V Whitbread  
Colin A Barker

Eric D Williams  
Ray Crace  
Thomas C York FCCA

Stewart P Martin  
Debbie J Wakefield  
Sandra A Morrell FCCA

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