

Wise Words

Autumn 2021 | Issue 63

Practical solutions for your business journey

Ideas for recovery and growth

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THE OPENING LINE

With you every step of the way

In our January issue of 'Wise Words' 2020 I touched upon the subject of working at home and the fact that the number of people choosing to work remotely was likely to rise – little did I know!

Fortunately, technology came to our rescue during the COVID-19 lockdowns and we have all embraced video conferencing and other collaboration and accountancy software in order to continue being professional and productive while remote working. Although we continued our journey working with our clients throughout the pandemic, we physically re-opened our office doors on Monday 6 September 2021.

Some of you will have liaised with our in-house IT department to solve the challenges that the last 18 months has brought. Now many of us are mixing office and home-working it's time I introduced our team to you all, because they are equipped to help with all your tech issues – see our article for details.

Of course, the pandemic hit everyone, including the Olympic Games, where it wasn't certain until the 11th hour that they would go ahead. Despite the impact on the training schedules of our top athletes, I'm delighted to say that wheelchair rugby player, Kylie Grimes – one of our long-standing clients – took Gold in the Paralympics! You can read about her amazing achievements and inspiring story below.

While we can't all be gold-winning athletes, in business we can take pride in our successes, however big or small they may be. In this issue we focus on growing your business, which is in itself a huge journey of ups and downs – and milestones. We look at how you can use auditing services to help achieve successful growth.

At Wise & Co we are with you every step of the way, whatever path you take, so do call on us when you need help. Let us achieve business gold together!



Sharmini Woodings

Managing Partner

AUTUMN BUDGET NUGGETS



The Chancellor Rishi Sunak put an optimistic spin on his third Budget on 27 October 2021, with a few good measures that could improve how much tax relief your business can claim in certain areas. These include:

Tax relief for hard-hit sectors

- Over 90% of retail, hospitality, and leisure businesses (some 400,000 small firms) could benefit from a new temporary business rates relief in England. It is a 50% cut to business rates bills in 2022/23.
- The government has announced that it will temporarily increase cultural tax reliefs for theatres, orchestras, museums and galleries across the UK from 27 October 2021. Museums and Galleries and Theatre Tax Reliefs have both been temporarily doubled and extended until 31 March 2023.

Further innovation and investment

- To encourage more innovation, the government has expanded R&D tax relief to cover cloud computing and data costs, with the focus of R&D relief moved to UK activity.
- The Annual Investment Allowance threshold of £1 million was extended to 31 March 2023. This will be particularly beneficial to businesses that can't claim the Super Deduction allowance.

Changes to working and living costs

- From 6 April 2022, the van benefit charge and the car and van fuel benefit charges will increase in line with Consumer Price Index (CPI) for the tax year 2022/23. This equals a rise in Class 1A NIC for employers and an increase in benefits in kind for employees.
- The government will increase the National Living Wage to £9.50 an hour for individuals aged 23 and over from

1 April 2022. The government has also accepted the recommendations for increases in the next year to the National Minimum Wage.

- Individuals disposing of UK residential property on or after 27 October 2021 now have a 60 day Capital Gains Tax reporting and payment deadline (rather than 30 days), following the completion of the disposal.
- There was no change to the pensions allowances, which is helpful to people planning to retire soon. However, from April 2028, the earliest age from which most pension savers can access their pension savings without incurring a tax charge will rise to 57.

Duties update (the good and not so good):

- There is a complete overhaul of alcohol duties that will see drinks taxed on their strength.
- The previously announced rise in fuel duties has been cancelled.
- Pubs are being supported with a reduction in draught beer and cider duty.
- The government will introduce a new domestic band for Air Passenger Duty for reduced rate and standard rate travel, covering flights within the UK. In addition, a new ultra-long-haul band will be introduced, covering destinations with capitals located more than 5,500 miles from London. These changes will take effect from 1 April 2023. Note that some Budget proposals may be subject to amendment in the Finance Bill 2021-22.

If you would like to know more, we have compiled an [Autumn 2021 Budget Report](#), which provides highlights of the Budget, as well as insights and tips for you and your business. Or please [get in touch](#) if you wish to discuss specific issues.

BENEFITS OF AUDIT FOR GROWING YOUR BUSINESS



By **Steve South, Partner**

If your business is growing or expecting to grow, there are several benefits of audit, whether you are having one to comply with regulations or are doing it voluntarily. It is an important and valuable way to show that you manage your financial affairs well.

What is an audit?

An audit is a systematic procedure that must be planned and carried out using appropriate resources and tools. It can be quite specialised according to set criteria, so it is worth seeking advice on what your particular business needs to do.

There are many reasons for having an audit.

1. There are circumstances when it is mandatory. Certain types of UK businesses and those with assets, turnover and staff numbers above certain thresholds are required by law to have their accounts audited annually. Full details about audits and exemptions can be found in the Company Accounts Guidance on the [government website](#).
2. There are good incentives to choose voluntarily to be audited. As well as to comply with legal requirements, it might be necessary to satisfy the terms of your agreement with your bank, shareholders or suppliers for example.

Generally, an audit will provide a useful assessment of your accounting records and systems. It will give you peace of mind that your accounts are a fair reflection of your business and show that you have strong, relevant systems and controls in place.

What are the benefits of audit for business growth?

An audit will give you clearer information about your business, provide consistent financial records and demonstrate objectivity in financial reporting. Interested parties like stakeholders and investors will see that you can provide credible financial statements,

which will give them confidence in your business affairs. This is valuable particularly if you want to raise funds or plan to sell in the future.

An audit will also help you identify and address any weaknesses in your internal controls and activities. For example, it will highlight your management decisions on key judgements and policy choices which affect financial statements, like the treatment of revenue. Your decisions should align with the accounting standards and common practice in your business sector.

How can I prepare for an audit?

Whether you're looking to be audited because you're mandated by law or because you've decided to have one voluntarily, it's important to get the timing right. Then you can get the maximum value from the process. You will need time to discuss accounting treatments, transactions and key judgements. If the audit is voluntary you can agree which period to have audited. So start communications with your auditor early!

The audit process

We can talk you through what the particular benefits of audit might be for you. Wise & Co follow the highest standards of the major audit institutes in the UK – the Institute of Chartered Accountants in England and Wales, The Auditing Standards Board and the Financial Reporting Council – as well as all the prevailing ethical standards and guidance.

Our friendly team are very experienced in providing a quality audit and know how to work with minimal disruption to your business. We regard it as our job to keep you up to date with any changes and developments in accounting and audit standards, and will explain the impact they may have on your business or organisation.

For further information please [contact us](#).



Steve South
Partner



KYLIE GRIMES: the road to Paralympic gold

Kylie is a motivational speaker, encouraging others to participate in sport and realise their potential. She says, "Having Wise & Co accountants to run my financial affairs means I can focus on my sport and motivational speaking."

If you saw this summer's Paralympic Games you will probably know that Kylie Grimes became the first woman to ever win a Paralympic Gold medal in Wheelchair Rugby. Her team GB beat USA 54-49 in the final at Tokyo 2020.

This extraordinary young woman also happens to be one of our clients and, if ever there was a story about triumph over adversity, this must be it.

33-year-old Kylie broke her neck in an accident when she was 18, resulting in her being tetraplegic and confined to a wheelchair. She won damages and, after her solicitor retired about five years ago, a family friend recommended Wise & Co accountants and business advisers to help her administrate her trust fund, set up to provide essential equipment and care for the rest of her life. But as you can see, her injuries have not stopped this determined young woman.

We caught up with Farnham-based Kylie recently in a rare break – as well as filming, she has been out and about talking to school children about her achievements.

She hopes to inspire in them the same kind of work ethic and determination to achieve their dreams that drives her and her fellow athletes.

"They're very supportive and easy to talk to, overseeing my trust fund, doing my tax returns etc and allowing me to get on with life. I don't have to think about it, I know it's being done correctly."

Mission 'I'm possible'

You can still hear the sheer adrenalin in Kylie's voice when she talks proudly about her recent gold-medal-winning achievements – and rightly so.

Whereas some would have given up after such an accident, Kylie decided to join London Wheelchair Rugby Club. She says, "I loved the camaraderie and found the fast pace and, some would say, brutal full contact as the wheelchairs clash, exhilarating. It wasn't known as 'murderball' for nothing!"

Kylie went on to be one of only a few women to play international wheelchair rugby and she is also the only woman on a mixed team. Kylie explains, "I train with 13 men. I'm treated the same as them and, in fact, it makes me even more competitive – I bring my own tactics to the game."

Kylie began training with Team GB in the summer of 2011 and was one of just two women to play wheelchair rugby at the 2012 Paralympic Games, the other being Belgium's Bieke Ketelbuters. Team GB finished the Games fifth.

In 2014 Kylie added to her repertoire and skills by focusing on the individual team sport of para-athletics. She achieved fourth in the Rio 2016 Paralympics, and fifth in the 2017 World Championships in London.

The challenge of COVID-19

Kylie returned to the GB Wheelchair Rugby team in 2018 to concentrate on making the squad for the Tokyo 2020 Paralympic Games.

Of course, the coronavirus pandemic meant the Games were delayed. It also meant that training and funding for the Paralympics was severely disrupted.

Kylie got the call in June 2021 to say she had been selected as part of the Paralympic Wheelchair Rugby squad but even when they flew to Japan things were uncertain.

She says, "We had less time than normal to overcome jet lag, the heat and general unfamiliarity with the environment."

"We were tested every day and had to wear masks everywhere except when inside the training venue."

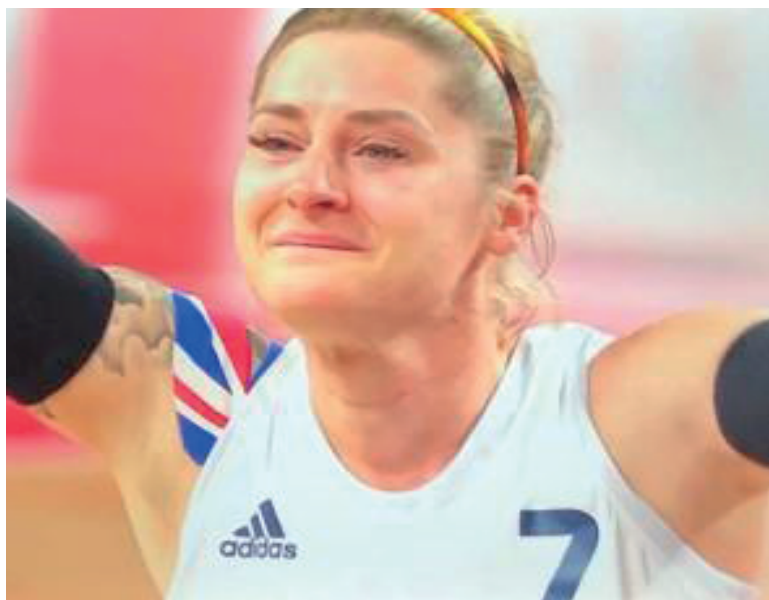
"As an athlete your preparation is everything – I have a great support network around me to keep me strong and focused."

After beating hosts Japan, they went into the finals and the rest, as they say, is history!

You may think Kylie will take a long-earned rest now but as any athlete knows, you have to have goals and targets.

So she is now training for the European Championships and the World Championships next year.

And she definitely plans to compete in the 2024 Paralympic Games in Paris which, she thinks, will be a fitting way to end her wheelchair rugby career – but we know we'll be hearing a lot more from Kylie beyond that!



"There is a lot of pressure: you've trained so long and so hard for that Gold medal and you don't want to let people down – and especially yourself. You give everything of yourself. Winning Gold as the only woman in Paralympic Wheelchair Rugby to do so – feels unbelievable – you can see the raw emotion here!"

Kylie Grimes

Our IT services - taking the 'technical' out of technology!



Business is hard enough these days without worrying about your tech. As well as helping people's systems to work efficiently, there are now some really innovative and cost-effective solutions we can provide, that help our clients stand out from their peers.

We work with trusted suppliers of hardware and software on everything from large-scale IT projects to telephony deployments and small upgrades.

Will Yates is IT Manager and he and his colleagues are our 'tech wizards'. Here's his update on how tech can improve your productivity, enhance your professional standing and protect your business against cyber crime.

How can the IT Services department help me?

Tech has become more sophisticated, so people who used to get by with pieces of paper and a basic computer system now struggle to compete and look professional. Also, cyber crime has risen exponentially – especially over the pandemic.

That's where we help. We're responsible for installing and ordering new hardware and software on behalf of clients and maintaining service, including business continuity and cyber security. For example, we provide onsite and cloud services like Microsoft 365 and Microsoft Exchange, to ensure clients have access to the latest features so they can be productive, collaborative and competitive.

We monitor servers and networking equipment, resolving day-to-day issues with PC's and laptops and the various applications users run on them (MS Office, Adobe, Sage Accounts etc.). This includes the all-important checking of client backups, to ensure they're covered – accidents do occur!

What are the main challenges that clients have?

Computers don't always behave as they should do! The main issues we find ourselves helping people with are software related. For example, Windows updates - whilst essential for the safe and secure running of the app - do tend to cause issues sometimes when installed. Also, people occasionally install third-party software in error (or on purpose) and this can have unexpected consequences. These sorts of issues can be difficult for non-IT people to resolve.

Why is cyber security important in your work?

One of the biggest issues that we get are concerns about malware and password security breaches. People have antivirus and email scanning security on their email and it's built into Windows, so they think they're protected against these attacks.

But we see instances where people have clicked on a seemingly harmless link on their email (phishing), or texts – or they've been using the same/weak passwords for their online accounts. This results in cyber attackers being able to access information.

We'll work with clients to remove malware from their machines but we also treat the cause, which, unfortunately is mostly some type of human error. We advise and educate on "safe" web and email usage and ensure that their machines are as secure as possible.

With many continuing to work remotely how can you help?

Over the pandemic, we have helped numerous clients (and our own users!) to ensure they get the most out of their home setups. It's usually home broadband connections and Wi-Fi issues. What previously worked fine for web-browsing and watching Netflix can be woefully inadequate for business Zoom calls etc. And the office network can be compromised by someone working on an unsecure home system – so we advise on tightening up home security too.

[Contact us](#) if you'd like to know more about our IT and cybersecurity services.



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