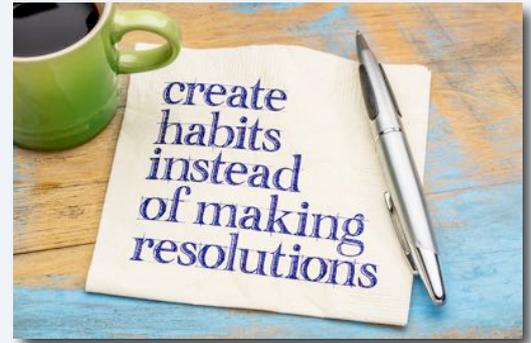




## Welcome to our March Newsletter!

We are now in the full swing of 2016 and for many of us our New Year's resolutions are a thing of the past. If so, it isn't too late to try again. The theme of this month's newsletter is 'forming habits'. From brushing our teeth when we get up to checking our emails, habits become a part of life and something we don't have to give too much consideration to as they just begin to happen. We have a great book to recommend to you this month: *The Power of Habit* by Charles Duhigg. It is well worth a read and can get you into the habit of, well, practicing habits! Have a go at our quiz for your chance to win a free copy. Don't forget we have our Fancy Dress Bikeathon for Sports Relief on 18<sup>th</sup> March. We welcome donations at <https://my.sportrelief.com/sponsor/jamestoddandco>



Many thanks, Michelle

### Quote of the Month

We are what we repeatedly do.  
Excellence, then, is not an act, but a habit.  
*Aristotle*

### IMPORTANT DATES TO REMEMBER

5% late payment penalty on any 2014/15 outstanding tax which was due on 31 <sup>st</sup> January 2016 and still remains unpaid	2 <sup>nd</sup> March
EC sales lists for February 2016 to reach HMRC (if paper submission)	14 <sup>th</sup> March
PAYE/CIS for month ended 5 <sup>th</sup> March to be paid (by post)	19 <sup>th</sup> March
EC Sales lists for February 2016 if submitted online to be filed	21 <sup>st</sup> March
PAYE/CIS for month ended 5 <sup>th</sup> March to be paid (electronically)	22 <sup>nd</sup> March
Filing of Accounts year ended 30 <sup>th</sup> June 2015	28 <sup>th</sup> March
Payment of Corporation Tax for period ended 30 <sup>th</sup> June 2015	1 <sup>st</sup> April

### IMPORTANT RATES

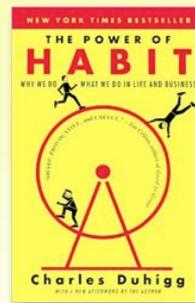
\$ PER £ = 1.39 / € PER £ = 1.27  
BANK BASE RATE = 0.5%



*Easter  
Sunday  
March  
27<sup>th</sup>*

### Book of the Month

**The Power of Habit**  
By Charles Duhigg



The interesting thing about habits is that once we develop them, they go totally unnoticed in our day-to-day activities. For example: you probably don't think about how many simultaneous actions go into reversing your car out of the garage and into the street safely and smoothly. You just do it. That's a habit. However, so is smoking. *The Power of Habit* teaches you how to be deliberate about building better habits that serve you both in life and in business.

### March Quiz

Win a copy of our book of the month

Q. What are the next three numbers in this series?

4, 6, 12, 18, 30, 42, 60, 72, 102, 108, ?, ?, ?

The answer to February's quiz:

The letters are the first letters of the words in the question. Thus, the next two letters are A and W.

Enter via email: [info@jamestoddandco.co.uk](mailto:info@jamestoddandco.co.uk)

Congratulations to the winner of February Quiz, Gary and Debbie Hall



Chichester



Isle of Wight





### Latest Financial Scam

The National Fraud Intelligence Bureau has warned that between July 2015 and January 2016, there were nearly 1000 reports of director fraud and £32 million lost as a result.

We ourselves at James Todd have been targeted by the latest scam going around; fortunately we didn't fall for it as the wording in the email just didn't seem right. The fraudster will pretend to be a director and appear as though they are using their email account. They will then email someone, usually in the finance department, or in our case to another director, requesting that monies be urgently transferred for a business purchase that the director has made. If they receive the money the fraudster then withdraws the monies and closes the bank account. To protect your business ensure anyone who deals with payments only honours requests with supporting documentation.

### Dividend Tax Credit



The 10% dividend tax credit is set to be abolished from 6 April 2016 and a new Dividend Tax Allowance of £5,000 a year will be introduced. The new rates of tax on dividend income exceeding the allowance will be set at 7.5% for basic rate taxpayers, 32.5% for higher rate taxpayers and 38.1% for additional rate taxpayers.

These rates replace the current effective tax rates of 0%, 25% and 30.6%. While there will still be benefits for a director-shareholder taking a dividend over a salary, the amount of tax saved will be less than under the current regime. You may therefore wish to consider the possibility of increasing your dividends before 6 April 2016, although there may be other tax issues to consider, such as loss of the personal tax allowance if your total adjusted net income exceeds £100,000. Please talk to us about this before taking action.

### Making the most of your ISA allowance 2015/16

You have until 5 April 2016 to make your 2015/16 ISA investment. Adult savers may invest in a combination of cash or stocks and shares up to the overall annual subscription limit of £15,240 for 2015/16. Individuals may only pay into a maximum of one Cash ISA and one Stocks and Shares ISA each year.

### Trivial Benefits Exemption

The Trivial Benefits Exemption has now been included in the draft legislation for the Finance Act 2016. This means that if it goes through in time, from 6<sup>th</sup> April 2016 trivial benefits costing up to £50 can be provided tax and NI free to staff. However there will be a £300 annual cap on trivial benefits paid to directors of close companies i.e. a company under the control of five or fewer shareholders, and to employees who are family or household members of the director.

### The Bottom Line Extracts from Money Week

- £1.675bn The amount of profit made by bookmakers on fixed-odds betting terminals in the UK in the last year, according to The Times. There are an estimated half a million gambling addicts in the UK. (19.2.16)
- 302,714 How many items were handed in to Transport for London in 2015 – a new annual record for lost property. In addition to around 150 phones a day, the office has received a full-size house carpet, a judge's wig and a range of musical instruments, including drum kits. (5.2.16)
- 21,602 The number of words in the 2015-2016 edition of the UK tax code, up from 17,795 in 2010. The extra 3,807 pages added since then are five times more than the length of our tax code in 1965. (5.2.16)
- £7.72 How much a teenager saved on a journey from Sheffield to Essex by flying from East Midlands to Berlin, sightseeing for seven hours, and then flying to Stanstead and getting a bus home. This was slightly cheaper than taking the train. (5.2.16)
- £26m What a Ferrari 250 GTO sold for in 2014 – a world record for a Ferrari expected to be eclipsed today, when a 1957 335 S Spider Scaglietti, once driven by Stirling Moss, goes on sale. (5.2.16)

### ISA Rates and Tax Free Personal Savings 2016/17

There are no planned changes to ISA rates for 2016/17. However, from April 2016 a tax-free Personal Savings Allowance is to be introduced for interest income. This will apply for up to £1,000 of a basic rate taxpayer's savings income and up to £500 of a higher rate taxpayer's savings income each year. It will not be available for additional rate taxpayers, but will be in addition to the tax advantages currently

### Excel Top Tip

Speed up Inputting Complicated Terms with AutoCorrect.

If you need to repeat the same value and it is complicated to input, then save time by using the AutoCorrect function, which will replace your text with the correct text. Take Chichester, West Sussex, which can be replaced by CWS. Every time you input CWS, it will autocorrect to Chichester, West Sussex. Go to File->Options->Proofing->AutoCorrect Options and input Replace text with the correct text.



## Advisory Fuel Rates from 1 March 2016

These rates apply from 1 March 2016. You can use the previous rates for up to 1 month from the date the new rates apply.

Engine size	Petrol - amount per mile	LPG - amount per mile
1400cc or less	10 pence	7 pence
1401cc to 2000cc	12 pence	8 pence
Over 2000cc	19 pence	13 pence

Engine size	Diesel - amount per mile
1600cc or less	8 pence
1601cc to 2000cc	10 pence
Over 2000cc	11 pence

Hybrid cars are treated as either petrol or diesel cars for this purpose.

## Business Skills – Forming Habits

The vast majority of rich people didn't get there by accident or luck. Wealthy people maintain a specific set of habits that foster prosperity. Here are some habits of highly successful and wealthy people:

- ✓ **Get Enough Rest** - Getting enough rest is one of the easiest things you can do to revitalize your mental clarity, passion and energy. Studies show that those who get 7 hours of sleep a night are far more productive. Sleep also helps weight control! Rich people rarely burn the midnight oil.
- ✓ **Get Up Early** - Author Thomas Corley spent five years studying the lives and habits of rich people and poor people before writing *Rich Habits: The Daily Success Habits of Wealthy Individuals*. Corley found that 44% of wealthy people wake up three hours before work starts, compared to just 3% of poor people.
- ✓ **Prioritize Your Day** – 81% of wealthy people create daily to-do lists, compared to 19% of poor people. What's more, Corley finds that 67% of wealthy people actually complete 70% or more of their to-do lists every day.
- ✓ **Take Care of Yourself** - Eat a healthy diet, which includes breakfast. Corley found that 57% of wealthy people count calories every day, as opposed to 5% of poor people. He also found that 70% of rich people eat fewer than 300 calories of junk food per day, but 97% of poor people eat above that mark.
- ✓ **Get Moving** - Millionaires may be busy people, but they nearly always find time in their days to work out. In fact, Corley reports that 76% of wealthy people do aerobic exercise at least four days per week, compared to 23% of poor people.
- ✓ **Take a Lunch Break** - Many wealthy people take breaks of an hour or more for lunch to recharge and return to work more productive.
- ✓ **Have a primary goal** - According to Corley, 80% of wealthy people focus on achieving a single goal, compared to only 12% of poor people.
- ✓ **Write down goals** - Corley states that 62% of rich people focus on their goals every day, as opposed to 6% of poor people—and 67% of the wealthy put those goals in writing.
- ✓ **Read a lot** - Corley states that 86% of wealthy people love reading, as opposed to 26% of poor people. 88% of wealthy people spend at least 30 minutes each day reading about self-improvement.



A 2009 study from the University of Essex revealed that reading for as little as six minutes a day can reduce stress levels by up to 68%. It also showed that people who stimulated their minds through activities like reading, reduced cognitive decline by an average of 32% as they got older in age.

- ✓ **Network with success** - The wealthy understand that in order to be successful, you must surround yourself with successful people. Corley finds that 79% of wealthy people spend at least five hours a month networking, while only 16% of poor people network consistently.

Is it time to pay your fees?

Why not **smooth** your cash flow and **pay monthly**?



To the valued clients of James Todd & Co, we are pleased to offer the opportunity to apply to use a monthly facility called Fee Plan, provided by Premium Credit Limited.

This facility enables you to spread the cost of your accountancy fees by monthly Direct Debit, which can be a more affordable way to pay. Direct Debit isn't only for household bills; businesses can benefit as well.

Premium Credit can benefit your business by:

- Helping cash flow
- Giving you an additional Line of Credit to free up your capital for other business purposes
- Reducing financial burden
- Offering a competitive transaction fee

Simply contact us for more information on how you can spread the cost to help make 2015 a little more affordable.



## Thinking of outsourcing your payroll?

With new legislation, RTI (Real Time Information) and Auto Enrolment coming into force, payroll is becoming more complex and technical and can demand a lot of your time, which may be more productively spent on other areas of the business. By outsourcing the payroll you can provide your company with the attention it deserves, as well as enjoying the protection, knowledge and expertise that an outsourcer can provide. Contact our Payroll Administrator, Lisa Stemp on 01243 534286, who can provide you with a very competitive quote.

## Download our Tax App!

Using the latest technology, our App has been developed to provide you with useful tax tools and information via your mobile device. Available for iOS and Android mobile phones and devices.



## It's not too late to back date your Fee Insurance...

If you haven't taken up our Fee Insurance to protect you against a possible HMRC inspection it's not too late. We have had several clients who have overlooked this and renewed recently. Please contact us and we will organise for you to be covered with immediate effect.

## Social Media

Please like our Facebook page – James Todd & Co. In turn we will do the same for you! Just email [angie@jamestoddandco.co.uk](mailto:angie@jamestoddandco.co.uk) once you have liked the page and paste the link to your page and she will like your page and help promote it.



## Website News and Hot Topics!

Don't forget we have the latest financial news updated daily to our website and you can also keep abreast of our monthly Hot Topics here too! Keep up to date by visiting the News tab on our website.

[www.jamestoddandco.co.uk](http://www.jamestoddandco.co.uk)

Links to these news articles are also placed on our Facebook and Twitter feeds so don't forget to join us there too!



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