



**ACCOUNTS DIRECT**

A GATEWAY TO ACCOUNTING SOLUTIONS



How can you **ensure** that your new business will **succeed**?



**idea**

Call Us Now: **0800 0699507**



## Limited Company Service

Accounts Direct is dedicated to helping contractors, Consultants, IT workers, Doctors and freelancers save time and money by handling their financial affairs. We can take care of all your paperwork and liaise with Companies House and HMRC on your behalf, and give you the expert advice you'll need to make sure you're not paying a penny more tax than you absolutely need to.

We operate on a completely transparent fixed monthly fee basis, so you'll never get hit with a surprise bill. For a monthly fee of just **£95 plus VAT** we can take care of all the following for you.

### Company set-up

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We can advise you on the most suitable business structure for you, and help you get up and running – within **three hours** if you apply before midday. We can also:

- ➔ Register a Limited Company with companies house and Set up your business free of charge
- ➔ Complete the necessary VAT and PAYE taxation registrations
- ➔ Act as your registered office, including full company secretarial support
- ➔ Assist in opening a suitable business bank account

### Regular accounting

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We'll keep track of your accounts, and file your returns with HMRC and Companies House. We will also:

- ➔ File your quarterly VAT returns
- ➔ Complete your personal tax return at no extra cost (worth £175)
- ➔ Provide a monthly payroll service including all year-end submissions
- ➔ Prepare your Annual Statutory Accounts
- ➔ File all statutory returns including Corporation Tax Returns
- ➔ Deal with any correspondence from HMRC & Companies House
- ➔ Provide advice on IR35 & S.660
- ➔ Give you as much advice as you need, whenever you need it
- ➔ Prepare and file your employer annual returns



## Accounting made easy

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Accounts Direct exists to take the headache out of managing your accounts and **to ensure you don't pay the tax man a penny more than you need to**. You can count on Accounts Direct to:

- ➔ Assign a dedicated accountant to you – contactable by phone and email as often as you need them
- ➔ Ensure your accounts are always up to date
- ➔ Handle correspondence with HMRC, Companies house
- ➔ Take care of administrative matters such as changes of address or other company changes
- ➔ Issue board-meeting minutes and vouchers for dividends
- ➔ Act as referees when you apply for a visa, mortgage or tenancy agreement
- ➔ Liaise with HMRC if they choose to investigate your accounts (as long as Accounts Direct has been handling your accounts and provided you have followed our advice in good faith)

## What you need to do

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We can do all this on your behalf – all you need to do is ensure we've got the information we need to do it. Just send us copies of the relevant information using our secure online portal and we'll do the rest:

- ➔ Ensure we have copies of your invoices and business bank statements
- ➔ Submit your monthly expense claims
- ➔ Keep in touch with us so we can help you

## Leaving Accounts Direct

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At Accounts Direct we believe that the best way to encourage you to keep using our services is to consistently save you time and money. We don't believe in locking you in through penalty clauses, so if you do decide to leave us you'll be pleasantly surprised how easy it is. There's no charge for transferring to another accountant, and all we ask is for one month's notice of your intention to leave.



## Starting up a business?

Working as a contractor, freelancer or consultant can be very appealing. But before you get going, there are important decisions to make. Accounts Direct are specialist accountants for contractors, freelancers and consultants. If you're starting up your own business, we can help you every step of the way.

Deciding on the structure of your business will ultimately decide how much you pay in tax, and how much of your profit you keep. Accounts Direct will proactively help you choose the path that leads to optimal tax and National Insurance results for your business.

## What are the options?

When starting out as a contractor, freelancer or consultant, there are two main choices:

- ➔ **Limited company.** Liability of members and shareholders is limited to their investments.
- ➔ **Sole trader.** One person owns and run the business.

**We've simplified the pros and cons, below.**

Limited company	Sole trader
<p>You must adhere to the Companies Act. This means:</p> <ul style="list-style-type: none"> <li>✓ Keeping account of records</li> <li>✓ Auditing accounts with turnovers in excess of £5.6m</li> <li>✓ Making your accounts available to the public. This includes filing accounts and an annual return with the Registrar of Companies</li> <li>✓ Maintaining statutory books</li> </ul>	<p>You do not legally have to file accounts with the Registrar of Companies. Of course, annual accounts still must be filed for Inland Revenue tax returns.</p>

You'll likely have greater potential to borrow finances. You can use current assets as security by creating a floating charge.	Borrowings can be as high as you like, but you are not permitted to create floating charges.
Shares are usually transferable, therefore company ownership is easily changed.	No shares to transfer.
There're credibility and kudos in having an officially-recognised company, and in being a company director.	No such prestige.
You will be taxed monthly via PAYE. Higher rate tax, if applicable, is paid by shareholders on dividends.	Tax is generally paid in instalments every six months or quarterly.
You losses can only ever be brought forward, and leveled by future profit.	Your losses can be set against the current year's income or carried back to previous work years.
Profits of up to £300,000 are charged at 20% (2012/13).	If you earn in excess of £42,475 per annum you'll be taxed 40%. Over £150,000 per annum is taxable at 50% (2012/13).
National Insurance for employers and employees is payable on the director's salary.	Class 2 National Insurance is paid at a flat rate of £2.65 per week. Class 4 NI of 9% is paid depending on your income.

We are just a start up business. Dealing with your company was not only refreshing but has helped us to save a lot of man hours in how we manage our accounts.

Mr. J Davis. (Croydon)



## Paying tax and National Insurance

When you're contractor, freelancer or consultant, your tax and National Insurance Contributions will differ, contingent on how you set up your business.

### Sole trader

- Must pay income tax on profits- 20%/40%/50%
- Must pay Class 2 and Class 4 National Insurance contributions (NIC)
- Must inform and register with HMRC
- Must complete tax return
- Must pay National Insurance contributions

### Limited company

- 20% Corporation Tax on profits
- Tax implications on company profits extracted
- Must pay secondary Class 1 contributions
- Employees' salaries and employers NIC tax deductible

I would like to say a special thank you for the excellent service and I am glad to say you have exceeded my expectations and restored my faith in accountants.

**Ms F Abalihi.** (London)



## Our guiding principles

Five guiding principles govern everything we do at Accounts Direct, and along with our accounting experience, our integrity, and our understanding of contractors' needs, we think they're a major factor in our success.

### We always put our clients first

At Accounts Direct, our clients are at the very centre of our business. We take the time to get to know you and understand your circumstances so that we can deliver the best service possible, and we love receiving constructive feedback.

### We give our staff the room to grow

A well-trained, motivated team will always deliver the best results. That's why we invest heavily in training and developing our people, making sure they have all the skills, knowledge and support they need to serve you as effectively as you would expect. We also make sure they can see a pathway for their own progression. The net result? They're happy, you're happy, and we're happy too.

### We can serve you better by working together

A great team is more than the sum of its parts. We make the most of our staff's huge diversity of skills, knowledge experience, using it to benefit all our clients. Working together also means ensuring that you're as engaged with the process as you want to be – and that you've every opportunity to get in touch with us when you need to tell us anything, or find something out.



## We want to be good, and stay good

We are proud to offer an exceptional level of service to our clients, but if we rested on our laurels we'd quickly start to fall short. So to stay at the top of our game we keep our foot on the pedal, keep learning, and take every opportunity to push ourselves just that little bit harder. That means you'll keep getting top-notch service for as long as we work together.

## We're in it for the long haul

Our business model is predicated on developing lasting partnerships with our clients. Since we know that the only way to get your loyalty is to earn it, you can trust us to keep your best interests firmly in mind at all times, and to be there whenever you need to talk to us.

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