

# IAB UPDATE

## A message from Malcolm Trotter, IAB Chief Executive



In this edition, and amongst others, we are delighted to be able to include contributions from The Pensions Regulator (see below) and NEST (page 8). As Pensions Auto Enrolment (AE) ratchets up, with increasing waves of employers 'staging' over the next two years, we have noted a marked rise in interest in this subject from IAB members and their clients.

There have been times when I have wondered if we have been giving AE too much attention, but given that this is a relatively new and multifaceted area of compliance and that over 80% of IAB members appear to be involved in payroll in some way or are employers themselves and therefore impacted by this, it is proving necessary to give it the ongoing, high levels of coverage in CPD events and publications that we anticipated two years or so ago.

It is very much 'election season', with not just a UK General Election taking place in May but also the IAB's very own annual election of Council Members in June. Details of those standing for election can be found in this edition.

Thank you as always for your continued support of the IAB. We have been greatly encouraged again this year by the continued high level of membership renewals. We continually seek to add further value to your membership by developing new member benefits and trust that these more than outweigh the modest annual subscription fee. As a genuine not-for-profit body, fully controlled by its professional members, you can be assured that the IAB's overriding objective is to meet the needs of its members and those it seeks to serve.

With all good wishes,

**Malcolm Trotter, IAB Chief Executive**

## Automatic enrolment: what business advisers need to know about payroll

The law on workplace pensions has changed. Every employer with at least one member of staff will have new pensions duties. This means they must automatically enrol eligible staff into a workplace pension scheme and make contributions towards it.

Research by The Pensions Regular indicates that business advisers may not be aware of the impact that automatic enrolment has on payroll, particularly in relation to data/software compatibility.

Those advisers who do not currently run payroll on behalf of their clients may not be aware of the payroll issues which their clients may experience when complying with their automatic enrolment duties. The content below provides some useful information to pass on to clients to help them ensure that their payroll software works as smoothly as possible to facilitate a simpler automated management of automatic enrolment tasks.

Advisers who plan to act on behalf of their clients in terms of payroll requirements need to check that the software they use is designed to carry out all the automatic enrolment tasks that will help them comply with their ongoing employer duties, including being able to send enrolment and contribution data to the pension provider in the right format.

Payroll software suitable for automatic enrolment will:

- Hold information required for automatic enrolment, including staff name, address, date of birth and earnings, so employers pay the right amount of pension contributions for the right person at the right time.
- Generate the correct worker contribution and data in the format that pension providers require.
- Assess staff to see who needs to be automatically enrolled in each pay cycle.
- Calculate contributions for both the employer and staff, and then deduct the staff contributions from their pay.
- If possible, produce worker communications like letters to inform workers of their rights.

### Steps for getting clients' payroll system ready

One important point to raise is the need for business advisers to ensure that clients understand the various steps that need to be taken to comply and to be clear on just who is responsible for handling each of them. It's all too easy for a task to fall into the gaps if no one has double checked just who is doing what.



You and your client will need to be ready to follow the following steps on their staging date and potentially every pay cycle after staging (where required):

- Assess staff to find out who to automatically enrol.
- Calculate staff and employer pension contributions and deduct the staff contributions from their pay.
- Send the pension scheme provider the information they require.
- Tell staff about automatic enrolment by letter or email.
- Pay over pension contributions to the pension scheme by the deadlines they have specified.
- Allow staff to opt in or join a pension scheme.
- Manage opt-outs within the opt-out period and promptly refund contributions.
- Complete a declaration of compliance with The Pensions Regulator.
- Keep records.
- Automatically re-enrol all eligible staff every three years.

*Continued on page 3*



## The Word from Sarah

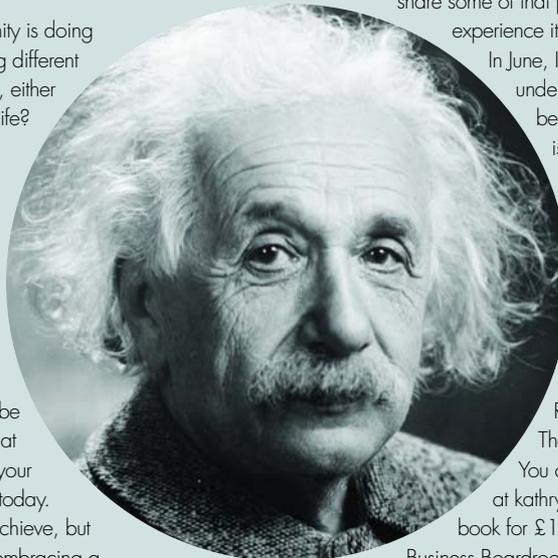


### Are you insane?

We are all familiar with Einstein's quote that "insanity is doing the same thing over and over again and expecting different results". How many times have I been guilty of this, either in business, parenthood or actually any aspect of life?

The guy has a point!

To counter this, I can say that with the support of Pure Bookkeeping I have developed a very clear vision for my bookkeeping business, Women Who Count. I have 90-day goals that I review regularly. I have mapped out my business growth in detail for one, three and five years, yet I can still find myself getting absorbed in client work, with their deadlines taking priority over mine. I am not saying client work is not important, I'm saying be careful that you don't fall into the trap of thinking that there is anything more important than working on your business – if you want tomorrow to be different to today. I think we all harbour an aspiration to grow and achieve, but fear can keep us small. Maybe we should all be embracing a different one of Einstein's quotes: "A person who never made a mistake never tried anything new."



I can put my hand on my heart and say at least I don't fall into that category! I have made every mistake possible growing my business and I would like to share some of that pain, so hopefully you don't have to experience it to the same extent.

In June, I am running a series of mentoring sessions under the banner of The Business Boardroom. I will be helping bookkeepers tackle some of the issues they face in their own practices and offering some real solutions and practical advice. These groups will be strictly on a first-come first-served basis, and as IAB members you can take advantage of the exclusive offer of a free place at the table with a purchase of the newly published book written with the co-founders of Pure Bookkeeping – Peter Cook and Debbie Roberts and the infamous Michael Gerber – The EMyth for Bookkeepers.

You can contact our Business Manager, Kathryn, at [kathryn@purebookkeeping.co.uk](mailto:kathryn@purebookkeeping.co.uk) to purchase your book for £19.99 and reserve your free space at The Business Boardroom. Remember, spaces are limited so don't delay in securing your place. Look forward to seeing you there!

**Sarah Palmer, Pure Bookkeeping**

## IAB CONTACT DETAILS

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Fax +44 1732 897 751

Email: [mail@iab.org.uk](mailto:mail@iab.org.uk)

Website: [www.iab.org.uk](http://www.iab.org.uk)

### Key staff at IAB Head Office

Executive Assistant – Membership Development	Kelly Pike	01732 897754	<a href="mailto:kellyp@iab.org.uk">kellyp@iab.org.uk</a>
Compliance and Membership Coordinator:	Kelly Lant	01732 897756	<a href="mailto:kellyl@iab.org.uk">kellyl@iab.org.uk</a>
Finance and Membership Administrator:	Louise Scott	01732 897755	<a href="mailto:louises@iab.org.uk">louises@iab.org.uk</a>
Assessment and Awarding Administration Coordinator:	Chris Wooster	01732 897760	<a href="mailto:chrisw@iab.org.uk">chrisw@iab.org.uk</a>
Executive Assistant – Qualifications and Centre Development:	Thomas Bird	01732 897752	<a href="mailto:thomasb@iab.org.uk">thomasb@iab.org.uk</a>
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Head of Awarding Body and UK Operations	Mandy Quantrill	01732 897762	<a href="mailto:mandyq@iab.org.uk">mandyq@iab.org.uk</a>



# Automatic enrolment: what business advisers need to know about payroll

Continued from page 1

## Testing whether your client will be ready

The following table covers the main areas that your client's payroll system, and the way in which it interacts with their chosen pension scheme, should be tested ahead of their staging date.

Ownership	<ul style="list-style-type: none"> <li>– who will be responsible for handling each of the tasks listed in the above 'steps for getting your clients' payroll system ready'?</li> <li>– if a task is being carried out by a third party, such as a payroll bureau or accountant, are both they and the employer clear on what they're expected to do and by when?</li> </ul>
Staff information	– are the details (full name, address, email, date of birth, NI number) for all staff correct and up to date?
Pay reference period	– which type of pay reference period is supported by the employer's payroll system – calendar-based or tax period based – and is this accepted by the chosen pension provider?
Data format	<ul style="list-style-type: none"> <li>– can the employer's payroll system generate data files that are compatible with the pension provider's system?</li> <li>– has the employer processed a dummy run ahead of their staging date and sent test data to their pension provider and have they reported any errors?</li> </ul>
Assessing staff	– is the payroll system set up to identify and flag which pay elements are qualifying earnings?
Contributions	<ul style="list-style-type: none"> <li>– will the pensionable pay elements have been identified and flagged? NB: This may not be the same as qualifying earnings unless the pension scheme defines pensionable pay as qualifying earnings.</li> <li>– is the payroll system set up to deduct the correct levels of contributions?</li> </ul>
Tax relief	<ul style="list-style-type: none"> <li>– how does the pensions scheme apply tax relief?</li> <li>– does it use tax relief at source or a net pay arrangement?</li> <li>– is a salary sacrifice scheme in place?</li> </ul>
Telling staff	– has there been a test run of different types of letters that will need to be sent to the different types of staff (The Pensions Regulator has template letters – <a href="http://www.tpr.gov.uk/writing">www.tpr.gov.uk/writing</a> ).
Timing	<ul style="list-style-type: none"> <li>– will the data be sent to the pension provider at the right time?</li> <li>– what day does the provider need to receive the information?</li> <li>– will payroll need to run earlier in its cycle to allow time and letters to staff?</li> </ul>

## Keep up-to-date

There are a number of additional tools and resources available to you to tap into for additional help and information on workplace pensions:

- News by email: Spotlight on Automatic Enrolment – The Pensions Regulator's monthly e-newsletter includes a combination of news stories, educational features and current updates on new products tools, and guidance.
- LinkedIn group. Join The Pensions Regulator's LinkedIn group for a forum where you can share tips and news on automatic enrolment with your fellow business advisers who are part of the group. The regulator also hosts live Q&As, where automatic enrolment experts are online and ready to answer your queries. See The Pensions Regulator's website for more.

## Useful links

- Find out when automatic enrolment applies to your clients with our staging date calculator at [www.tpr.gov.uk/staging-date](http://www.tpr.gov.uk/staging-date)
- Guide your clients through the basics with our introduction to automatic enrolment at [www.tpr.gov.uk/essential-guide](http://www.tpr.gov.uk/essential-guide)
- Find more information and resources to help your clients get ready for automatic enrolment at [www.tpr.gov.uk/help-clients-prepare](http://www.tpr.gov.uk/help-clients-prepare)

Thanks to the Pensions Regulator for this article

# Changes to Consumer Credit Licences

Under the Consumer Credit Act 1974, most businesses that provide goods and services on credit, lend money or provide debt services to consumers need to have a consumer credit licence (CCL), writes Brian J Harford.

Also, businesses have been required to hold a consumer credit licence if they spread their charge over more than four instalments.

Some IAB Accredited Training Providers offer interest-free instalment facilities over more than four instalments, and as such are required to hold a CCL.

Previously, the only exemption stated that a credit agreement would be exempt if it met all the following criteria:

- it is repayable by no more than four instalments (e.g. quarterly) within no more than 12 months.



- it is a borrower-lender-supplier agreement (i.e. it finances the acquisition of specific goods or services).
  - it is for a fixed amount.
  - it involves no charges or interest (e.g. there can be no admin fee).
- Important new legislation now extends the above exemption to include credit repayable by up to 12 instalments within a year (e.g. monthly), provided the credit agreement meets the other criteria listed above. This means that a firm offering such agreements does not need to be authorised for consumer credit provided that it is not carrying out any other form of regulated credit activity.

The revised exemption came into force on 18 March 2015.

- Brian J Harford, Principal, Woodgrove Tutorials

# HMRC staff satisfaction fall prompts concern among SMEs

HMRC employees feel increasingly undervalued, with the proportion of staff who think that their pay adequately reflects their performance down on last year from 25% to 20%, says Bloomsbury Professional.

The firm points out that HMRC is coming under increasing pressure to deliver higher yields from its compliance work, while still operating under extremely tight budget constraints. This appears to be affecting staff satisfaction.

Overall, staff satisfaction fell to just 43%, a two percentage-point drop from last year. And 45% of staff now feel overworked – up 10 percentage points on last year, highlighting the potential for an under-par service from an increasingly overstretched and disillusioned staff.

Martin Casimir, Managing Director of Bloomsbury Professional, said: “Despite budget cuts, HMRC has regularly managed to increase its revenue from tax investigations over the past few years. But pressure from political parties is mounting on HMRC to keep delivering more and more. Unless it receives more funding from the Government to achieve this, the quality and accuracy of the work carried out by HMRC staff is likely to suffer.”

He added: “More funding for the Revenue would help to improve staff satisfaction and also help the organisation to become more effective, increasing revenue from compliance work.”

High turnover of staff could soon become a problem, with a growing proportion of HMRC staff saying they want to leave the organisation as soon as possible. Some 22% say they plan to leave HMRC within the next 12 months or sooner, a 5% increase on last year. Casimir said: “One-fifth of the work force wanting to leave over the next 12 months is a clear sign that HMRC needs to address mounting staff dissatisfaction. Pay levels need to be adequate to motivate staff to be effective in their role. If the Revenue is unable to make salaries more competitive it risks losing top talent to other organisations that can offer more. Of course, it cannot make salaries more competitive without an increased budget.”

Bloomsbury Professional adds that another potential worry for taxpayers is that



staff do not feel equipped to do their jobs; 47% of HMRC staff said they do not believe they have the tools necessary to work effectively.

Leadership is another serious concern for HMRC staff. Three-quarters (76%) of staff think that HMRC is not well managed and four-fifths (78%) do not have confidence in the decisions made by their manager, adds Bloomsbury Professional.

Casimir said: “HMRC is trying to achieve a lot in a short space of time; it is using new and increasingly aggressive methods, and it seems that many staff are worried about whether the organisation has the right leadership and resources to deliver the right results for the taxpayer. It may be time for HMRC to catch its breath and make sure it is getting the basics right, but without extra resources it will be unable to address these issues.”

## New regime for insolvency practitioners

Insolvency practitioners now have to provide upfront fee estimates – but what does it mean for the industry? From October, insolvency practitioners will have to provide up-front fee estimates of the cost of working on insolvency cases.

The new measures, announced by Business Minister Jo Swinson recently, will bring enhanced trust and transparency in the insolvency system. There will be a greater focus on value for money as businesses know exactly what they need to pay right from the get-go and make the market much more cost-competitive.

Simon Underwood, Partner of Menzies Business Recovery, comments: “This move will increase trust with creditors. IPs will now have to undertake a greater amount of initial planning before pitching for an assignment.

“If they want to quote on the basis of an hourly rate, they will have to estimate how much time they expect to spend and include any anticipated costs. This cap on fees, which can only be exceeded with the prior approval of creditors, will add much needed transparency to the administration process.

“The changes will not be universally popular. Creditors will shop around when seeking an IP and the market will become much more cost driven. These developments have been a long time coming and Menzies Business Recovery was established with this pricing model in mind. This is welcome news for the industry and means that IPs will now be more obliged to focus on the value they can provide.”

## Gadgets can seriously reduce your brain power

‘Multi-tasking’ on your smartphone, tablet, laptop and PC can lead to ‘mental collapse’, according to new research.

People trying to concentrate on a variety of devices at the same time not only struggle to digest what they are seeing but end up focusing uselessly on one device, the researchers believe.

Ten volunteers were wired up to a brain monitor and were asked to watch five minutes of a “boring” BBC wildlife documentaries on a television, and asked to remember as much as they could.

Then they watched another five minutes of TV, but this time they were given a laptop and asked to book a complex holiday in Paris. In the last stage of the experiment they had to complete the same tasks while receiving frantic smartphone messages from a ‘friend’ who kept changing the holiday details.

As the multi-taskers used more screens their cognitive loads increased. While they were switching between three screens in the most intense phase, they spent longer staring at the television but took in less information. The researchers suggested that this was because they had entered a state of ‘mental collapse’ and were struggling to process what they saw.

The study was carried out at the University of Copenhagen for HeyHuman, an advertising agency, and NeuroStrata, a neuroscience marketing firm. The findings seem to be in line with previous studies that have found that people are nothing like as good at dividing their attention between devices as they think.

Dan Machen of HeyHuman said: “The level of messaging we are looking at now is unprecedented. We are putting ourselves in an environment of constant, ceaseless distraction.”

# Meet the election candidates

## DONNA ABRAHAMS



I have 10 years' experience within the banking industry and more than 25 years as a book-keeper working with SMEs. The past 10 years have also included working in FE teaching a range of IAB qualifications, business studies, AAT, ILM management and H&S, together with continuing as a Member in Practice. I originally joined the IAB as a student, which led to a change in direction for me as I branched out into teaching within FE and the marking of Computerised Accounts exam scripts. My passion for bringing industry experience into the classroom has enabled our Centre to achieve Gold Centre and Top Students Awards over several successive years, demonstrating both learner and teacher dedication to excellence. We live in an ever-changing market, so the skills required to adapt, learn and pursue our goals are of the utmost importance. As a member of the IAB I believe they provide a platform to help and support all who wish to join in the journey.

## MICHAEL LASHFORD



I have been involved with book-keeping, accounts and taxation all of my working life, being an auditor at a firm of chartered accountants, before transferring to the Magisterial Service as an Assistant Accountant. Subsequently, by way of promotion, I became Chief Accountant in the Magistrates Court in the City of Worcester. It was always my original intention to have my own accountancy practice, and I started my business in 1980. At its peak I had one Partner and five employees. After almost 35 years

in practice I am looking to reduce my workload, and as such the practice is about to be merged with another, allowing me to have more free time and be able to serve the IAB as a Council member/director. I am a Fellow of the IAB and IFA (since 1988) and have served the IAB as a Monitoring Assessor for a number of years. I am also a registered Member in Practice and have been for the past five years. I believe that my vast experience would hold me in good stead as a Director/Council member of the IAB.

## SUE RENAUT



I run my own accounting practice, with particular emphasis on helping small businesses. From studying at evening classes while commuting over 30 years ago, I appreciate the huge personal effort involved in gaining qualifications and would welcome the opportunity to continue to represent other like-minded professionals on IAB Council. I have served on Council for four years, sitting on the Membership and Audit Committees. With clients from all areas of business, from manufacturing to retail, and even a local micro-brewery, life is never dull. And as Financial Controller for a company offering drug and alcohol education to the Ministry of Defence there could also be a conflict of interest! My hobbies are golf, clay pigeon shooting, gun dog training, rugby and cricket, although the last two are spectator only! Other activities include Chairman of the Parish Council and Treasurer for the Surrey Crossroads charity. I am married to Paul, a cartographer, with one son, Edward, who is a chartered accountant.

## The International Association of Book-keepers NOTICE TO MEMBERS ANNUAL GENERAL MEETING

NOTICE IS GIVEN that the forty-first ANNUAL GENERAL MEETING of the INTERNATIONAL ASSOCIATION OF BOOK-KEEPERS will be held at 10.45am on Thursday 18th June 2015 at the CIPP offices, 90 Longacre, Arne Street, London WC2E 9RA (please use entrance in Arne Street). All of the resolutions will be proposed as ordinary resolutions.

- 1) To propose the re-election to Council of Mrs Sue Renaut under the provisions of the Articles of Association.
- 2) To propose the election to Council of Mrs Donna Abrahams under the provisions of the Articles of Association.

- 3) To propose the election to Council of Mr Michael Lashford under the provisions of the Articles of Association.
- 4) To receive the report of Council and the unaudited accounts for the year ended 31st December 2014 prepared by the independent examiner.

Suite 5, 20 Churchill Square  
Kings Hill  
West Malling  
Kent ME19 4YU

By order of the Council  
J Jack  
Chairman  
2015

### THE INTERNATIONAL ASSOCIATION OF BOOK-KEEPERS FORM OF PROXY (please print name and address)

I.....  
of.....  
.....Postcode.....

being a member of the above named Association, hereby appoint

of.....

or.....

of.....

or the Chairman of the meeting as my proxy to vote for me at the Annual General Meeting of the Association to be held on 18th June 2015 and at any adjournment of that meeting.

This form is to be used in favour of, or against, the Resolution below:  
(Please mark with an 'X')

	FOR	AGAINST
<b>RESOLUTION 1.</b>	.....	.....
<b>RESOLUTION 2.</b>	.....	.....
<b>RESOLUTION 3.</b>	.....	.....
<b>RESOLUTION 4.</b>	.....	.....

Signed .....

Dated .....

Membership Number .....

This proxy form is to be received by the Association at Suite 5, 20 Churchill Square, Kings Hill, West Malling, Kent ME19 4YU, United Kingdom, no later than midday 17th June 2015.

## THE INTERNATIONAL ASSOCIATION OF BOOK-KEEPERS A COMPANY LIMITED BY GUARANTEE – Registered Number 01119378

# ABBREVIATED ACCOUNTS (UNAUDITED)

FOR THE YEAR ENDED 31 DECEMBER 2014

### ABBREVIATED BALANCE SHEET

As at 31 December 2014

	Notes	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Intangible Assets	2		–		–
Tangible Assets	3		21,806		4,251
Investments	4		310,541		1
			<u>332,347</u>		<u>4,252</u>
<b>CURRENT ASSETS</b>					
Stock		6,534		11,469	
Debtors; amounts falling due after more than one year	5	80,113		75,555	
Debtors falling due within one year		99,646		134,533	
Cash at bank and in hand		282,228		495,955	
		<u>468,521</u>		<u>717,512</u>	
<b>CREDITORS:</b>					
Amounts falling due within one year		<u>99,115</u>		<u>49,119</u>	
<b>NET CURRENT ASSETS</b>			<u>369,406</u>		<u>668,393</u>
<b>NET ASSETS</b>			<u>701,753</u>		<u>672,645</u>
<b>CAPITAL AND RESERVES</b>					
Other reserves			13,579		
Profit and loss account			<u>688,174</u>		<u>672,645</u>
			<u>701,753</u>		<u>672,645</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section S477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2014 and of its profit for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the Board.

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

As at 31 December 2014

### 1. Accounting policies

#### 1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

#### 1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

#### 1.3 Intangible fixed assets and amortisation

Amortisation is provided at the following rates:

Intellectual property – 40% straight line

Intellectual property is stated at cost less amortisation. Amortisation is provided at a rate calculated to write off the cost of intangible assets to the profit and loss account over their estimated economic life.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery – 25%–33.33% straight line

Computer software and network – 33.33% straight line

#### 1.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

### 2. Intangible fixed assets

	£
Cost	
At 1 January 2014 and 31 December 2014	<u>5,240</u>
	<u>5,240</u>
Amortisation	
At 1 January 2014 and 31 December 2014	<u>5,240</u>
	<u>5,240</u>
Net book value	
At 31 December 2014 and 31 December 2013	<u>–</u>

### 3. Tangible fixed assets

	£
Cost	
At 1 January 2014	87,726
Additions	<u>23,041</u>
	<u>110,767</u>
At 31 December 2014	<u>110,767</u>
Depreciation	
At 1 January 2014	83,475
Charge for the year	<u>5,486</u>
	<u>88,961</u>
At 31 December 2014	<u>88,961</u>
Net book value	
At 31 December 2014	<u>21,806</u>
At 31 December 2013	<u>4,251</u>

### 4. Fixed asset investments

	£
Cost or valuation	
At 1 January 2014	1
Additions	296,961
Revaluations	<u>13,579</u>
	<u>310,541</u>
At 31 December 2014	<u>310,541</u>
Net book value	
At 31 December 2014	<u>310,541</u>
At 31 December 2013	<u>1</u>

### Subsidiary Undertakings

The following were subsidiary undertakings of the company:

Name	Class of Shares	Holding
International Association of Accounting Professionals	Limited by guarantee	100%
International Awarding Body	Limited by guarantee	100%
The International Association of Bookkeepers (Australasia) Ltd	Limited by guarantee	100%

The aggregate of the share capital and reserves as at 31 December 2014 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves	Profit/(loss)
	£	£
International Association of Accounting Professionals	22,109	1,049
International Awarding Body	1	–
The International Association of Bookkeepers (Australasia) Ltd	<u>–</u>	<u>–</u>

### Listed investments

The market value of the listed investments at 31 December 2014 was £310,540 (2013 – £Nil).

### 5. Debtors

Debtors include £80,113 (2013 – £75,555) falling due after more than one year.

### 6. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

### 7. Related party transactions

#### Groves Training Services Limited

Director Ms. K. Groves is the sole owner of the company.

During the year the company received one year's accreditation of £280 from Groves Training Services Limited.

#### UAS UK Limited

Company owned partly by director Mrs. L. Eames' husband.

During the year the company purchased £2,851 of consultancy services and paid £9,026 in commissions.

#### Mrs. L. Eames, Director

During the period to March 2014 the director was not paid through payroll, however, received £3,154 for services provided to the company.

#### Ms. K. Groves, Director

During the period to March 2014 the director was not paid through payroll, however, received £5,001 for services provided to the company.

#### Mrs. J. Jack, Director

An honorarium payment of £1,500 was made to the director during the year.

The company has adopted the exemption under FRS8 which states the company does not require disclosure of transactions entered into between members of the group, provided that any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

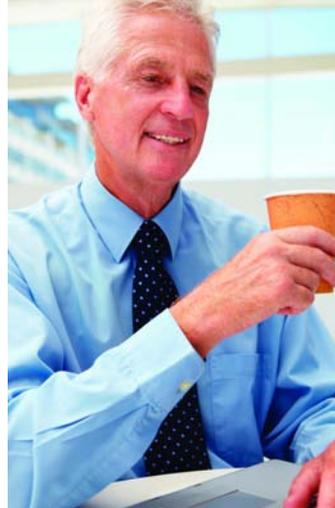
## (Book) keeping up-to-date with auto enrolment

Over 45,000 employers will be auto enrolling their workers onto a workplace pension this year, rising to half a million in 2016. Our research shows that nearly three-quarters of them will be turning to an intermediary for support. So with an influx of employers looking for guidance as they approach their staging date, you could find yourself very busy over the next few years.

Fewer than one in five employers we surveyed completely understands what auto enrolment will mean for their business. The low levels of preparedness among small and micro employers could translate into high levels of demand and opportunity for book-keepers. Are you ready to help your clients?

Of the employers planning to get support from an intermediary, 60% are expecting help with administration on an ongoing basis. Employers may face a number of challenges including:

- capturing and processing data.
- assessing eligibility of different worker groups.



- managing enrolments.
- managing worker opt-outs.
- defining and making payments.

This might be uncharted territory for many employers; that's where you can step in and help them navigate through.

If you haven't developed a proposition for auto enrolment services don't fret, because it's easier than you might think. Through our free online hub, NEST Connect, you can manage all or some of the auto enrolment process for your clients, depending on what they want. With NEST Connect you'll have access to all your client schemes on your personalised dashboard. This means that you can manage everything from one place, saving hassle, time and cost. You can also set up others in your organisation to help manage your clients.

For full details of NEST Connect, including case studies of intermediaries already using the tool, visit our website – [www.nestpensions.org.uk](http://www.nestpensions.org.uk)

• Paul Budgen is Head of Business Development at NEST

### HMRC launches Charities Digital Service

Charities can now register their details online with HMRC. The digital service allows new charities to register their details with HMRC for tax purposes. It has in-built checks and guidance to help organisations provide the right information and supporting documentation so HMRC can confirm their tax status.

HMRC's Chief Digital and Information Officer, Mark Dearnley, said: "We are completely changing the way we work with our customers – including charities.

Our new digital services are straightforward, easy to use and convenient. "The charities service minimises the risk of making mistakes so applications are less likely to be returned to the organisation."

There are currently 15,500 new charity registrations a year.

The new service, and information about registering a charity's details, can be found at <https://www.gov.uk/charities-and-tax/get-recognition>.



### IAB Amazon store open for business

The IAB now has an Amazon store where you can buy a selection of books covering finance, sales and marketing, and much more. Kindles are available to buy, too. So whether you are studying, or looking for careers advice or support for your business, then visit the Amazon store. Visit <http://www.iab.org.uk/shop> – select the Amazon link. Please note that IAB study textbooks are not available through the Amazon store and can only be purchased via the IAB website.

### Increase in national minimum wage

The national minimum wage will increase by 20p per hour to £6.70 from 1 October 2015. The rise, which amounts to 3%, will benefit over 1.4 million low-paid workers and is the biggest real time rise in seven years. The hourly rate for younger workers and apprentices will also increase in October. The hourly rate for 18 – 20 year olds will increase from £5.13 to £5.30 per hour (3%) and 16 and 17 year olds will receive £3.87 per hour, an increase of 2%. The statutory minimum wage for apprentices will also increase by 20% to £3.30 per hour.

## New rules in force on shared parental leave

Under the new rules parents of babies due or adopted on or after 5 April 2015 will be entitled to share up to 52 weeks of leave, and receive statutory shared parental pay (SSPP) in respect of up to 39 weeks of that leave. New mothers are obliged to take the first two weeks after childbirth off, but can share up to the remaining 50 weeks of leave entitlement with their partner. The leave can be taken by both parents consecutively or they can both be on leave at the same time.

The regulations contain a list of criteria that both parents must satisfy to be eligible for shared leave rights, which includes a requirement for at least 26 weeks continuous employment at the "relevant date", which is the end of the 15th week before the expected week of childbirth (EWWB).

Employment law expert Linda Jones of Pinsent Masons said that the new regulations were very complex and employers need to spend time getting to grips with how they will work in practice. "One of the very different aspects of the regulations compared to the maternity leave regime is that during the 12 months after the baby's birth or adoption, employees will be able to take leave in short blocks of time, returning to work between each period of leave," Jones said. "Parents can make a single application for periods of discontinuous leave, which

the employer will be entitled to refuse without having to give a reason or suggest alternative dates that the leave could be taken."

She added: "However, the right to refuse is deceptive, because the regulations also allow employees, as an alternative, to make up to three separate requests, each for a single period of leave, thereby achieving a pattern of discontinuous leave which employers are not able to refuse. This creates potential issues for business continuity as employers could be left with as little as eight weeks of notice to find cover for lengthy absences."

The regulations also contain provisions on employees' terms and conditions during leave, the right to return to work, rights on redundancy and protection from detriment and dismissal. They provide for up to 20 'keeping in touch' (KIT) days per employee, which can be used by parents to return to work from shared parental leave on a part-time basis. This will work in a similar way to the 10 KIT days currently available to women taking maternity leave.

Jones said that the new regime will also raise questions about whether employers who provide for enhanced maternity pay should also provide the same level of enhanced pay for parents taking advantage of the shared parental leave scheme.