

# DGT Consultants Ltd

## Accountants Newsletter Summer 2011

### 1. Website

We have recently revamped our website – please have a look at [www.dgtconsultants.co.uk](http://www.dgtconsultants.co.uk). We are quite happy to set up links with Accountants who operate our Consultancy Service – please ring Leeanne or Rebecca if you are interested.

### 2. Investigation Activity

The HMRC website has announced various investigation/compliance initiatives: -

- i. VAT Limit – those traders who are above the VAT limit but are not registered are being targeted from this summer. Do check with your clients whose turnover constantly hovers just below the VAT limit (£73,000 currently).
- ii. Private tuition/coaching – those who provide such services are often employed as teachers or coaches but fail to declare other “part-time” activities. HMRC will check all the usual sources of information i.e. newspaper, advertising, internet, yellow pages, club magazines etc.
- iii. E-market place – there are many thousands of people who use the internet to trade i.e. buy and sell goods for profit. They need to seek appropriate advice now.
- iv. Specific trades – are being targeted e.g. plumbers but HMRC will expand their investigations into any cash trader in due course.
- v. Restaurants – HMRC have formed specialist teams to target high risk trade sectors and they are starting with restaurants in London, the North-West and Scotland.

## Specific Topics

### Hairdressers/Beauty Salons

I recently acted for a client who has unfortunately had to pay substantial arrears of VAT because they were misled by the suppliers of a laser (used for cosmetic procedures). The client was told not to charge VAT on the provision of hair removal services (depilation) via the use of expensive laser treatment. Such treatment is only exempt if the treatment is medical and is supplied as part of a treatment programme drawn up by a registered health professional following the diagnosis of a medical condition.

Where the treatment is carried out for cosmetic reasons the service is taxable at the standard rate of VAT.

Please ring DGT if in doubt.

### 3. Welcome to new Accountants

The following Accountants are now using DGT's Consultancy Services – welcome on board.

#### Len Entwistle, 290 Blackburn Road, Lynwood, Lancs, BB3 0AA.

Len first contacted me as he wanted help with a client who ran a nightclub who was subject to HMRC Tax and VAT investigation. Matters were resolved in the clients favour. I am currently helping Len with an investigation into a food takeaway business, and he is currently offering our retainer service to all his clients.

#### Jigsaw Accountants, 370 Heysham Road, Heysham, Lancs, LA3 2BJ.

Dawn Naylor runs this business and approached me to help with an investigation (tax, VAT and PAYE) into a client who has unfortunately been suppressing purchases and sales. I am in the process of a damage limitation exercise and HMRC have agreed to allow me to produce a report with settlement proposals. Dawn has also agreed to offer out our services.

Meiring C.C.A, Riverway House, Morecambe Road, Lancaster, LA1 2RX.  
Andrew Meiring approached me to help with a tax/VAT.PAYE enquiry into a client who runs a garage/MOT station. I am pleased to say that matters will shortly be resolved with minimal financial damage to the client. Andrew is also offering our Consultancy Services to his clients.

DRW Accountants, 51 Station Road, Forest Hall, Newcastle, NE12 8AQ.  
David McMenzie runs DRW and was referred to me by Ronnie Walker of R Walker & Co, of Gateshead. David's office is in Forest Hall, Newcastle and is a very welcome addition to the fold. David has already offered our services to his clients with a good deal of success.

Reid Moffat & Co Ltd, 15 Niffany Gardens, Skipton, BD23 1SZ.  
Billy Moffat has just forged a new relationship with DGT and is a specialist accountant who may well be of service to other accountants as well as to individual clients. The specialist services are listed on the link page on our website – please use him as and when necessary. I have known Billy professionally for almost 25 years (when I was an Inspector as well as a Consultant) and he has a wealth of experience on the more esoteric tax planning etc topics.

4. Finally – Please remember our motto: -

PREVENTION IS BETTER THAN CURE

Do not hesitate to consult us on any tax/VAT/PAYE problem and do try to get your clients to subscribe for our services. Application forms can now be downloaded from our website [www.dgtconsultants.co.uk](http://www.dgtconsultants.co.uk)

If you know of any Accountants who may be interested in using our services please ring Trevor to discuss, amongst other things, the introducers' commission.

Kind Regards,

Trevor & Danielle Musson