



## **KPB MONARCH LTD & MONARCH TAX LTD FACT SHEET NUMBER 1**

### **Compliance with Companies House.**

**1:** The registered office remains at 64 Derwent Close Rugby CV21 1JX for several reasons, first and foremost for the shortest passage of official documentation, this is to separate the financial documentation from every day trading, this also endorses the Payroll Office as being the same unit as the registered office.

**1a:** Certificates for the incorporation of companies at Companies House are issued electronically, these are received and filed with both electronic (as pdf) or hardcopy sent on to the directors, at what is, recorded as their trading address.

**1b:** We produce bound copies of the companies Memorandum and Articles for closer inspection by governing bodies and those authorised to view them.

**1c:** Share certificates are drawn up for each directorship and shares are allocated from stock held at Companies House, this document is very important to substantiate any distribution of dividend made from company profits.

**1d:** Contacting Companies House as official authorised agent to represent the company in corresponding with them in all matters of company compliance.

**1e:** On the anniversary of the company's formation a Confirmation Statement requires filing with due diligence (not financial); this document states clearly the allocation of share from capital held with director's details containing appointments and resignations and confirms the person of significant control is in place.

**1f:** On the proscribed date the company's abbreviated balance sheet must be filed recording debtors creditors share capital and profit for the year in question the balance sheet shows clearly the reserves held at the end of trading (after tax).

**1g:** To prepare and issue share dividend certificate in line with the companies act 2006, which contains the guidelines for the issue of dividends from company reserves after all debts, including corporation tax are discharged. The dividend must be paid or a provision put in place to pay dividends at a single point in this or the next trading period.



## KPB MONARCH LTD & MONARCH TAX LTD FACT SHEET NUMBER 2

### The company and HMRC

**2:** Register the company for corporation tax with the appropriate authority at HMRC, resulting in a Unique Tax Reference being issued to the company.

**2a:** Using the UTR we file for authority to act on behalf of the company to prepare and submit with due diligence all financial information required by the authorities.

**2b:** Prepare from information received the company accounts at year end, extracting this information from the complete accounts.

**2c:** File the Abbreviated Accounts at Companies House.

**2d:** File the accounts at HMRC through the CT600 online portal; the agreed accounts as prepared by ourselves and countersigned by the director as a true representation of the financial position of the company at the time of reporting (year-end).

**2e:** To ensure the company has access to Public Liability Insurance for those clients requiring this, we use Simply Business at Northampton and Octopus Insurance online, to achieve competitive rates.



### **KPB MONARCH LTD & MONARCH TAX LTD FACT SHEET NUMBER 3**

#### **Day to Day**

**3:** Enter the weekly invoices and post them to appropriate ledgers with expenses apportioned.

**3a:** Day to Day assistance is to include providing supporting evidence of income to all agencies including CSA, CME, Tax Credits (Child and Working). This evidence is valuable in housing benefit applications, rental agreements and finally the documentation required by lenders in support of mortgage applications.

**3b:** To record in the company ledgers all losses and gains from invoices and receipts supplied by yourselves in the execution of your professional duties.

**3c:** To post all information to the master accounts for each company, on a monthly basis, to carefully monitor the income and expenditure within the trading period.

**3d:** To use working patterns to apply HMRC benchmarks agreed by them for use by contractors working in the temporary marketplace using their professional services.



## **KPB MONARCH LTD & MONARCH TAX LTD FACT SHEET NUMBER 4**

### **Directors Salary and company PAYE.**

**4:** Register the company with HMRC PAYE using the company UTR to establish a Pay Scheme for salaries and wages paid by the company.

**4a:** To register an authority to act on behalf of the company in relation to the day to day running of the Payroll Scheme.

**4b:** File each month on the due date the salary received by the director, to maintain this salary in line with directors tax coding and age, to maximise the basic rate allowance and ensure that there exists evidence of National Insurance Contributions paid at the Class 4 level, this confirms each year of directorship will have contributions into the government pension scheme in line with the cumulative NI requirements of a director.

**4c:** To prepare and record supporting evidence that the director is outside of the IR35 legislation, this will include the HMRC test as revised in 2016 for point scoring to differentiate between a genuine subcontracting position as opposed to one of, continual employment requiring the contractor to be part of the end users PAYE Scheme.

**4d:** The test for IR35 is complex but we use the following points to gain exemption from the regulations on behalf of all our directorships. No 3 endorses the company should endeavour to improve working practices to assist in profits year on year. No 8 indicates that the director via their company's engagement is responsible for general wear and tear and has an active repair and maintenance expense. No 9 Proves that the company and director remains at risk from being unable to recover monies from completed work which may total up to 10% of annual turnover. No 11 provides that the end user is able to insist upon the use of a substitute within the guidelines of safe working practice. No12 Actual substitution should and does take place at least once in any trading period. The very latest provision places more emphasis on the ability to provide a substitute, who has the equivalent level of experience, is acceptable to the end user (completed the assessment for the site) and is paid by you the main contractor and does not invoice direct the end user.

**4e:** To emphasise the clients status remains Employed and not Self-employed.



## **KPB MONARCH LTD & MONARCH TAX LTD FACT SHEET NUMBER 5**

### **Director's self-assessment.**

**5:** Register the director with HMRC in relation to Self-Assessment in order to record gains from the company, the registration reveals a second Unique Tax Reference but this one is exclusively to be used for the personal financial affairs of the director.

**5a:** Register with the authorities to act on behalf of the director in relation to his personal tax affairs.

**5b:** File annually the document SA100 for each director; to include director's salary from their appointment as an officer of the company, any dividend received from the companies trading and paid to the director directly and finally this filing should include any occupational pensions the director is in receipt of, and any additional income by way of property rental etc.

**5c:** To arrange the best distribution of dividends in line with the directors personal circumstances, this in simple terms means in line with current and future budget statements. There are thresholds which exist for the most effective extraction of dividends; dividends are currently taxed at 10%, this will appear on your statement (see note 1g). Upon completion of the SA100, recording the dividend as income, each director is allowed a 10% credit, for sums not exceeding the lower tax band and above the basic rate, this means the dividend in most cases is received by the director free of tax.

**5d:** The responsibility for the accurate reporting of the above is with ourselves and as such we may require narrative and evidence to assist us in this task each year.

**5e:** The director remains an officer of the company and as such does not require a contract of employment; this circumnavigates the requirement to abide by the National Minimum Wage. An officer of the company may work 90hrs a week for £1.00 and be within prescribed legislation.

**NOTE: Clients who engage our services are reminded that if they have a Self-Assessment UTR in place, it is their responsibility to inform us, of such, as it remains personal and is not related to the company.**