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FORWARD THINKING ADVICE

CHARTERED ACCOUNTANTS

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FRONTLINE

NEW BUSINESS TAX PARTNER JOINS NEWBY CASTLEMAN

We are pleased to announce the appointment of Jacquelyn Kimber as a business tax partner.

Jacquelyn, who will be based at our Leicester office, was formerly a business tax partner with Accountancy Age Top 10 firm Moore Stephens LLP in London. She has many years' experience of advising owner managed businesses on their tax affairs.

Her areas of expertise include business restructuring, for example through demergers, succession planning and the tax efficient extraction of profits.

She also offers specialised guidance on reorganising businesses to maximise tax reliefs such as Business Property Relief and Entrepreneurs' Relief.

She has advised a number of companies on the selection and implementation of a wide range of share incentive arrangements, as well as more specialist areas such as dealing with claims under the Enterprise Investment Scheme (EIS) and Seed EIS.

Jacquelyn has contributed to a number of tax books, including Intellectual Property Law and Taxation (8th Edition) and The Tax Adviser's Guide to Trusts (5th Edition), and has had several articles published in the Chartered Institute of Taxation's publication, Tax Adviser. She also sits on the Institute's Owner Managed Business Technical Sub-Committee.

Outside of work, Jacquelyn is a keen baker, and is a past winner of her team's "Bake Off" competition. She tries to work off the calories by swimming, and clocks up between four and five miles a week.

Jacquelyn said: "I started my professional career in Leicester, before moving to Birmingham and then spending 15 years working in London. I am delighted to be returning to work in my home city as a partner with Newby Castleman, and I am very much looking forward to bringing my expertise to the firm's extensive client base."

Chris Castleman, Managing Partner said: "Jacquelyn's appointment is an exciting step forward for the business. She brings with her a vast amount of expertise in a diverse range of business tax subjects, along with a conscientious and client-oriented approach. We are confident that she will make a significant contribution to the business in the years ahead."

CHOOSING THE RIGHT VAT SCHEME FOR YOUR BUSINESS

There are a number of ways to account for VAT. While standard VAT accounting is used by many firms, small business owners may wish to consider the alternative schemes that are available. Choosing the most suitable option could save you a considerable amount of time and money.

ANNUAL ACCOUNTING SCHEME

Under the annual accounting scheme, businesses are only required to submit one VAT return per year. During the year, agreed monthly or quarterly payments are made based on an estimated liability for the year, with a balancing payment due with the return.

The scheme is available for most businesses that expect to have an annual tax-exclusive turnover of not more than £1,350,000. These businesses can join the scheme from the date they register for VAT. A business can leave the scheme voluntarily at any time by writing to HMRC, but it must leave once its annual taxable turnover exceeds £1,600,000.

SCHEME ADVANTAGES

- ✔ Submitting only one VAT return each year (rather than the four required under standard VAT accounting) could save a considerable amount of time and paperwork
- ✔ It may be easier to manage cashflow as the liability to be paid each month is known and certain
- ✔ There is an extra month to complete the VAT return and pay any outstanding tax

POTENTIAL DISADVANTAGES

- ✗ As interim payments are based on the previous year they may be higher than necessary, although it is possible to adjust these if the difference is significant

CASH ACCOUNTING SCHEME

The cash accounting scheme enables businesses to account for VAT on the basis of cash received and paid, rather than on tax invoices issued and received. A business can join the scheme if there are reasonable grounds to believe that its annual turnover is not expected to exceed £1,350,000 in the next twelve months.

SCHEME ADVANTAGES

- ✔ As output tax (VAT charged by the business on its sales) is not due until payment of sales invoices is received, there may be a cashflow advantage. This is particularly beneficial for businesses with slow-paying customers
- ✔ There is automatic relief for bad debts: if a customer fails to pay then no output tax will be due

POTENTIAL DISADVANTAGES

- ✗ Input tax (VAT suffered on the goods and services purchased) cannot be recovered until suppliers' invoices are paid

FLAT RATE SCHEME

Under the flat rate scheme, the VAT due is calculated by applying a predetermined flat rate percentage (dictated by the trade sector), to the business turnover of the VAT period. The current trade sector rates range from 4% to 14.5%. There is a further 1% reduction on the normal rates for businesses in their first year of VAT registration. On 1 April 2017 the government introduced a new 16.5% rate for businesses with limited costs, such as many labour-only businesses. Following this, those using the flat rate scheme will need to decide if they are a 'limited cost trader' – please contact us if you would like assistance with this matter.

The flat rate scheme is only available to businesses that expect their VAT exclusive turnover in the next twelve months to be no more than £150,000 in taxable supplies. Businesses must leave the scheme when income in the last twelve months exceeds £230,000, unless this is due to a one-off transaction and income will fall below £191,500 in the following year. A business must also leave the scheme if there are reasonable grounds to believe that total income is likely to exceed £230,000 in the next 30 days.

SCHEME ADVANTAGES

- ✔ It saves time and simplifies record-keeping by removing the need to work out and record output and input tax when calculating the VAT due to HMRC
- ✔ The predetermined fixed-rate percentages are lower than the standard VAT rate

POTENTIAL DISADVANTAGES

- ✗ Turnover needs to be under £150,000
- ✗ Businesses that use the scheme cannot normally recover input tax or VAT on imports or acquisitions
- ✗ The scheme can be complex where a business buys and sells goods and/or services from outside the UK

OTHER SCHEMES

There are also special schemes for retailers, as it is impractical for most retailers to maintain all the records required of a registered trader. The three standard VAT retail schemes are: the Point of Sale Scheme; the Apportionment Scheme; and the Direct Calculation Scheme. For more information and advice on these and the schemes available to certain other trades, please do contact us.

This article is intended as a basic introduction to some of the key VAT schemes. We can advise you on the most suitable option for your business.

ARE YOU MAKING THE MOST OF CAPITAL ALLOWANCES?

Businesses looking to purchase capital equipment are able to claim tax relief in the form of capital allowances. Here we outline some of the key details.

WHAT IS THE ANNUAL INVESTMENT ALLOWANCE?

Businesses purchasing plant and machinery are able to make use of the Annual Investment Allowance (AIA), which allows the costs for equipment, machinery and business vehicles (excluding cars) to be deducted from your profits before tax. The maximum annual amount of the AIA is £200,000. The AIA applies to businesses of any size and most business structures, but there are provisions to prevent multiple claims.

Plant and machinery includes items such as machines, equipment, furniture, certain fixtures, computers and similar equipment you use in your business. However, certain items do not count as plant and machinery. These include buildings, land and structures, and items that you lease. There are special rules for cars and some specific 'environmentally friendly' equipment.

ENHANCED CAPITAL ALLOWANCES

In addition to the AIA, a 100% first year allowance is also available on energy-saving or environmentally friendly equipment. A separate Enhanced Capital Allowances (ECA) scheme is available for new electric and low carbon dioxide (CO_2) emission cars (up to 75 g/km – reducing to 50 g/km from April 2018) and new zero emissions goods vehicles (up to 31 March 2018 (corporates) or 5 April 2018 (others)). They also qualify for the 100% first year allowance.

EXPENDITURE POOLING

Where purchases exceed the AIA, a writing down allowance (WDA) is due on any excess in the same period. This WDA is currently set at a rate of 18%. This is the main rate pool and it is available on any expenditure incurred in the current period not covered by the AIA or not eligible for the AIA, as well as on any balance of expenditure remaining from earlier periods.

Certain expenditure on building fixtures, known as integral features (eg lighting, air conditioning, heating, etc) is only eligible for an 8% WDA so is allocated to a separate 'special rate pool', though integral features do qualify for the AIA.

MOTOR VEHICLE EXPENDITURE

With regard to capital allowances, special rules govern the treatment of expenditure on vehicles. Cars do not qualify for the AIA, but other specific types of vehicle are treated as pool, plant and machinery.

For business cars, a vehicle's level of CO_2 emissions plays a key role in its capital allowance treatment. New low emission cars acquired between 1/6 April 2015 and 31 March/5 April 2018 and not exceeding 75 g/km CO_2 emissions will be allocated to the main rate pool, and will be eligible for a 100% allowance. Vehicles not exceeding 130 g/km CO_2 emissions will also be allocated to the main rate pool, but will be eligible for an 18% WDA. Those that exceed 130 g/km CO_2 emissions will be allocated to the special rate pool, and will be eligible for an 8% WDA.

From April 2018, new capital allowance rules for cars are set to take effect.

HOW DO I MAKE A CLAIM FOR CAPITAL ALLOWANCES?

Businesses are required to make a claim for capital allowances through their tax return. Unincorporated businesses must make a claim within 12 months after the 31 January tax return filing deadline. Companies must ensure that their claim is made within two years of the end of the accounting period.

If you are considering investing in plant and machinery, please talk to us first as we can help to ensure that you time your purchase to receive the maximum tax benefit.

THE MARRIAGE ALLOWANCE: CHECK YOUR ELIGIBILITY

With recent research revealing that more than 2.9 million couples in the UK have yet to claim the Marriage Allowance, we review the key features of the initiative, and highlight how you could stand to benefit.

Introduced in April 2015 by the former Chancellor, George Osborne, the Marriage Allowance permits eligible spouses to transfer 10% of their personal allowance to their partner. However, figures from HMRC have revealed that of the alleged 4.2 million couples eligible for the tax break, only around 1.3 million have actually claimed it.

The Marriage Allowance is only available to couples where neither pays tax at the higher or additional rate. Therefore, the couples most likely to benefit are those where one of the spouses has little or no income and the other spouse is earning between £11,501 and £45,000 (£43,000 for those in Scotland).

WHAT ARE THE FINANCIAL BENEFITS?

For 2017/18, when the personal allowance is set at £11,500, eligible taxpayers can transfer £1,150 to their spouse. This will reduce their tax liability by up to £230 in the current tax year.

However, it is possible to backdate a claim for the Marriage Allowance to include any tax year since 6 April 2015 that the couple was eligible for the tax break. The tax bill of a recipient of the Marriage Allowance was reduced by up to £212 in 2015/16 and £220 in 2016/17. As a result, eligible couples who have so far failed to claim the relief may be owed a tax repayment of up to £432!

HOW DO I APPLY?

Couples are able to register for the Marriage Allowance at **www.gov.uk/marriage-allowance**. If the application is successful, any changes to your personal allowances will be backdated to the beginning of the tax year. HMRC will refund those with successful applications by either changing their tax code, or by altering their Self Assessment Tax Return (if they are self-employed).

In future years the allowance will transfer automatically to the spouse until either of the couple cancels the Marriage Allowance or there is a change in circumstances – which means a potential reduction in the annual tax bill of more than £200.

For more information on the Marriage Allowance, please contact us.

TAX PLANNING FOR A PROSPEROUS FUTURE

Effective business and personal tax planning can help to ensure a secure financial future for you and your business. Here we highlight some strategies to consider when reviewing your financial plans.

BUSINESS STRATEGIES

✔ IS YOUR BUSINESS MOTORING AS TAX-EFFICIENT AS IT COULD BE?

An employer-provided vehicle can be a useful business tool for both employees and employers. However, with the taxable benefits on cars increasing year on year, it may be time to review your business motoring policy completely. In some cases, it could be more tax-efficient to pay employees for business mileage in their own vehicles at the statutory mileage rates, especially if their business mileage is high. A company van may also be worth considering in certain circumstances – please talk to us about the potential tax benefits.

✔ ARE YOU CLAIMING ALL THE RELEVANT ALLOWANCES, DEDUCTIONS AND EXPENSES?

Have you checked to make sure that your business is claiming all the allowances that it is entitled to? Businesses looking to purchase capital equipment are able to claim tax relief in the form of capital allowances. The majority of businesses are able to claim a 100% Annual Investment Allowance (AIA) on the first £200,000 of expenditure on most types of plant and machinery (except cars). Meanwhile, those who are self-employed may be able to claim for allowable expenses such as office costs, travel costs, clothing expenditure and more. Please speak to us for further details.

✔ HAVE YOU CONSIDERED THE TAX BENEFITS OF TAKING DIVIDENDS RATHER THAN A SALARY/BONUS?

If you are an owner-director, you may wish to take dividends instead of a salary/bonus. Despite changes to the dividends regime in 2016, receiving dividends rather than a salary/bonus may still result in a lower national insurance contributions (NIC) liability. The Dividend Tax Allowance (DTA) is currently £5,000 for 2017/18. The allowance does not change the amount of income that is brought into the income tax computation, but it instead charges £5,000 of dividend income at 0% tax – the dividend nil rate. Please note that proposals have been announced to reduce the DTA to £2,000 from April 2018.

IS IT TIME TO REVIEW YOUR ESTATE PLAN?

Planning to minimise the inheritance tax (IHT) due on your estate is always important, but the recent introduction of the residence nil-rate band (RNRB) means now could be the ideal time to review your existing plans.

WHAT IS THE RNRB?

IHT is charged at 40% on estates worth in excess of the nil-rate band, which is currently £325,000. Married couples and registered civil partners can pass any unused nil-rate band on death to one another.

However, 6 April 2017 saw the introduction of an additional nil-rate band – the RNRB – which is intended to take the family home out of IHT for all but the wealthiest. The RNRB is set at £100,000 for deaths in 2017/18, rising to £125,000 in 2018/19, £150,000 in 2019/20, and £175,000 in 2020/21. It is then set to increase in line with the Consumer Prices Index from 2021/22 onwards.

The introduction of the RNRB means that up to £1 million of a married couple's estate could eventually be taken outside the scope of IHT if the full nil-rate bands (£325,000 + £175,000 x 2) are available to each spouse.

The RNRB is also available when a person downsizes or ceases to own a home on or after 8 July 2015 where assets of an equivalent value, up to the value of the RNRB, are passed on death to direct descendants.

It is important to note that the additional band can only be used in respect of one residential property, which does not have to be the main family home but must at some point have been a residence of the deceased.

There will also be a tapered withdrawal of the additional nil-rate band for estates with a net value of more than £2 million (at a withdrawal rate of £1 for every £2 over this threshold).

REVIEWING YOUR ESTATE PLAN

It is always advisable to review your Will and planning strategies on a regular basis, but it is particularly pertinent following changes in your personal or family circumstances or significant new tax rules. The introduction of the RNRB is one such example.

The additional nil-rate band will only apply when a main residence is passed on death to one or more descendants (including a child, stepchild, adopted child or foster child) of the deceased and their descendants. In order to utilise the RNRB, you may need to review your Will to check that the property is being bequeathed to the correct beneficiaries. The home doesn't have to be specifically mentioned in the deceased's Will, as long as it has at some point been a residence of the deceased.

It is also important to review your Will where property has been left in trust, as certain types of trusts may not be eligible for the RNRB. This is a complicated area and we suggest that you consult an expert for further advice.

If downsizing is contemplated, special care is needed to include provisions in a Will which will satisfy the conditions of obtaining the additional band.

For more information on the RNRB or for advice on other tax-efficient estate planning strategies, please contact us.

PERSONAL STRATEGIES

✔ HAVE YOU SOUGHT TO MINIMISE YOUR LIABILITY TO INCOME TAX?

You may be able to minimise your income tax liability by making full use of your personal allowance (PA), which is set at £11,500 for 2017/18. If a spouse or partner has little or no income, consider transferring income (or income-producing assets) to them to ensure that they are able to make full use of their PA. Certain rules and restrictions apply so please speak to us before taking action.

✔ ARE YOU INVESTING IN A PENSION?

Investing in a company or personal pension scheme may afford tax breaks on your personal pension contributions, while helping to ensure that you plan for a comfortable retirement. If you are a higher rate taxpayer, your investment will, subject to limits, qualify for tax relief at 40%. Pension contributions can be made at up to 100% of relevant earnings, subject to the annual allowance, which is currently £40,000 for most people. However, those with adjusted income over £150,000 may have their annual allowance tapered down to a minimum of £10,000.

✔ ARE YOU MAKING USE OF TAX-EFFICIENT INVESTMENT OPPORTUNITIES?

A number of investment products offer tax-free income, including Individual Savings Accounts (ISAs) and some National Savings products. You may also wish to make investments under the Enterprise Investment Scheme (EIS), the Seed Enterprise Investment Scheme (SEIS), via a Venture Capital Trust (VCT) or using Social Investment Tax Relief (SITR). However, it is important to consider the potential risks as well as the benefits, and we recommend that you speak to a qualified adviser before taking action.

As your accountants, we can help you to implement effective tax planning strategies. For more information, please do not hesitate to contact us.

NEW DATA PROTECTION RULES: ARE YOU PREPARED?

Next year sees the introduction of stringent new rules governing the safeguarding of personal data, with a new emphasis on transparency and accountability.

THE NEW GENERAL DATA PROTECTION REGULATION

On 25 May 2018, the General Data Protection Regulation (GDPR) will come into effect, requiring all organisations that deal with individuals living in an EU member state to fully protect the personal information belonging to those individuals, and to have documented proof of such protection. The UK's decision to leave the EU will not affect the introduction of the legislation in the UK.

The new GDPR requires a consistent and transparent approach to data processing, and the financial penalties for failing to comply are severe – with fines of up to €20m or up to 4% of total annual worldwide turnover.

NEW REQUIREMENTS FOR BUSINESSES

While the principles of the new GDPR are broadly similar to the existing Data Protection Act (DPA), there are some key changes placing additional obligations on businesses.

A fundamental new requirement of the GDPR relates to accountability. Businesses must be able to identify their lawful basis for processing personal data, and document this. The GDPR also prioritises the issue of consent, requiring that an indication of consent must be specific, unambiguous and freely given.

Another principle central to the GDPR is the concept of 'data protection by design and default', by which firms build in the necessary privacy and security protections from the outset rather than as an afterthought. In some circumstances, businesses will be required to undertake a Data Protection Impact Assessment.

The GDPR applies to both 'controllers' and 'processors' of personal data. Processors will be specifically required to maintain records of personal data and processing activities and will have increased legal liability for any breaches (including reporting certain breaches), under the new laws.

Meanwhile, controllers will be under additional obligations to ensure that their contracts with processors are in compliance with the GDPR.

NEW DEFINITIONS OF PERSONAL DATA

Reflecting the significant growth in the digital economy and changes to the way in which information is collected, the GDPR extends the DPA definition of 'personal data' to cover a larger range of personal identifiers, including online mechanisms such as IP addresses.

'Sensitive' personal data, defined in the GDPR as 'special categories of personal data', has also been expanded to include such categories as genetic data and biometric data where this is used to identify an individual person.

PREPARING FOR THE REGULATIONS

Businesses should take steps now to make sure they are ready for the new legislation. Some of the main areas for action might include:

- Making sure members of staff are aware of the new regulations, and providing ongoing training
- Identifying the lawful basis for your data processing activity
- Reviewing and classifying the personal data your business holds, its origins and who you share it with
- Creating an audit trail
- Reviewing your procedures relating to consent, requesting and documenting fresh consents from customers where necessary to ensure that your business is seeking, collecting and managing consent in line with the GDPR
- Updating procedures to ensure they cover the enhanced rights for individuals, including the right to have data erased and the right to data portability, as well as new protection for children's data and the reduced 30 day deadline for subject access requests
- Reviewing your privacy notices
- Adopting a principle of 'data protection by design' for all future projects
- Including procedures for identifying and investigating data breaches
- Assigning responsibility for data protection to a key member of staff; appointing a Data Protection Officer (DPO) will be a legal requirement for some organisations
- Making sure that your data and processes are regularly reviewed to ensure that they remain compliant.

Further information and guidance can be found on the Information Commissioner's Office website: **www.ico.org.uk**.

With new regulations approaching, businesses are advised to review their data privacy and security practices, identifying areas of risk and introducing robust processes and controls, ahead of time.

This article is for general guidance only, and you are always advised to consult an expert before taking any action.

EXPANDING YOUR WORKFORCE: KEY AREAS TO CONSIDER

Hiring new employees can usher in new ideas, strategies and processes that could ultimately boost your profitability. Here we outline some key points to consider if you're planning to expand your workforce.

KNOW THE LEGAL REQUIREMENTS

It is essential to ensure that you are up-to-date with the latest legal obligations. This includes equality law, which applies to all aspects of the hiring process, from advertising a position, to the selection of candidates for interview, the interview itself, and the decision-making process. Your business handbook should set out clear policies for such areas, and it may be worth reviewing these policies before you consider hiring.

ASSESS YOUR STAFFING NEEDS

It is essential to consider carefully how many new members of staff you require, and exactly which functions they will fulfil. Does your business require specific skill sets? Would it be beneficial to recruit multi-skilled individuals? Considering such questions and highlighting these qualities in your job advertisements can help to filter out the most desirable applicants. It may also be advantageous to assess your competitors' offerings: what benefits do they offer to new starters? How can you match or exceed these?

Additionally, carrying out employee exit interviews prior to hiring new employees may help you to understand which areas of the business could benefit from improvements.

REVIEW YOUR JOB ADVERTISEMENT PROCESS

How and where will you advertise your position? Does your advertisement contain all of the essential information you want to convey to prospective employees, including the main duties of the role, salary details, and any specific benefits? How will your selection process advance – will you offer an interview and/or a practical test? Taking these points into account will help your business to employ the most suitable candidate(s) from the outset, thereby minimising the disruption and cost to your business.

PLAN FOR ADDITIONAL COSTS

Taking on new employees will have implications for your business's finances. Advertising alone could potentially involve a hefty sum.

As well as the cost of additional salaries, businesses can also expect to see their tax bill rise: employers are required to pay Class 1 (secondary) national insurance contributions (NICs) on any payments made to employees that are above the secondary threshold. However, many businesses may benefit from the Employment Allowance, which could reduce their NICs bill by up to £3,000 per annum.

Income tax deductions will also have to be made for new employees under the Pay as You Earn (PAYE) system. And don't forget, employers are now required to auto-enrol staff into a workplace pension scheme and make a minimum employer contribution to the scheme.

MAKE ARRANGEMENTS FOR AN INDUCTION AND TRAINING

Implementing a sound induction process and providing the relevant training programmes may prove to be a deal-maker for a new employee: starting a new job may seem daunting, but having an effective process in place will help to ensure a smooth settling in period for your business and your employees.

Careful planning can help to improve the recruitment process and keep your business costs to a minimum. For more information on managing your business, please contact us.

PAYE TAX CODES: THE NEW REAL TIME SYSTEM

HMRC recently unveiled a new policy of adjusting employee tax codes during the course of the tax year, in a bid to improve certainty and help ensure taxpayers pay the 'right amount' of tax.

Under the new system, HMRC will be using the information submitted by employers via Real Time Information (RTI), together with any changes made in an individual's Personal Tax Account, to make new adjustments to an individual's tax code. This will be done in-year, rather than waiting for the necessary changes to be made at a later point after the end of the tax year, as has previously been the case.

The government hopes that the new system will reduce the number of taxpayers who either end the tax year having paid too much tax, or receive an unexpected bill. According to HMRC statistics, a total of around eight million individuals overpay or underpay their tax every year, with overpayments accounting for two-thirds of this number.

Once HMRC is aware of a change in an individual's circumstances, it will issue a new tax code and will write to the employee regarding the change, with a copy notification being sent to the employer.

Unlike the previous system, under which it could take up to two years for an individual's tax account to be 'balanced' following an underpayment, HMRC believes that the changes will help more people to 'pay the right tax at the right time'.

THE IMPACT OF THE CHANGES

Some employees will see an impact on their pay packets, as HMRC seeks to recover all of the tax due within the course of the current tax year. While employers may experience an increase in the number of tax codes they receive, and an increase in the volume of queries from employees relating to the changes, HMRC anticipates that there will be fewer queries relating to tax codes and payments in the long term.

Employers and employees are advised to ensure that HMRC is made aware of any changes in an individual's circumstances as soon as possible. Routine PAYE RTI submissions will continue as normal.

We can help with all aspects of PAYE. Please contact us for further advice and assistance.

CASH-BASED LIFETIME ISA ENTERS THE MARKET

The first cash-based Lifetime ISA recently entered the market, allowing adults under the age of 40 to put aside cash sums in order to save for their first home or their future retirement.

The Lifetime ISA was first introduced in April, but initially only share-based investments were available. A new cash Lifetime ISA has since been launched.

Under the scheme, savers aged between 18 and 39 can invest up to £4,000 a year and will receive a 25% bonus on contributions from the government up until their 50th birthday.

Both the tax-free savings and the government bonus can be used for a deposit for a first home in the UK worth up to £450,000 at any time from 12 months after first saving into the account.

Alternatively, the funds, including the government bonus, may be withdrawn from the Lifetime ISA from age 60 tax-free for any purpose. However, where the funds are withdrawn before the age of 60 the account holder will lose the government bonus (plus any interest or growth on this) and will be liable to pay a 5% surcharge.

BUSINESSES URGED TO PROTECT AGAINST CYBER-ATTACKS

In light of recent cyber ransomware attacks, the Federation of Small Businesses (FSB) has called on UK firms to take 'urgent steps' to protect themselves.

The group has advised businesses to put cyber protection insurance in place, as well as checking for updates to their computer operating systems and anti-malware software.

Those using unsupported operating systems may prove to be more at risk, so it is recommended that businesses only use systems which receive regular security updates.

Firms are also encouraged to make sure that they have any essential data backed up to help ensure that data cannot then be 'held to ransom' should the worst happen.

Businesses should make sure that they keep up to date on the latest cyber security advice by visiting the government-backed National Cyber Security Centre (NCSC) website: this can be accessed at **www.ncsc.gov.uk**.

The government's Cyber Essentials scheme also provides information on the 'basic controls all organisations should implement to mitigate the risk from common internet-based threats'. Details on the initiative and how it may be of help to you can be found at **www.cyberaware.gov.uk**.