

DIVIDEND SERVICE

Introduction

When declaring dividends, there are legal requirements as laid out in the 'Companies Act 2006', to firstly ensure that there are sufficient profit reserves for the dividend to be declared against (otherwise the dividend is illegal), and secondly to prepare minutes and tax vouchers that adhere to formats laid down by the Act. There are also significant tax planning considerations in terms of when and how much is declared.

Our Services

In order to cater for your specific requirements in relation to the timing of Dividends, the management of your Company's Directors Loan Accounts and also the profits and reserves of the Company, we offer three inclusive service levels as follows:-

1. 3* - Paperwork Only Dividend Service

For the following annual **FIXED FEES** (all exclude VAT at the current rate), we will deal with all the paperwork for each dividend you declare. You simply provide us with the dividend date, and amount per share class, and then we will prepare the following paperwork on your behalf:-

- Board Meeting Minutes
- Dividend Tax Vouchers for all shareholders receiving a dividend
- The necessary journals to be posted into your bookkeeping system

Annual Dividends	£45	Bi-Annual Dividends	£80
Quarterly Dividends	£145	Monthly Dividends (£145 if all prepared at same time)	£295

2. 4* - Review and Planning Dividend Service

For the following annual **FIXED FEES** (all exclude VAT at the current rate), In addition to dealing with the paperwork provided in the 3* Service, we will also provide the following services:-

- Review your Directors Loan Account to ensure you do not go 'Overdrawn', or if you are overdrawn, ensure you are kept below the relevant legal de-minimus levels, or P11D benefit in kind requirements are brought to your attention.
- Consider the timing of your dividend declarations in conjunction with your Personal Tax Planning (If we act for you in relation to your personal tax).
- Consider the timing of your dividend declarations in conjunction with your Tax Credits Planning (If we act for you in relation to your tax credits).
- Give a brief review and consideration to the estimated profitability and reserves available in the company in order to declare the dividends against.

The 3* and 4* service are offered on the basis that we accept no responsibility for whether or not the company has sufficient profit reserves to make the dividends legal.

Annual Dividends	£95	Bi-Annual Dividends	£170
Quarterly Dividends	£300	Monthly Dividends	£600

3. 5* - Management Accounts Dividend Service

For a **FIXED FEE to be advised after a review of your requirements**, in addition to dealing with the paperwork provided in the 3* Service and the analysis work provided in the 4* Service, we also provide the following services:-

- Prepare Management Accounts, the level of detail of which to be agreed with you in advance, to enable us to assess the profits and reserves of the company with a high level of accuracy to ensure no illegal dividends are declared.
- This service is particularly important where the reserves of the company are low and you are drawing all or most of the profits by way of dividend.

Note on Group Structures: Where a group and dividends are being declared from one company to another and, then to a shareholder or a further company, the above prices will be discounted for each company, please speak to us about a quotation in this scenario specific to your circumstances.