



## ...Media



The media and creative industry faces its own unique set of challenges. Tuchbands has extensive experience of working with a variety of individuals and businesses within the industry, from freelance journalists and photographers, to TV and film production companies.

This guide sets out some of the issues facing the media industry. In addition to providing the traditional range of accounting and taxation services, we can also offer a wealth of specialist knowledge and experience designed to maximise your profitability.

### **Budgeting and raising finance**

Raising finance can be a key issue for businesses within the media industry. We can assist with the completion of production and touring budgets and can advise on obtaining finance, for example under the Enterprise Investment Scheme (EIS).

The EIS is a government scheme that allows certain tax reliefs for investors who subscribe in qualifying industries.

The main condition is that the scheme is limited to companies with gross assets of no more than £15 million before the investment.

Certain rules and conditions apply, including that the company must, throughout its three-year qualifying period:

- be an unquoted company
- have only fully-paid issued shares
- be a trading company carrying on a qualifying trade wholly or mainly in the UK.

### **Contractors and freelance workers**

Accounting for contractors and freelance workers in the media industry is a specialist area which requires expertise. Some of the key areas which often require particular attention include maintaining expense claims and keeping adequate and up-to-date records.

We can ensure that your accounts are accurate and compliant and that your tax returns are submitted on time.

## Credit management

Robust credit management strategies are also central to running your financial affairs. We can offer expert advice as well as advising you on strategies to minimise the tax bill.

In a recession managing and reducing the risk of late payment is essential. Consider the following pointers designed to help you to avoid falling victim to the 'late payment culture':

**Credit check your customers** – Failure to research the credit history of both new and potential customers could leave your business at risk of late or even non-payment. Minimise this threat by conducting the necessary checks with the customer's bank, a credit reference agency and some of their suppliers.

**Publicise your terms and conditions** – Clearly print your terms and conditions for payment on all relevant documentation that is sent to new and potential customers. Terms should clearly state the payment period for any invoice.

**Invoice on time** – Distribute invoices in a timely manner to ensure the payment process remains as efficient as possible and prevent unnecessary delays by addressing the invoice to the correct contact and department. If a client has not paid on time, it is essential to pursue payment.

**Know your rights** – Under the Late Payment of Commercial Debts Act 2002, businesses have a statutory right to charge interest for the late payment of commercial debt, at a rate of 8% above the Bank of England's reference rate. You should make it clear that you will enforce these rights if an account becomes overdue. Should it come to the worst, seek legal advice about how best to pursue the debt.

## Other areas where we can assist you include:

- Film tax relief
- VAT planning
- Dealing with royalty payments

We can help with all aspects of your tax and financial planning needs.

**Please contact the Tuchbands team for more information.**

## Our promise to you includes: **Fixed Fee Accounting** Balancing the books with no 'hidden extras'

We offer transparent fixed fee packages that are simple and straightforward but still tailored to suit the specific needs of your business. We don't want our clients to receive any nasty surprises so we will work with you to put together the perfect package for your business. Business basic starts from as little as £150 a month.