



CHARTERED  
ACCOUNTANTS

It's not what you've  
**earned**

It's what you

**keep**



Before we begin...



WHO AM I?

Why am I here today?



WHO ARE A4G?

# **It's all about the advice, not just the numbers**

We're advisers first, chartered accountants second.

We partner with you to provide comprehensive support, from basic compliance to wealth building and business growth.



# Today's topics

- The impact of Budget & Spring Statement on wealth-building
- How CGT changes affect selling your business
- How to build a less dependent business for your financial freedom
- How to navigate IHT and BPR changes

# Your speakers today:



Josh Curties  
BA (Hons) FCA  
Partner of A4G



Emma White  
FCA  
Partner of A4G



Malcolm Palmer  
FCA  
Founder of A4G



# Hands up

Who has been to one of our  
“budget” events before?





# Hands up

Who is concerned about the increase in taxes?





# Hands up

Who has started planning for the tax changes?





# Spring Statement 2025

The tax changes & their impact on building wealth



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# 1. National Insurance increase

2. National Minimum Wage increase

3. CGT & BADR

4. Inheritance Tax and Business Property Relief

# National Insurance increase

- From April 2025, the rate for Employers NI will increase from 13.8% to **15%**
- The secondary threshold, (the level at which employers start paying NICs) will decrease from £9,100 to **£5,000** per year
- Employers Allowance increased from £5,000 to **£10,500**



# National Insurance increase

- SME service based business with 18 Staff,  
average earnings £26,000 pa  
**= £9,000 increase in Employer NI costs**
- 6 Staff, with average earnings £26,000 pa  
**= £593.20 saving**



# National Insurance increase

- Worst hit are those with lower paid staff or part time staff
- Retail, hospitality, social care,
- 12 part time staff, average earnings £12,000 pa  
**= £2,100 increase in Employer NI costs**
- 6 Staff, average earnings £12,000 pa  
= no Employers NI (Still)



1. National Insurance increase

**2. National Minimum Wage increase**

3. CGT & BADR

4. Inheritance Tax and Business Property Relief

# National Minimum Wage increase

Employee Category	New Rate (April 2025)	Current Rate (2024/25)	Increase (£)
National Living Wage (21 and over)	£12.21	£11.44	£0.77
18-20 Year Old Rate	£10.00	£8.60	£1.40
16-17 Year Old Rate	£7.55	£6.40	£1.15
Apprentice Rate	£7.55	£6.40	£1.15
Accommodation Offset	£10.66	£9.99	£0.67



# National Minimum Wage Inflation since 2015 (35%)

Employee Category	2015 Rate	Inflation applied to 2015	New Rate (April 2025)
National Living Wage (21 and over)	£6.50		
18-20 Year Old Rate	£5.13		
16-17 Year Old Rate	£3.79		



# National Minimum Wage Inflation since 2015 (35%)

Employee Category	2015 Rate	Inflation applied to 2015	New Rate (April 2025)
National Living Wage (21 and over)	£6.50	£8.81	
18-20 Year Old Rate	£5.13	£6.95	
16-17 Year Old Rate	£3.79	£5.13	



# National Minimum Wage Inflation since 2015 (35%)

Employee Category	2015 Rate	Inflation applied to 2015	New Rate (April 2025)	
National Living Wage (21 and over)	£6.50	£8.81	£12.21	87.8% increase
18-20 Year Old Rate	£5.13	£6.95	£10.00	94.9% increase
16-17 Year Old Rate	£3.79	£5.13	£7.55	99.2% increase

These combined changes will have a substantial effect on employing workers:

The cost of employing an 18-year-old on the National Living Wage for 30 hours per week will **increase by over 22%**

# Combined increase

- NI increase (without NMW) increased cost of £9,000
- Add in NMW increase, knock on to other staff, and the NI increase it adds another £14,000 cost
- Total increased wages cost: **£24,000**
- 5.5% increase in wages bill



# Re-calibration of staffing costs in UK economy

# How A4G can help

Budgets for year ahead  
including:

- Staff modelling re increased NLW and NI
- Price modelling
- Breakeven calculations to protect your drawing requirements

1. National Insurance increase

2. National Minimum Wage increase

### **3. CGT & BADR**

4. Inheritance Tax and Business Property Relief

# Big change!

## Business Asset Disposal Relief (BADR)

Up to 5<sup>th</sup> April 25  
first £1m

From 6<sup>th</sup> April 25  
first £1m

From 6<sup>th</sup> April 26  
first £1m

**10%**

**14%**

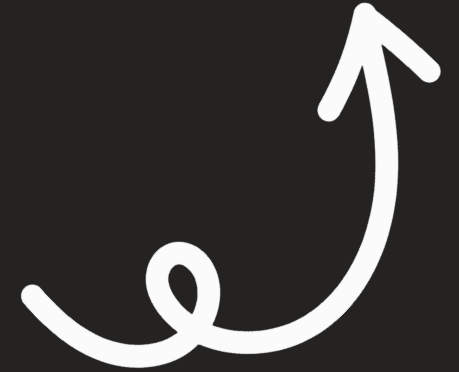
**18%**

Rest is **24%** (was 20% but changed October 2024)



Lack of planning in advance

**Typical problems  
when coming to sell**



# Understanding valuation models

**EBITDA – most popular**

# Most popular - Valuation model

- **Earnings**
- **Before**
- **Interest**
- **Tax**
- **Depreciation and**
- **Amortisation**



# Valuation models

EBITDA – normal method

**EBIT - for businesses with high fixed assets e.g. transport**

# Valuation models

- **Earnings**
- **Before**
- **Interest and**
- **Tax**



# Valuation models

EBITDA – normal method

EBIT - for businesses with high fixed assets e.g.  
transport

**ARR – Annual recurring revenue**



# Business valuation

Adjusted EBIT or EBITDA typical adjustments:

- Directors costs v's Market rate

X multiple

+ Balance sheet items like:

- Surplus cash

- Commercial property/other assets



# Other factors

- Growth v's decline
- Competition for purchase
- Industry factors
- Labour shortage





How long do I need to prepare my  
business for sale?



Better preparation = better return

# The first problem when you come to sell



The business is too  
dependent on you!

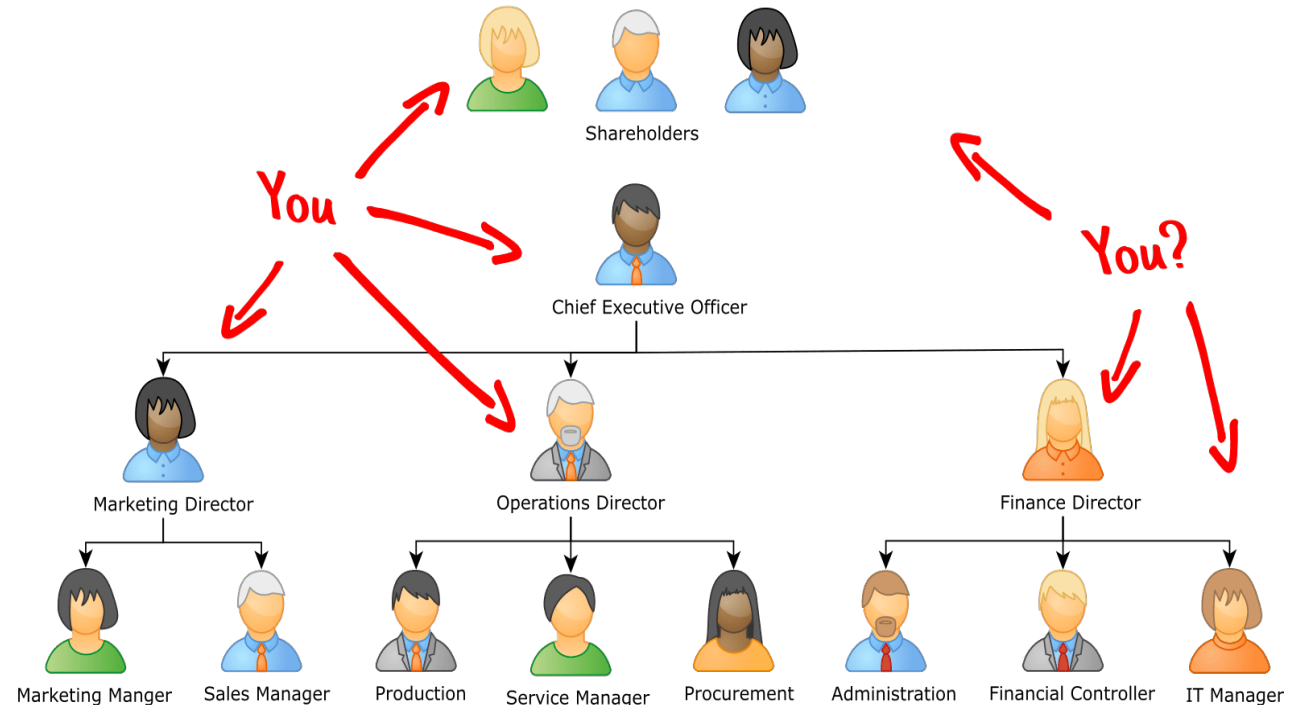
# Malcolm Palmer

- Founder of A4G
- Overseen 30 years of uninterrupted growth
- Originally employed Emma and Josh!
- Wrote: Making your business less dependent on you



# Where are you now?

- No-one else takes responsibility
- Delegation is difficult
- Can't find staff that can work your way
- Usually stressed!



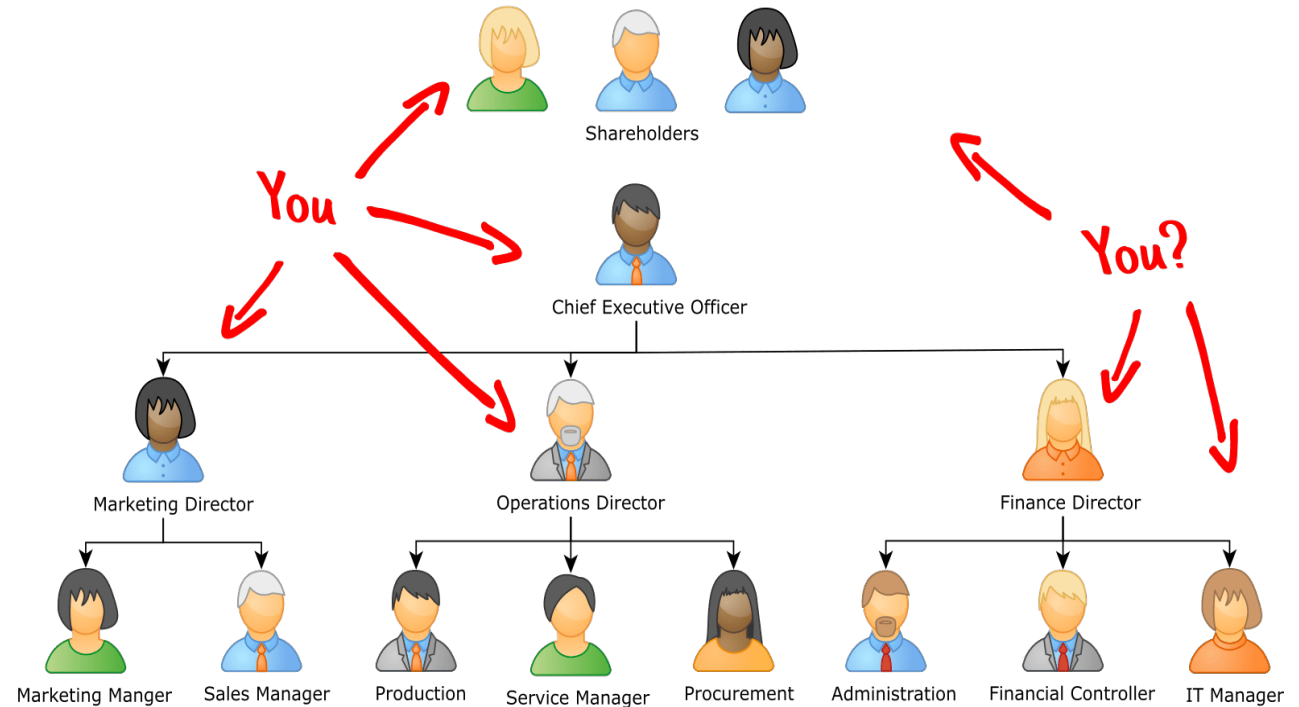
# Making your business less dependent on you

- Stage 1 – Assess the problem



# 1. Assess the problem

- How many hours are you working?
- Do you have enough staff?
- Where are you on the Ronald / Elton scale?



# Making your business less dependent on you

- Stage 1 – Assess the problem
- Stage 2 – Take control



## 2. Take control

- Profit v Growth
- Time management
- Set some hares running
- Develop a recruitment strategy
- Identify your invisible heroes



# Making your business less dependent on you

- Stage 1 – Assess the problem
- Stage 2 – Take control
- Stage 3 – Do the boring stuff



# Do the boring stuff

- Identify all the roles that exist in your business
- Systemise the 90% so you can humanise the 10%
- Automation
- Create central data points



# Making your business less dependent on you

- Stage 1 – Assess the problem
- Stage 2 – Take control
- Stage 3 – Do the boring stuff
- Stage 4 – Head towards the light



# Head towards the light

- Walk through key processes
- Leadership
- Succession



# **A4G Breakthrough Freedom programme**

# Freedom to:

- Drive growth
- Have a work / life balance
- Do a deal with the next generation and semi-retire
- Sell at the best possible multiple



**If I sell –  
what do I end up with?**

**“I need 1.8m to retire”**

# Big change! BADR

Up to 5<sup>th</sup> April 25  
- £1m

From 6<sup>th</sup> April 25  
- £1m

From 6<sup>th</sup> April 26  
- £1m

**10%**

**14%**

**18%**

Rest is **24%** (was 20% but changed overnight)



**31/03/2025**

Adjusted EBITDA

400,000

Multiple 5

5

Valuation £2m

**2,000,000**

Husband & Wife 50/50

Capital Gains Tax

1,000,000 10%

100,000

1,000,000 10%

100,000

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200,000

Net proceeds

**1,800,000**

**31/03/2026**

% growth in profit needed

**5.26%**

Adjusted EBITDA

421,053

Multiple 5

5

Valuation £2m

**2,105,263**

Husband & Wife 50/50

Capital Gains Tax

1,000,000 14%

140,000

1,000,000 14%

140,000

52,632 24%

12,632

52,632 24%

12,632

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305,263

Net proceeds

**1,800,000**

**31/03/2027**

% growth in profit needed

**5.00%/10.53%**

Adjusted EBITDA

442,105

Multiple 5

5

Valuation £2m

**2,210,526**

Husband & Wife 50/50

Capital Gains Tax

1,000,000 18%

180,000

1,000,000 18%

180,000

52,632 24%

25,263

52,632 24%

25,263

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410,526

Net proceeds

**1,800,000**



# How do you grow net profit

- Focus on your top half of Profit and Loss
  - Buying
  - Product/service mix
  - Pricing
  - Productivity





# Next steps to planning for sale

- Joint Planning Meeting with Financial Adviser to incl:
  - Forward modelling – what do you need to sell for to retire
  - Set Budget for next 3 to 5 years
  - Organise your P&L and KPI's to help focus on profit drivers



1. National Insurance increase

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**4. Inheritance Tax and Business  
Property Relief**

# The key tax changes

**06/04/2026**

Business Property Relief  
(BPR)

>£1m no longer IHT free

n.b. MTD reporting for  
rental properties

**06/04/2027**

Pensions become chargeable  
in IHT estate



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# The key IHT tax changes

## Example 1: Business Owners

	Person A	Person B	Total
Own Home	275,000	275,000	550,000
Pension Savings	330,000	330,000	660,000
Savings @ Bank	20,000	20,000	40,000
Business	1,500,000	-	1,500,000
<b>Total Estate</b>	<b>2,125,000</b>	<b>625,000</b>	<b>2,750,000</b>

# The key IHT tax changes

## Example 1: Business Owners

Estate Value: £ 2,750,000

Potential IHT Today: £ 0

Potential IHT April '26: £ 36,000

Potential IHT April '27: £ 340,000

BPR restriction

Pensions chargeable  
& lost Residence Nil Rate  
Band



# The key IHT tax changes

## Example 2: Property Investors

	Person A	Person B	Total
Own Home	275,000	275,000	550,000
Pension Savings	330,000	330,000	660,000
Savings @ Bank	20,000	20,000	40,000
Rental Property	750,000	750,000	1,500,000
<b>Total Estate</b>	<b>1,375,000</b>	<b>1,375,000</b>	<b>2,750,000</b>



# The key IHT tax changes

## Example 2: Property Investors

Estate Value:	£	2,750,000
Potential IHT Today:	£	472,000
Potential IHT April '27:	£	840,000

**It is only going to get worse every year  
with capital growth**



# How A4G can help

- IHT planning
  - Assess what assets you have
  - What assets generate income
  - What income you need in retirement
- Who would you pass this wealth to?
- Restructuring capital

Help us celebrate our...



Take a picture and tag us with the hashtag  
**#A4GTurns30** for a chance to **win a hamper!**

# Book a 1-2-1 meeting



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