



Success story?

Do you believe that the Budget will boost business?



There's no doubt that last month's hot topic was the Budget. With that in mind we asked the *Chartered Secretary/CSS* survey group what it made of George Osborne's proposals. This Budget was intended to boost the economy by providing companies with tax breaks and investment support, but did it deliver?

When asked if the Budget would boost business, opinion was split; 45 per cent of respondents thought it would and 50 per cent thought it would not. In relation to the question of entrepreneurship, however, there was more of a consensus. 76 per cent of respondents said they agree with

45%: Yes, the Budget's measures will generally improve the business environment.

50%: No, the Budget will have little effect on the success of business.

5%: I have no opinion either way.

the Chancellor's argument that supporting entrepreneurship is the best way to stimulate the economy, and only 19 per cent disagreed.

More than half of respondents were uncertain that the initiatives put forward to promote small business development would actually achieve the desired effect, while 36 per cent thought that they would. There was even less certainty about the impact that the changes to the treatment of Controlled Foreign Companies and foreign branch regimes would have on the operation of multinational businesses. Only 24 per cent of respondents thought that the reforms would help simplify the operation of these businesses, while 52 per cent thought that they would not; 24 per cent had no opinion either way.

The Budget also proposed changes to the Gift Aid system. When asked if they felt these changes would lead to increases in charitable giving, 55 per cent felt that they would not, while 36 per cent thought that they would.

An anonymous respondent remarked that 'the changes in Gift Aid are unlikely to counter the general feeling of hardship felt by the majority of the charity-supporting public.'

A company secretarial consultant commented that 'the Chancellor should have been more positive about merging tax and National Insurance. The two different regimes cause business considerable additional administration to no real purpose. It would be very simple to achieve, and the only people who are making it complicated are the tax professionals and others with a vested interest.' Other feedback sounded a positive note. A trainee company secretary commented that 'the Budget appears to help lower-income earners, which is a good action.' A respondent based overseas remarked that, following the Budget, 'the UK will be adequately repositioned to capture its hitherto leading role as the world's economic hub.' No doubt this was George Osborne's intention and would indeed be a good gauge of this Budget's success.



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If you're a company secretary of a leading UK business, and you'd like to take part in or comment on future surveys, e-mail Caroline Evans at cje@blt.co.uk.