

RISE

NEWSLETTER



New service takes off

Mitchell Charlesworth launches
Corporate Insurance arm

PENSIONS
CRISIS
SOLUTION?



BENEFITING
FROM THE
VAT RATE
CHANGE



WE'RE ON
THE MOVE



CLIENT CASE
STUDY:
AGS SECURITY
SYSTEMS



Partner viewpoint

WELCOME to the first edition of RISE newsletter in 2010, which is all set to be a milestone year for Mitchell Charlesworth.

Firstly, we celebrate our 125th anniversary this year.

It is remarkable to think that it is 125 years since Charles Hackett Mitchell started practice in Liverpool in 1885 and laid the foundations for the firm as we know it today.

Looking forward we have also started the new decade with the launch of Mitchell Charlesworth Insurance Solutions (MCIS) and also exciting office moves in Widnes and Manchester.

Congratulations also to Richard Johnson on his recent promotion to partner.

Richard, who joined the firm as a graduate trainee in 1996 and qualified in 1999, has continued his successful career to become the firm's 17th partner.

Finally, and more importantly for most, the UK has finally come out of the worst recession since the Second World War.

Although it is good news that we are seemingly out of the recession, it will most likely take a significant length of time to get back to full economic health.

Businesses should be positive and have plans to manage growth, as the recovery in 2010 and beyond is sure to be a long and difficult one.

We look forward to welcoming our clients and contacts to both new offices and we hope you enjoy our fourth edition of RISE.

Rob Davies - partner



ROB DAVIES

Personal accounts: a pensions crisis solution?

WITH an ageing population, the closure of many final salary schemes, a smaller workforce and lower individual savings, financial problems are developing for future pensioners.

The Government is looking at several options to solve this problem, most recently National Employment Savings Trust – NEST, which has been unveiled by pensions minister Angela Eagle as the new brand name for Personal Accounts.

The NEST reforms aim to ensure millions of workers on low and moderate incomes can save for their retirement in a workplace pension with a guaranteed minimum contribution from their employer.

“Although it will not be possible to fully enroll staff into NEST until 2017, every year of delay means a lower eventual pension,” said Mike Wall, pensions and investments consultant at Mitchell Charlesworth.

“We are advising employers to take the initiative and start reviewing provision for employees as soon as possible. Putting arrangements in place prior to the introduction of NEST means that the increased staff costs can be allowed for within a business planning strategy. Doing nothing is not an option.”

The Government intends to make widespread pension reforms from 2012, though the recent announcement in the pre-Budget report indicates that this will be deferred to save public money.

“Although many details have yet to be finalised it is expected that employers will have to automatically enrol employees aged over 22 into a pension scheme and pay a minimum level of

contribution on their behalf,” explained Mike.

“A total annual contribution of 8 per cent will be needed, split as employer payment of 3 per cent of qualifying earnings and an employee payment of 5 per cent of earnings (though tax relief will reduce this to 4 per cent). Payments will be phased in over the three years following the introduction.”

“NEST will be a very simple scheme, which means there will be very limited choices,” Mike said. “This will include a default investment fund - which is likely to be a tracker fund with a lifestyle option - plus a small number of additional investment options. At retirement an annuity on the open market may be the only choice.”

Mike added: “It will be possible for staff to opt out but they will need to be automatically re-enrolled every three years. Existing schemes can continue to be used to provide an alternative but the contribution levels must be at least the same as under NEST.”

Businesses need to start planning now, so contact us if you need advice.

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Mitchell Charlesworth launches new corporate insurance service

MITCHELL Charlesworth has launched a new independent corporate insurance solutions service to support companies and charities across the region.

The firm has appointed two of the region's top specialists - Steve Critchlow and Terence Reed - to set up Mitchell Charlesworth Insurance Solutions Ltd (MCIS).

Steve and Terence, who have more than 25 years experience as insurance brokers and risk advisors, have joined from a national group to set up the independent corporate insurance broker and risk advisory service.

They will head the business which aims to offer companies and charities increased protection but at reduced and sustainable premiums and will operate across the firm's five offices in Liverpool, Manchester, Chester, Warrington and Widnes.

MCIS is part of the Willis Commercial Network giving MCIS access to the resources of the global broker, while retaining its independence and local knowledge.

David Darlington, managing partner at Mitchell Charlesworth, said: "Mitchell

Charlesworth is proud to launch MCIS, a new service to answer all our existing, and prospective, clients' insurance needs.

"It is a natural evolution for Mitchell Charlesworth to add insurance solutions to our full range of services and I'm sure Steve and Terence will become an invaluable part of the firm and, more importantly, benefit our clients."

Steve Critchlow's previous experience has included working for a major insurer in underwriting and risk management roles, said: "There is a gap in the market for a broker with national support but with a local presence.

"We aim to spend a lot of time with our clients to understand their businesses, look at their risk exposures, identify any fundamental flaws in their insurance programmes and offer the best products available on the market today, while at the same time offering cost-savings."

Terence Reed, who has worked for a global, national and provincial insurance broker, added:

"We specialise in corporate insurance placement for many businesses, from property owners to SMEs, and charities to companies operating in the financial and commercial sector.

"Our ethos is to demonstrate our technical expertise to ensure our clients' insurance programmes remain tailored to their individual needs, through providing an unrivalled level of service.

"We therefore look to provide cost-effective insurance solutions and contribute to the success and profitability of our clients. We pay very close attention to detail and pride ourselves on our professional, yet friendly, approach."

For a free consultation please contact Mitchell Charlesworth Insurance Solutions.

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STEVE CRITCHLOW (LEFT) AND TERENCE REED

Benefiting from the VAT rate change

BUSINESSES can still charge VAT at 15 per cent in some circumstances, even though the VAT rate reverted back to 17.5 per cent on January 1, 2010.

“You can continue charging VAT at 15 per cent if your customers are not VAT registered or unable to recover all the VAT they incur, which will be to their benefit,” explained Colin Corder VAT manager at Mitchell Charlesworth.

“This means that if goods or services were provided before December 31 but invoiced after that date you can choose to charge VAT at 15 per cent.”

Businesses which provide services that cross the December 31 switchback date, can choose to charge 15 per cent on the pre January 1 element and 17.5 per cent on the rest, although fair apportionment may be required.

“If you supply a continuous service, for example leasing of goods, you can also charge 15 per cent on the pre January 1, 2010, segment and 17.5 per cent on the balance,” added Colin. “Businesses unable to recover any or all the VAT incurred on purchases should make sure their suppliers take this into account.”

Another forthcoming change concerns the phasing out of paper VAT Returns by HM Revenue and Customs (HMRC).

From April 2010, some businesses may have to submit their VAT Returns online and pay any VAT due electronically, if either of the following applies:

- you have an annual turnover of £100,000 or more (exclusive of VAT)
- you register or should have registered for VAT on or after April 1, 2010 (regardless of your turnover)

If you have any VAT queries, please speak to us.

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New rules for filing accounts could prove costly

DEADLINES for private companies to file their accounts have been brought forward by a month, with tough new penalties of up to £1,500 for businesses that flout the rules.

The new regulations mean companies with an accounting period beginning on or after April 6, 2008, now have just nine months to submit their accounts instead of ten.

“For example a company with a year ended April 30, 2009, must now file its accounts by January 31, 2010, rather than February 28, as previously,” explained Philip Griffiths, a partner at Mitchell Charlesworth.

“Companies should therefore ensure their books and records are delivered to their accountants in good time so that the accounts can be prepared and audited well before the deadline.”

The penalty system for late filing has also been made more strict. Previously, penalties started at £100, rising to a maximum of £1,000.

Under the new stricter rules, penalties start at £150 for accounts filed up to one month late, increasing to £375 for filing that is between two and three months late, and peaking at a maximum of £1,500.

“The concession that allowed improperly completed accounts (for instance, if a signature was missing) to be returned without penalty within seven days of the filing deadline, has also been revoked,” added Philip.

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Or any one of our offices today.
See back page for details.

AGS Security Systems

secures top business award



(L-R) PAUL MCGERTY AND JONATHAN TURNER

A SECURITY solutions provider from North Wales has won a top regional award in recognition of its successful growth following an expansion programme backed by Mitchell Charlesworth.

AGS Security Systems, based in Mold, was named Small Business of the Year at the Flintshire Business Awards 2009.

The company won the award, sponsored by the Federation of Small Businesses, in recognition of its long-term strategy and vision, a 'management with the ability to drive the business forward' and for 'understanding their market and mechanisms to respond to change'.

Part of that vision has seen AGS, with Mitchell Charlesworth's support, nearly double its turnover and also increase staff levels from eight to 12 since 2006.

Jonathan Turner, managing director of AGS, said: "Winning the small business award was a real honour and a reward for all the hard work and commitment of the whole team here at AGS. We were also delighted to receive the accolade as it recognised our successful

growth and our contribution to the local economy."

AGS offers a unique service in complete security solutions providing design, installation and maintenance services for intruder alarms, CCTV, access control and fire alarm systems, as well as the supply and fitting of barrier and gate automation.

Today AGS has around 2,000 commercial and domestic customers throughout North Wales and the North West, including high profile contracts with moneysupermarket.com, Chester Zoo and the Environment Agency, as well as supplying schools and local authorities.

The company is also one of only a handful of security specialists in the North to have achieved National Approval Council for Security Systems (NACOSS) Gold Accreditation.

"AGS is a respected brand in the area and we have worked hard to build the business and establish a reputation for quality service but with a personal touch," says Jonathan. "That has helped us achieve our position as one of the leading providers of security services

across the North West - this award, and our plans for further growth, gives us a solid platform to secure a greater share of the UK security market."

Jonathan, a former telecommunications specialist, acquired AGS Security Systems from its former owner and founder, Allan Salkeld, in 2006.

Mitchell Charlesworth's Paul McGerty acted on the deal, was retained as the company accountant and has advised on the company's impressive growth.

Jonathan added: "Mitchell Charlesworth has played a big part in AGS Security's success over the years. Paul McGerty's advice was critical in completing the acquisition of the company. His guidance and support has been invaluable in helping the business grow - taking us to the next level."

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Alternative options for accessing finance



GREG HARRIS (RIGHT) HELPED ALAN WELLS (LEFT) SECURE £217K GRANT FUNDING TO EXPAND ST HELENS-BASED HI-TECH STEEL SERVICES

CORPORATE financial planning should be high on business agendas for 2010, but with economic uncertainty in most sectors, raising finance remains one of the more difficult tasks for any business in 2010.

Banks are slowly beginning to open their doors again, but progress is gradual and stringent lending criteria will put off many businesses seeking funds.

“Grants and public sector finance are an effective additional source of funding. Unfortunately, the credit shortage has come at the same time as the renewal of government support for regional funding schemes,” said Greg Harris, a grant funding specialist at Mitchell Charlesworth.

“Nevertheless, there are still plenty of grant and regional loan schemes, although a good case has to be made to obtain these funds and professional help is essential.”

It is worth taking a look at the business development departments of local councils, while larger grant schemes are being operated by the North West Development Agency (NWDA) to help with investment in plant and equipment, or research and development.

“Capital investment grants are also available for projects that will reduce Co2 emissions and create wider environmental benefits as well as details of many more grants and sources of finance on our unique grant database.

“One thing that hasn't changed is the availability of Mitchell Charlesworth advisers to assist on developing business finance strategies,” added Greg.

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Keeping up to speed with new payroll rules

LEGISLATIVE changes require Employers with 50 or more staff to file starter and leaver forms P45 & P46 online.

For those employers who failed to comply by January 2010, HMRC will issue penalties ranging from £100 to £3,000.

Businesses with less than 50 employees do not have to file starter and leaver information online until April 2011 – although all businesses must file Employer Annual Return forms P35 and P14 online to HMRC by May 19, 2010. Again, penalties for not filing forms P35 and P14 online can be as high as £3,000.

Ken Davies, payroll manager at Mitchell Charlesworth, said: “Businesses should start looking at their online systems now. Payroll software must be capable of submitting forms P45 and P46 to HMRC. If it is not, the company should go to the HMRC web portal that allows them to key in starter and leaver information.

“Online filing has been around for a number of years and the submission of forms such as P45 and P46 is a simple, natural progression.”

From April 2010, HMRC will impose penalties for the late payments of PAYE. Penalties will range from 1 per cent to 5 per cent depending

on the number of late payments and how late the payment is.

Ken added: “Some employers have become accustomed to delaying PAYE payments to aid cash flow. With this new regime it will come at a cost and will also affect those employers whose payments often cross in the post. Employers should ensure their payments arrive with HMRC by the 19th of the month or 22nd if paying electronically.”

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We're on the **move...**



2010 has signalled a brand new era for Mitchell Charlesworth in more ways than one.

The firm has announced not one, but two exciting office moves for its centres in Manchester and Widnes, to accommodate our growing needs.

In Widnes, Mitchell Charlesworth has relocated from its old office in Albert Road to larger premises at Glebe Business Park on Lunts Heath Road, which have been refurbished for the move.

The new premises will enable staff to be located on a single floor at the new Widnes site, which is easier to access from the town centre and motorway networks and also provides ample parking for both staff and visitors.

Meanwhile, the Manchester office has moved from its former base at Brazenose House West on Brazenose Street to a prominent new address on one of the main gateways into the city centre.

The team in Manchester have been relocated to its new 4,200sq ft offices at Centurion House on Deansgate – a modern development fitted out to a high specification - right at the heart of the city's commercial core.

Mitchell Charlesworth's move to the recently refurbished offices at 129 Deansgate is on the back of the Manchester office's ongoing growth, especially its Corporate Recovery and Insolvency Service.

David Darlington, Mitchell Charlesworth's managing partner, explains: "This is an exciting time for Mitchell Charlesworth and these two relocations set out our commitment to the region, our staff and clients.

"Both our offices in Widnes and Manchester have experienced growth over the years and we needed to find new and more modern premises to accommodate any future expansion.

"We have invested heavily in our two new centres to provide high quality offices which reflect our professional image and also create a better working environment for our staff and for our clients to visit."



Annual housing seminar hailed a success

SOME of the UK's top social housing experts spoke at a seminar – Housing in Challenging Times – co-hosted by Mitchell Charlesworth.

The firm, together with leading North West law firm, Brabners Chaffe Street, held the event at the LACE Conference Centre in Liverpool, which was chaired by Eric Armitage, former deputy chair of the Housing Corporation and board member of Liverpool Housing Trust.

Stephanie Fleck, from the Tenant Services Authority, was the keynote speaker who presented on regulation, including new powers, financial regulation and how it will work in practice.

Paul Wainwright, a partner at Mitchell Charlesworth, which is nationally recognised for its work with housing associations, said: "This seminar was a great success with plenty of issues tackled during the event. The current challenges facing the social housing sector are formidable, which makes events like this essential for those working in the North West housing sector."

Mitchell Charlesworth is planning to return to the BT Convention Centre in Liverpool for its annual housing seminar on Friday, November 5, 2010.

For further information about the seminar, or about sponsoring the event, contact Mitchell Charlesworth on 0151 255 2300 or email: housing@mitchellcharlesworth.co.uk



And congratulations to...

WELL done to all the staff who have recently passed professional qualifications with flying colours.

Especially those who passed their ACA, ACCA, AAT, ATT and CPI qualifications in 2009, who were: Emma Watkins, Lisa Flanagan, Andrew Davis, Chris Speakman, Katie Jowett, Lisa-Marie Strong, Claire Sullivan, Jane Youds, Jenny Preston, Jenny Barden, Heather Townsend, Kenzie Gleave, Alex Lucus-Reid, Chris Hill, Kim Russell, Andrew Stokes, Claire Okell and Stephanie Eccles.

Also to Paul Palmer who has passed the Joint Insolvency Examination Board (JIEB) exam.

Clive Plummer, Mitchell Charlesworth's chairman, said: "Congratulations to everyone on their fantastic achievements. They have shown outstanding determination and commitment to their careers, the firm and its clients and everyone at Mitchell Charlesworth is extremely proud of them."

Homeless charity receives £6k from housing conference



MITCHELL Charlesworth were joint sponsors of a regional housing conference which helped raise £6,013 for Liverpool-based homeless charity, The Whitechapel Centre.

More than 120 delegates attended the Northwest Housing Conference at Liverpool BT Convention Centre, which was also sponsored by Brabners Solicitors (now Brabners Chaffe Street), Arena Housing, General Systems, Liverpool Housing Trust, The Riverside Group, Mitchell Charlesworth and Brabners Chaffe Street.

All the profits from the event, £6,013, were donated to The Whitechapel Centre, based on Langsdale Street, Everton, which will be used to fund hot food, clothing, washing facilities and education programmes.

Harry Winsor, from Mitchell Charlesworth's specialist housing association team, said: "The Whitechapel Centre helps more than 3,000 homeless people in Liverpool every year and hopefully this donation will go some way to help those who have become homeless, or are inadequately housed, change their situation."

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