



WINTER NEWS 2009

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WELCOME TO OUR WINTER NEWSLETTER

Welcome to the Winter edition of Champion's newsletter. 2009 has undoubtedly been a difficult year for many of us; however we must remain positive and be prepared to respond to the challenges facing us.

We at Champion believe we have an important role to play in supporting our clients and contacts through these uncertain times and I would like to stress that as ever, we are on hand should you need any help or advice.



GED COSGROVE Group Managing Partner

CHAMPION CONTRACTORS LAUNCHES

Champion has launched a new division providing specialist accountancy and tax advice to freelance contractors across the UK.

The new division, 'Champion Contractors', will offer support to freelancers running their own limited companies, self employed sole traders and those choosing to work on an umbrella basis.

With a 30-year history of supporting contractor clients, the decision was made to set up a bespoke division at Champion due to an increasing demand for services. Over the past months, a specialised service has been developed, which will remove the various legal and administrative complexities faced by contractors and maximise the financial opportunities available to them.



MEET THE TEAM

Heading up Champion Contractors are Business Development Director JIM MCMEEKIN, supported by Operations Manager CHRIS BLOOR.

Jim hails from Falkirk in Scotland and joins Champion Contractors with six years' experience under his belt in a similar role, having worked for another provider of accountancy and tax services to freelance contractors; the largest in the UK at that time. Prior to that, he spent 14 years with a Manchester-based engineering and technical recruitment company. Jim comments, "The experience I gained dealing with professional contractors, coupled with my knowledge of the UK recruitment market has given me a great understanding of what contractors and agencies are looking to achieve through their relationships with service providers".

At Champion Contractors, Jim is responsible for identifying new sales and business development opportunities, as well as introducing the service to freelancers, agencies and end-client organisations.

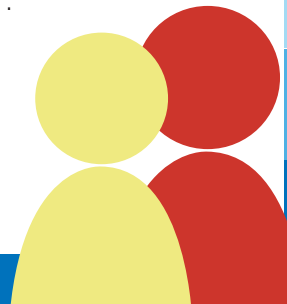
Chris has seven years' experience in the field, having also worked for a service provider to the contractors industry. With a degree in business management from Sheffield Hallam University, Chris kick started his career in the banking industry until a career change ensued, prompted by a number of friends who were working as contractors at that time.

Chris acts as a point of contact for new and existing clients, providing assistance with the day to day running of their limited companies, in addition to developing and implementing processes to provide the highest levels of service.

Clients of Champion Contractors can enjoy a personal and tailored service, supported by the expertise of the whole Champion group. What really sets the division apart however, are its business partners – carefully selected to add value to all client relationships. Jim comments, "Compliance is a major headache for contractors and we really go the extra mile on this, offering guidance from Weightmans LLP, a top 100 law firm. We also have banking, insurance, finance and vehicle partners on board, completing the package to clients".

Group Managing Partner GED COSGROVE comments, "Champion has been providing services to contractor clients for a number of years and establishing a dedicated service was therefore a logical progression. Champion Contractors will provide a consultative approach, ensuring all risks, responsibilities, benefits and liabilities are understood and we will be proactive in helping contractors to make the right decisions for their business".

For more information on Champion Contractors, please contact JIM MCMEEKIN on 0845 3132760 or e-mail jim@championcontractors.co.uk You can also visit the website at www.championcontractors.co.uk



COMPANIES ACT 2006 . . .

Passed in 2006, The Companies Act affects every company operating in the UK and the final phase of implementation came into force on 1 October 2009. Group Audit and Accounts Partner, IAN TONKS, highlights the key changes . . .

SIZE CRITERIA INCREASED

The relevant financial criteria determining whether a company is small, medium or large have increased, effective from 6 April 2008.

MEDIUM GROUP CONSOLIDATION

Medium sized groups have lost their exemption from preparing consolidated financial statements. Those groups exceeding two of the three criteria (turnover above £6.5 million, fixed and current assets above £3.26 million and more than 50 employees) need to consider whether a consolidation is required for their next set of accounts.

FILING DEADLINES SHORTENED BY 1 MONTH

For financial years beginning on or after 6 April 2008, the period allowed for filing of company accounts has been shortened to 9 months for private companies.

NO NEED TO APPOINT A COMPANY SECRETARY

Private companies are no longer required to appoint a company secretary, although they may continue to have one, if desired. This change took effect from 6 April 2008 but companies should check their Articles of Association which may still require one to be in place.

SIMPLIFICATION OF FORMAL BOARD DECISIONS (RESOLUTIONS)

As well as simplified procedures applicable to written resolutions made by private companies, it is now possible to pass all resolutions in writing, other than those to remove a director or auditor. Articles should be checked as they may differ from the Act.

DIRECTORS' ADDRESSES PROTECTED FROM DISCLOSURE

Directors can now file a service address as well as their residential address when being appointed, or by updating their details. Only the service address would be publicly available and could be the company's registered office or business address, hence protecting their home address from all but relevant authorities.

FILING PENALTIES

From 1 February 2009, the penalties for filing accounts late increase and introduce a new layer of penalty after one month.

CHANGES TO SHARE CAPITAL

The procedures and requirements in relation to issuing shares, reducing share capital and providing financial assistance for the purchase of own shares have been simplified.

FORMS

From 1 October 2009, all Companies House forms have changed and some forms require additional information compared with the previous equivalent form. When filing documents it is essential that companies now use the latest versions.

DEALING WITH COMPANIES HOUSE ONLINE

Most information can now be filed electronically using WebFiling or a suitably enabled software package. This not only saves time but also helps prevent errors by providing step by step help. There are procedures in place to protect companies from hijack by criminals from 1 October 2009.



For more information please call IAN TONKS on 0161 7032500 or e-mail ian.tonks@champion-accountants.co.uk

Deal Makers

Champion has recently advised on the MBO of one of the North West's longest established printing businesses, Mitchell and Wright.

The company, based in Southport, has been acquired by management team Graham Byrne and Andy Gibbons after current shareholders Keith Mitchell, whose father founded the business in 1935, and his wife Nicky retired from the business.

Champion were involved in the brokering, finance, due diligence and legal elements of the £0.5m acquisition and the team members advising on the transaction were Gill Burns, Bob Thompson and Keith Porter.



Is it Too Good to be True?

The serious volatility in global markets, coupled with the fall in interest rates has led many investors to seek alternative investment products.

Banks and building societies have been very active in marketing fixed term structured products that offer a capital guarantee and returns linked to the performance of the stock market index.



But many investors are simply unaware of the hidden potential dangers that lie within these plans. Effectively, the guarantee of your capital is only as good as the company that guarantees it - this is known as the "counterparty risk".

One such guarantor was Lehman Brothers, and with the collapse of Lehman, went the capital guarantees that they offered on literally thousands of these types of plans.

The regulator is currently looking into the ways in which these plans have been marketed by banks and building societies without properly explaining the potential downsides.

Structured products are good investments and they do have a role to play within a portfolio, but you should be fully aware of the product terms and conditions.

If you have invested in structured plans, or you are thinking of doing so, then we would be happy to offer you our specialist advice on the products you are considering. Please contact ADRIAN SHANDLEY, Head of Champion Wealth Management on 0161 7032500.

Tax Relief on Your Property?

Businesses investing in certain assets have the right to Capital Allowances (CAs); a valuable form of tax relief.

Tax legislation covering the availability of CAs is complex and has recently undergone changes. CAs are now available on integral features of a property and examples of these are items such as lighting, general power and cold water systems.

The complexity and constantly evolving nature of CAs means that historically, these allowances may not have been claimed to their maximum potential. However, it is possible in most cases to claim missed allowances going back several years, provided the items are still in use for the purpose of the trade.

As well as current year and new build CA claims, it is possible to carry out retrospective claims for commercial properties owned by both individuals and companies right across the commercial sector.

These CA claims will provide a way to reduce future tax liabilities and most retrospective CA claims lead to a significant tax refund.

If the owner (individual or company) of the property is a UK taxpayer this may be a great opportunity to reduce tax liabilities and obtain a tax refund.

If you would like to discuss this opportunity further please contact JOANNE COOPER on 0161 7032500 or e-mail joanne.cooper@champion-accountants.co.uk

High Earners, Take Heed

The Finance Act 2009 is now in force, bringing with it much bad news for higher earners. This includes:

- A "super" tax rate of 50% on taxable income over £150,000 - from 6 April 2010.
- Reduction of entitlement to personal allowances where adjusted net income exceeds £100,000 - from 6 April 2010.
- Restriction of the higher rate tax relief due on pension contributions where taxable income exceeds £150,000 - from 6 April 2011.

So, what strategies can higher earners consider?

- Where practical, vote bonuses and dividends prior to 6 April 2010, so that such income is taxed at the current top rates of tax of 40% and 32.5%, rather than 50% and 42.5%.
- Higher earners with unincorporated businesses should consider the option of operating their business through a limited company, giving the opportunity to shelter profits in the company at lower rates of corporation tax, currently 28% or 21% for small companies.
- Receiving tax efficient incentives, such as share options under an Enterprise Management Incentive (EMI) scheme, rather than salary from their employer. Such share option schemes generally provide for a large element of the gain received being taxable as a capital rather than income receipt. It is therefore liable at the lower capital gains tax rate of 18%, or even 10% where entrepreneur's relief can be claimed.
- Where the loss of tax relief on pension contributions is adversely affecting the overall returns being achieved on pension funds, investigate the returns which can be earned by moving into different forms of investment and savings for retirement provision.

Champion also offers a number of bespoke tax strategies, aimed at minimising the tax liabilities for owners/managers of businesses, relevant to companies with profits over £300,000.

For further information or advice, please contact PAULETTE THOMAS from our Tax Planning Team, on 01244 404420 or e-mail paulette.thomas@champion-accountants.co.uk

CHAMPION HR/PAYROLL

Motivation in Tough Times

In a recession, worries about job security, potentially heavier workloads and increased stress can lead to reduced productivity and morale. Motivated employees are key to improving a business's ability to successfully survive a downturn and gain an advantage during economic recovery. SHARON RATHMILL, Champion's



Group Head of HR, gives advice on how to keep teams motivated in these difficult times...

Walk the Talk

Your mood and behaviour will significantly influence your team. You will be under constant scrutiny for clues as to what is going on. Remain positive and carry on as normal and remember that uncertainty can lead to stress.

Communicate Honestly

Don't falsely reassure – this will do more harm than good. Treat employees as adults and give them the bad, as well as the good news.

Manage Survivor Syndrome

With redundancies occurring, ensure your team stays focused on more than just survival. Don't dwell on the past - keep your team busy and focused on the tasks ahead. Working should be based on teamwork and community.

Keep Your Team Engaged

Get input from your team and ask them what they can do for themselves. Encourage creativity and innovation and involve employees in decision making.

Know What Makes Them Tick

People are motivated differently. Some will be target and bonus driven, while others fear losing their job or their peer's respect. Be close to what is going on and know what the real issues facing your team are.

Re-Skill and Cross Train

If no promotions are available within your company consider sideways moves to re-energise employees and give variety. Train people to do different tasks and you will create a better skilled, more adaptable workforce for when business picks up.

For further information or advice, contact SHARON RATHMILL on 0161 7032500 or e-mail sharon.rathmill@champion-accountants.co.uk

Payroll Peace of Mind

Cutting costs and improving efficiency are key to a businesses' success and given the current economic climate, we have seen them move further up the agenda.



Despite this, many businesses are still managing their own payroll function; a time consuming and complex task which can become a significant burden. This, coupled with the constant worry of whether procedures are compliant with all relevant legislation, certainly doesn't help matters.

Champion offers a comprehensive Payroll service which takes this day to day administrative chore out of your hands, freeing up your valuable time to concentrate on your core business activities.

Our team specialises in dealing with the day to day payroll of hundreds of businesses just like yours. These businesses come in all shapes and sizes, from larger enterprises down to those with just a handful of employees. The service we offer is tailored to suit each individual client, whether you want us to just handle your year-end returns or are looking to completely outsource the operation of your payroll.

When it comes to the legal issues, there is added benefit to having Champion take care of your payroll function. Legislation surrounding taxation compliance is complex, and non compliance, often for seemingly innocent or minor errors can lead to substantial penalties.

Payroll Manager DIANE NIXON comments, "Champion's Payroll service is supported by our experienced tax compliance team and we work closely with them, taking care of any changes in payroll legislation for our clients and ensuring HMRC is kept at bay".

"The costs for Champion's Payroll service start as low as £20 per month or £15 per week. When you offset this against time savings and the peace of mind it will bring, it really is excellent value for money".

For more information contact DIANE NIXON on 0161 7032500 or e-mail diane.nixon@champion-accountants.co.uk

"I would like to say how very efficient and professional your payroll team is. They have a very good knowledge of our company and its needs and always respond very quickly to any queries we throw at them. We find them to be very helpful, understanding and a pleasure to talk to".

Neville Wall, Office Manager, Michael W Halsall Solicitors.

CHAMPION DIARY

Charity Champions

Always keen to do their bit for a good cause, Champion team members across the Group have been showing their charitable side in a variety of ways....

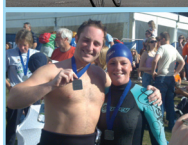
In May, LIZ MADDEN from the Manchester office completed the Great Manchester 10k Run in 61 minutes, raising £129 for the Alzheimer's Society.



JANE PENDLEBURY from Champion's Payroll department took part in the Manchester Midnight Walk in June, raising £170 for St. Anne's Hospice.



A Teddybear's Picnic was organised by SUSAN RILEY from our Blackpool office in July, raising £166 for local church charity, 'St. Paul's Little People'.



September saw Preston's KAREN WILLIAMS brave the depths of Lake Windermere for the 1 mile Great North

Swim, completing it in just over 44 minutes and raising just under £300 for Mental Health Charity, MIND.

DAVID HARDY from the Blackpool office cycled 100 miles in seven hours, raising over £500 for the Anthony Nolan Trust and Med Equip 4 Kids.

EMMA WILKINSON baked a delicious array of goodies for the World's Biggest Macmillan Coffee Morning, raising over £80 from hungry Preston team members.

Last but not least, Preston's SCOTT MITCHELL, along with the rest of his Rangers supporters bus, completed a 9 mile walk in aid of the Erskine Appeal and raised over £2k.

Well done to you all and keep up the good work next year!

David Made Director



A new Director has been appointed from within the ranks of the management team at Champion's Blackpool office.

DAVID HARDY, 28, became the third Director of Champion Haworth Moore Ltd., when he was promoted from Audit and Accounts Department Manager.

Born and bred in Blackpool, David kick-started his accountancy career at an early age when he joined local firm Haworth Moore as a school leaver. It was here he completed his AAT, then ACCA qualifications, steadily progressing to management level where he became responsible for overseeing a team of twelve.

David joined the Champion team when the company merged with Haworth Moore back in August 2007. With a solid twelve years' experience under his belt, David is now responsible for a varied portfolio of SME businesses, possessing particular specialist knowledge in the Caravan and Holiday Park Industry.

His appointment is the third internal Director appointment to take place during the past two years and reflects Champion's ongoing strategy for growth.

Group Managing Partner Ged Cosgrove comments, "David is an ambitious and hard working member of the Champion team and I feel his appointment is greatly deserved. He has shown great commitment during his time with Champion and I am confident he will flourish in his new role".

Blackpool Ladies Tickled Pink

Blackpool Directors GILLIAN HYDE and DEBBIE THORN are lending an accountancy ear to entrepreneurial ladies in the Lancashire area.

As "Pink Peers" of new business support group Pink Link Ladies, Debbie and Gillian will offer accountancy, tax and business support advice to women working across a variety of businesses in and around Lancashire.

Launched in October, Pink Link Ladies meets once a month with the aim of encouraging networking, referrals, enterprise and growth.

Danny's Done It!



Shooting superstar and occasional accountant DANNY EVANS from Champion's Chester office has been selected to represent Wales at the Commonwealth Games in Delhi next year. Congratulations Danny!



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