

## General Insurance - Why not take advantage of a Hillier Hopkins Broker?



Following a period of consolidation and intense competition the General insurance market has undergone a series of major upheavals. Mounting losses, low interest rates and falling stock markets have created an environment in which insurers have imposed severe increases in premium coupled with more onerous terms and conditions e.g. higher excesses.

Those buying Personal insurances will have felt the impact. The situation has been much more dramatic for Industry and Commerce. Premium increases of 50% to 100% have not been

uncommon and in some areas it has been impossible to obtain cover at any price - particularly in the Liability, Professional Indemnity and High Fire Risk areas.

Cover for terrorism, particularly in the major cities, may be difficult to place and premiums have risen dramatically since 1 January 2003.

More so than ever, the commercial buyer of insurance requires a hands-on insurance broking service at a senior/peer level which, until now, has only generally been available to the larger,

multinational companies. The broker must not only have an understanding of insurance but also be able to recognise and discuss the implications of the current climate on business in general and the ways in which some of the problems may be overcome.

Recognising this, Hillier Hopkins have assembled a panel of professional/niche brokers, with the optimum mix of experience and commitment to quality service appropriate for our clients.

The benefits of utilising the services of Hillier Hopkins panel Brokers are:

1. They are of an appropriate size to have influence in the insurance market, so you will benefit from competitive terms.

2. You will receive a personal, hands-on service from senior market professionals, with extensive knowledge of (and well known in) both the London and Provincial insurance markets.

3. As well as Commercial business, the panel has considerable experience in handling Personal insurances - particularly valuable for High Net Worth and commercially key individuals.

4. You will benefit from long term solutions based on minimising the cost of insurance and reducing risk and you will be advised where insurance may not be the solution to a problem. In other words insurance will not be sold for the sake of it.

If you would like a no obligation introduction to one of our panel brokers please telephone Colin Howe on 01442 220738 or speak to your normal contact at Hillier Hopkins.



## Taxing times? Not necessarily

Three tips for reducing your tax bill:

- First, a properly written Will can save over £100,000 inheritance tax. Although this will not be possible in all cases, there are very many normal situations where a fairly simple rewriting can make enormous savings. And, whilst talking about Wills, there are often significant long-term savings that can be achieved by effectively rewriting a Will within two years from the date of death using a Deed of Variation.

- Second, recent legislation now means that, in certain situations, trading subsidiaries within a trading group can be sold without any liability to corporation tax. Preplanning is essential but given the right conditions, trading activities of a business which are no longer

needed can be sold tax-free. The opportunity is there.

- Finally, much can be achieved through the use of family trusts not necessarily to save tax but also to safeguard family assets. Commonly trust assets include shares in businesses, quoted investments and holiday homes. Tax is saved, assets safeguarded and the original owner can be a trustee.

All of these constitute straightforward and uncomplicated tax planning which is acceptable to the Inland Revenue. And there are other opportunities depending on personal circumstances.

To discuss what might be appropriate in your situation. Contact David Nye on 01442 220712 or email [davidn@hillierhopkins.co.uk](mailto:davidn@hillierhopkins.co.uk)

## Institute of Financial Planning Team Challenge 2003



Team Challenge 2003 was a national competition organised by the Institute of Financial Planning. Hillier Hopkins team entry consisted of both personal tax and financial planning specialists.

Having been up against some of the best financial planners in the country, some of whom had been Money Management Financial Planners of the Year, we were delighted to learn that we had made it through to the final. The final consisted of a

mock client meeting, 6 hours of intense preparation and a 30 minute presentation.

The event highlighted our ability amongst our professional peer group to offer comprehensive tax and holistic financial planning solutions to clients.

For a free initial consultation please contact Antony Summers on 01442 220771 or email [antony@hillierhopkins.co.uk](mailto:antony@hillierhopkins.co.uk)



### When was your last check-up?

Security, safety and confidentiality are paramount in today's business world. Are your IT systems adequately geared towards the protection of your business? Chartered IT Solutions Limited ensure your systems are up-to-date and run effectively to eliminate any potential threats, allowing you to remain focussed upon your customers.

To arrange a free health-check please telephone 01442 220770.



Registered to carry out audit work by the Institute of Chartered Accountants in England & Wales and regulated by the Financial Services Authority for Investment Business

## News update from Hillier Hopkins Autumn 2003

### Surviving the upturn



Although the UK economy is now showing signs of recovery, there is no doubt that the corporate sector has borne the brunt of the 2002 economic downturn. Followed by the uncertainty experienced in the first half of 2003 after the war in Iraq, growth in this period has only been sustained by consumer spending, the housing boom and government expenditure.

The manufacturing and technology sectors have been hardest hit and despite government optimism there is no concrete evidence that matters will improve significantly in the short term.

Against this backdrop it is inevitable that some businesses will find it hard to survive without making changes, not only to ensure that they will continue to trade in the short term but more importantly to take full advantage of any economic upturn.

In such situations early identification of the "warning signs" is key to ensure survival as well as protecting directors from claims of fraudulent and wrongful trading and possible disqualification. To ensure immediate viability careful business planning, particularly in respect of cash flow and management

of creditors, is required.

Hillier Hopkins are not and have never been insolvency practitioners. Our aim is to work with businesses to help them grow and prosper. We have extensive hands-on experience in helping businesses, not only in the good times, but also returning underperforming and potentially insolvent businesses into a stable position.

As part of our extension of services we are now able to offer a corporate restructuring service including an initial complementary analysis of the business. This review seeks to identify the underlying causes of the under-performance and make recommendations. Once agreed, we will suggest a plan to resolve these issues including new or replacement finance if required.

We believe that this service will be of value to businesses who find themselves in a potentially insolvent position and that the offer of a complimentary review will be most attractive when cash control is key to survival.

For more information contact Grant Franklin on 01442 220736 or email [grantf@hillierhopkins.co.uk](mailto:grantf@hillierhopkins.co.uk)

### Hillier Hopkins LLP - The next stage in our development

We are delighted to announce our intention to move to a limited liability partnership with effect from 1st October this year.

The limited liability status will provide us with a more commercial structure better suited to modern business practice. It will ensure we can continue to attract and retain people with the necessary skills to meet our clients' needs.

Subject only to the required regulatory clearances, the assets and business of the existing partnership will be transferred to the new entity, Hillier Hopkins LLP on 1st October 2003.

From a client perspective little will actually change. Our notepaper will refer to 'Hillier Hopkins LLP' and the list of partners will change to a list of 'members'. We will issue new engagement letters to clients over the next 6 to 12 months to reflect the new relationship.



COLIN HOWE, MANAGING PARTNER

Other than that it will be business as usual.

We will be writing to you personally in due course to explain the changes in more detail, but if you have any queries in the meantime please do not hesitate to contact us.

Considering a move to LLP or a limited company yourself? It may be that you could benefit from our experience.

If you would like to talk it through - please contact me directly on 01442 220738 or email [colinh@hillierhopkins.co.uk](mailto:colinh@hillierhopkins.co.uk)



Aylesbury office: 01296 484831 Hemel Hempstead office: 01442 269341 Watford office: 01923 232938  
[www.hillierhopkins.co.uk](http://www.hillierhopkins.co.uk)



## Payroll - An Effective Management Tool?



As well as paying your people, your payroll system should be making a real contribution to your business planning and cost control efforts. Employment costs represent one of your most significant overheads and the necessary management information in this respect should be easily accessible.

You need to be able to identify which areas of your business are over, or under, budget and why; how much overtime is being paid and at what rates.

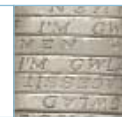
"The task of management reporting is to provide a critical contribution to structuring the company's future strategy, to identify and analyse the components of each strategy and communicate with those responsible for its application, monitoring and implementation."

Whether in-house or outsourced, your payroll system should be able to cope with, and provide, detailed management reports across multiple sites, various business

units and departments, different categories and grades of staff and the individual components which comprise "pay". If it can't, then you can't be sure your business is on track.

If you want a payroll system that delivers, talk to Carol Thompson about the Hillier Hopkins Payroll Bureau System. For a non-obligatory discussion and a free quotation. Phone 01442 220716 or email [carolt@hillierhopkins.co.uk](mailto:carolt@hillierhopkins.co.uk)

## Financial Planning - Summer roundup



The heat has been on, particularly in the financial services industry. Falling stockmarkets, apparently low annuity rates and poor service have caused consumers to lose whatever faith they still had in the industry.

In these tough investment times it is important to squeeze the best return possible out of any investment. Whether you are seeking to establish a shareholders agreement, pass money to the next generation or invest your capital for your own benefit, it is important to ensure that any proposed solution takes into account your overall circumstances. Considering any aspect of your financial affairs in isolation can often prove counter-productive.

Here are some of the topics that we have covered in the last few months. I will be writing about some of these in more detail in future articles:

"I have become disillusioned with my pension provider, I need advice on that and how to start investing in property - should I set up a company?" We examined the possibility of moving to a Self Invested Personal Pension and discussed the risks and rewards of direct property investment, the taxation implications, possible vehicles for investing, introduced the client to potential bankers and looked at his overall asset allocation.

"I have read about wrap accounts - what on earth are they?" Wrap accounts are a way of administratively pooling all investments into one more easily manageable place - unit trusts, bank accounts, insurance bonds, pensions - everything. These products are very popular in USA and Australia, but the reality is that in the UK, these products are in their infancy. There are still real practical difficulties with

offering a service such as this in the UK. It is however an idea that is extremely appealing. We suggested the client maybe rearrange his disparate pension policies into a SIPP and think of that as a wrap account, and re-register his unit trusts over the net with a fund supermarket. This free re-registering meant that the client could access an up to date valuation at any time over the internet.

"I have a partnership agreement - I agreed it with my girlfriend last night in the pub - why would I need a formal one?" This client runs an extremely profitable business from his home; his long term girlfriend helps out a bit. The client has two teenage children from an earlier marriage. It transpired that his will made no mention of his girlfriend, the partnership would be dissolved in the event of either of their deaths and also the long term partner had no automatic right to continue to live in their current house. The Inland Revenue has recently announced that they are looking more closely at 'partnerships', and in some cases arguing that they are shams. We helped the client to draft relevant agreements that not only protect his girlfriend and children but will also assist if the Revenue query the partnership.

For more information contact Ben Sherwood on 01442 220713 or email [bens@hillierhopkins.co.uk](mailto:bens@hillierhopkins.co.uk)

## Money Laundering Regulations Extended

With effect from early next year, the money laundering regulations will be extended to cover a whole new raft of goods and service providers.

From 2004, these new regulations will apply to accountants, solicitors, estate agents, money services, casinos and businesses selling high-value goods for cash of more than 15,000 Euros. They already apply to financial institutions and financial brokers.

It is clearly important for you and your staff to gain a thorough understanding of your new responsibilities under the new regulations...

If you are a provider of goods or services in one of the above categories, you will be required to obtain evidence from your customers to prove who they are and where they live. This evidence will include passports, driving licences and utility bills.

If you suspect that they are using the proceeds of any criminal activity, and this includes tax evasion, cost savings of non-compliance with regulatory requirements, or bribery, then you will be legally obliged to advise the National Criminal Intelligence Service. There is no lower limit to the amount of money involved.

It is clearly important for you and your staff to gain a thorough understanding of your new responsibilities under the new regulations. We are providing a series of seminars on this subject and can provide specific training for the Money Laundering Reporting Officer and other relevant staff to ensure full compliance with the new regulations. Non-compliance is not an option.

For further details please contact Graham Sherling on 01923 809407 or e-mail [grahams@hillierhopkins.co.uk](mailto:grahams@hillierhopkins.co.uk)

## Will the Strategic Planning Toolkit work for you?



It did for this business; the following is an unsolicited response from a husband and wife who benefited from SPT.

We are writing to thank you for the Strategic Planning Toolkit session which you held with us.

We found the session to be highly valuable and the best days' business that we had ever done. When we came to you we did not know where we were going or how to get there. We found that in our 3rd year the start-up business advice didn't apply anymore, and we seriously needed to move on, but finding that advice was hard. We were seriously considering giving up.

However, after our Strategic Planning day, it was surprising how different we felt when we left. We now had goals, aims, objectives and a new 5 year business plan that was put together and set by us and, most importantly, it was full of the things that we wanted to

achieve. The plan was put straight into action and we haven't looked back. We are meeting and exceeding all our targets, and are building up a good reputation, which is shown in our recent enquiries from larger companies.

Presently we are sticking to our plan and hold a Strategic Planning meeting every Monday morning to plan for the week ahead. Now that we know where we are going and how we are going to get there, we both have found a new energy and a huge amount of drive and ambition. We look forward to buying our house in France! Thank you.

The good news is that you can experience this without any risk. We would only ask you to pay us what you think the initial SPT day is worth!

If you would like to experience what this can do for you and your business contact Colin Howe on 01442 220738 or email [colinh@hillierhopkins.co.uk](mailto:colinh@hillierhopkins.co.uk)



## Marketing... more than just colouring in



So... you've got your corporate literature and pieces of designer paper with your name on. Your clients make the right 'ooohhhh' noises when you hand them your brochure and each of your employees has their very own name badge and business card.

But, do you know:

- How to increase your bottom line through your marketing
- How to generate awareness of your brand in the market
- How effective your current marketing is
- How to better serve your existing clients
- How to gain new clients through your product or service offerings

Marketing is a 'core' management process fundamental to how you present your business internally and externally. Through understanding how your business operates your marketing activity can be better focused on building and supporting your business growth in the long term.

It may surprise you to know that we have been helping our clients design and implement effective marketing strategies. We can help you too!

If you would like an initial no obligation consultation with our Marketing Manager, Virginia Mead-Herbert please call 01442 269341 or email [virginim@hillierhopkins.co.uk](mailto:virginim@hillierhopkins.co.uk)

## Business Rates Alert



Early attention could mean significant savings in the longer term.

The 2005 business Rating List comes into operation on 1st April, 2005 but the statutory date at which the Rateable Value valuations will be made is 1st April, 2003. If you have a rent review or lease renewal due at the next Quarter Day, 29th September, whatever you agree will have important implications.

The Rateable Value, on which liability for business rates is based, is effectively an estimate of the open market rental value of a property, and the open market rental value is what is agreed under most new leases and rent review negotiations. It follows that any rent agreed at or around 1st April 2003 is likely to form the basis that

will be adopted for the assessment of that particular property for business rates. Agree a rent that is higher than necessary and you can also anticipate paying higher business rates for the whole five year period of the 2005 Rating List.

The Valuation Office Agency, which is responsible for preparing the Rating List, requires occupiers to provide details of any rent paid by them and is now sending out statutory rent return forms to obtain this information. How you answer these questions may seriously affect your future business rate liability. We can help you.

For more information please contact Richard Malone on 01923 809405 or email [richardm@hillierhopkins.co.uk](mailto:richardm@hillierhopkins.co.uk)

## Watch this space



A large amount of public funding has become available to help businesses employing between 5 and 49 people. This is intended to boost the competitiveness of businesses by harnessing the power of their people. The process could lead to IIP accreditation but this is not a requirement.

To investigate the potential benefits to our clients Virginia Mead-Herbert will be attending a briefing seminar - as more information becomes

available it will be passed to clients via their personal contact at Hillier Hopkins.

Full information will be on our website from October. [www.hillierhopkins.co.uk](http://www.hillierhopkins.co.uk)



## Quality of Service



Have you ever wondered if the level of service your clients receive is consistently good?

Without checking the quality of service periodically, you can lose touch with your clients needs and assume the service you provide is of the quality you want. Recently our marketing department has been assisting clients in this area by providing a discreet benchmarking service.

The objective of this is to identify your current standards of telephone or personal service. From the results of this exercise you are able to establish any areas where you can provide extra training and support to your customer facing staff.

For further details please contact Virginia Mead-Herbert on 01442 269341 or email her on [virginim@hillierhopkins.co.uk](mailto:virginim@hillierhopkins.co.uk)

