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# PLUS+

KEEPING YOU  
UP-TO-DATE  
WITH ALL THAT'S  
NEW AT PM+M

ISSUE 7

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**PM+M STRENGTHEN THE TEAM  
WITH NEW PARTNERS NIGEL  
WRIGHT AND TIM MILLS**

FIND OUT MORE ON PAGE 1 AND 2

## PM+M NEWS

# GROWTH AMBITIONS

At PM+M we have a vision about what our business will look like in 4-5 years' time. This includes some pretty audacious targets and growth plans. Our ambitious targets require the expansion of our client base and our team whilst maintaining our strong client service focus. With this in mind, we have made recent appointments that we hope will prove instrumental in facilitating the growth of the firm. In March, Nigel Wright joined us from Baker Tilly and in July, Tim Mills joined the PM+M Corporate Finance team from Pierce Corporate Finance.



Nigel Wright



Tim Mills and Stephen Anderson

Coming from a strong corporate services background with more than 26 years experience, Nigel has gained particular expertise in business strategy, audit, corporate tax and financial reporting. From large international manufacturing groups to family owned businesses and sole-traders, Nigel works with a diverse range of clients providing him with a unique perspective and appreciation of the issues that arise throughout the business spectrum.

Tim has a wealth of experience in advising owner-managed companies on transactional and strategic matters including debt and private equity fund raising, mergers, acquisitions, disposals and due diligence. He also advises management teams on MBO's and MBI's and works very closely with family businesses to resolve succession issues.

Commenting on the recent appointments Managing Partner, Stephen Anderson said "We are in an enviable position that means that we continually

*"We are in an enviable position that means that we continually attract talented and experienced people from across the North West."*

attract talented and experienced people from across the North West. We are seeing an increase in the number of clients who require dynamic business advisers, rather than just a compliance service, and our experienced team are well placed to deliver."

Our plan at PM+M is simple. We develop our goals and objectives for the next four or five years with input from the whole team. In doing so we are establishing targets in which the whole firm believe and works together to achieve. And now, following the upturn in the economy, we feel is the time to be brave, have a vision and commit to our growth ambitions.

# FURTHER BOOST TO THE PM+M TEAM

Alongside Nigel Wright we were delighted to welcome three of his team to join us in March. Ann Farrow and Nicola Day have joined our Run My Business team and Lesley Chetwynd has enhanced our tax team.



We have also welcomed Sophie Adamson into our Corporate Services team. Sophie has spent the last 18 months with Baker Tilly and has recently qualified as an Accounting Technician.



We have further strengthened the team with the appointment of Kirsty Wright as Office Manager; her role will be quite wide ranging and will encompass managing our HR, reception and secretarial functions.

We also look forward to welcoming Laura Fort (Tax Trainee), Faye Hughes (Marketing Manager), Daniel Hill (Marketing Assistant) and Tim Farragher (Wealth Management Paraplanner) to our team in August.

## TAX NEWS

# TAX CREDITS CHANGES

**The already complex system of tax credits is changing fundamentally between now and December 2017. During this period, the new system of Universal Credits is to be introduced and claimants will be migrated over to the replacement system.**

There are some significant differences between the two systems and existing tax credit claimants need to be aware that they may have a very different entitlement under Universal Credits and, in some cases, may not qualify at all.

Some of the key differences are:

- Employed claimants will have information provided to HMRC under Real Time Information (RTI) via their employers' payroll so that claims can be cross checked;
- Self employed people will need to report monthly cash flow figures and the following month's award will be based on those figures. There is a presumption that cash will be available to fund living expenses rather than reinvestment in the business and losses in one month will not carry forward to the next. All of this will put a heavy record keeping and reporting burden on the self employed;
- Directors will be treated as though they are, in essence, self employed with company profits being deemed as income and any salary taken being added to that figure;
- For the first time, account will be taken of personal capital/savings - capital in excess of £16,000 will prevent claims altogether and capital between £6,000 and £16,000 will reduce them; and
- Universal Credit will only be available to working age people - not students or pensioners.



Existing tax credits claimants will be well aware of their own responsibility to notify the Tax Credits Office within one month of any changes of circumstances; which can include - changes in hours worked, additional income being received, children staying in full time education or a change in the number of people in the household (up or down), separation, divorce, co-habiting, death or if even if someone is just out of the country 8 weeks or more. What claimants now need to be aware of is that any notification of changes of circumstances after 6 April 2014 could automatically move you into the new Universal Credit system immediately. All other claimants will be migrated over between now and 2017.

For further information on tax credits, please contact Sharon Lord on 01254 604366 or [sharon.lord@pmm.co.uk](mailto:sharon.lord@pmm.co.uk)

# WHY YOU NEED INSURANCE AGAINST A CHALLENGE FROM THE TAXMAN



**Every year, thousands of taxpayers are investigated by HM Revenue & Customs.**

Such investigations can be highly disruptive and navigating your way through them can be a minefield. That's why you are likely to need us to guide you through the process, help protect your interests and progress the enquiry on your behalf.

If we are involved from the outset, you are far more likely to escape paying extra tax or penalties. Often, however, this can involve a lot of our time and lead to substantial professional costs.

Having fee protection insurance to cover all these costs and make sure you can afford expert representation makes a lot of sense.

For a very modest premium you can take up CCH's Premier Protection cover which provides up to £100,000 of professional costs per incident resulting from an HMRC intervention, including checks into your business or personal tax return, PAYE, P11D, NIC and VAT affairs.

There is also a free employer helpline service providing a range of health and safety, personnel and employment advice.

If you have not already taken up our fee protection insurance this year and would like to find out more, please contact Julie Walsh on 01254 604312 or [julie.walsh@pmm.co.uk](mailto:julie.walsh@pmm.co.uk)

## TAX NEWS

# RESEARCH AND DEVELOPMENT TAX CREDITS - IT'S NOT ROCKET SCIENCE!

**Industry reports suggest that many companies are still missing out on the opportunity to claim this valuable tax relief. This is probably because many business owners do not realise that their company's activities may qualify.**

There is still a perception that research and development reliefs can only be claimed by companies carrying out purely scientific, laboratory research. However, this is far from the case.

The definition of research and development is drawn very widely and includes any significant advances in product development, process development or advances in software and systems.

If your business has developed a product or process that would impress your competitors, or if customers come to you to make them something they can't get anywhere else, there is a good chance that you have been engaged in research and development activity. It can also apply when you have been developing your internal systems and processes, as well as your external products.

Even if your company has been unsuccessfully attempting to develop new systems or products then this can still count as a qualifying activity. The government is actively encouraging research and development in the UK and claims tend to be looked on favourably. We have considerable experience of negotiating claims for a wide range of clients and will be delighted to explore whether businesses can make a claim.



For small and medium sized companies, the benefit of making a claim is that the company receives a 225% tax deduction for the costs of its qualifying research and development activities, including the staff costs of the employees engaged in the R&D. If the company is loss making, or becomes loss making as a result of the research and development claim, it can opt to receive an immediately repayable cash tax credit. This can be an extremely valuable boost to cash flow.

The relief is not as generous for large companies, however, it is still beneficial to make a claim. We recommend that all directors think about the activities undertaken by their company and consider whether there may be a project that could qualify for this tax relief.

To find out more about how you can access this valuable relief, please contact Claire Astley on 01254 604363 or [claire.astley@pmm.co.uk](mailto:claire.astley@pmm.co.uk)

## WEALTH MANAGEMENT

# PENSIONS YOUR NEW FLEXIBLE FRIEND!

In the Spring Budget, George Osborne finally achieved something that has eluded many Chancellors over the years. He managed to simplify the rules surrounding pensions and, dare we say, even make pensions interesting!

From April 2015, gone is the requirement to purchase an annuity and the restrictions on how much you can withdraw from your pension fund. The Government has recognised that in order to encourage people to save for their future, greater flexibility is required.

The tax free cash element remains the same and you can still take up to 25% of your fund value as a tax free lump sum. The remaining fund can be withdrawn whenever you wish and is taxable at your marginal rate.

What's the catch? The price for savers will be that access to their pension pots will be pushed back, at the same pace as the State Retirement Age. Initially it will move from 55 to age 57 in 2028. This could affect those currently around age 40 and under.

These new rules apply only to those who have money purchase arrangements and who have not already used their entire fund to purchase an annuity. Whilst the new rules undoubtedly provide greater flexibility, care will need to be taken to make sure you have sufficient assets to last throughout your retirement.

Holistic and cash flow planning has never been more important and advice should be sought to make sure you maximise your investment returns and minimise the tax payable.

PM+M's team of expert wealth management and pensions advisers already advise many of our clients on how to build up funds for their retirement and then how to access them in the best way - providing for a stress free and comfortable retirement.



To find out how our team can help you please contact Tony Brierley or Antony Keen on 01254 679138 or [tony.brierley@pmm.co.uk](mailto:tony.brierley@pmm.co.uk) / [antony.keen@pmm.co.uk](mailto:antony.keen@pmm.co.uk).

## CASE STUDY

# MAKING AN ACQUISITION WORK FOR YOU

**The key to successful growth by acquisition is to ensure that you have a clear strategy with specific criteria. Be really clear on why you want to buy that business. Strong rationales for concluding a deal include:**

- Access to new and valuable customer segments and/or geographies opening up new markets and creating cross selling opportunities;
- Access to new products and services which would take you considerable time and investment to replicate;
- Access to new skills, intellectual property or technology; and/or
- Creation of synergy through enhanced scale and stronger market positioning.

We recently helped one of our long standing manufacturing clients, The Partwell Group, complete the acquisition of SJH Row and Sons, a brand leader in the manufacture of wooden cutting surfaces for the food industry, a deal which ticked all of these boxes.

Working in close partnership with Ashley Bradburn, the MD of Partwell, we advised on the valuation of Row and how the acquisition should be structured. We also carried out financial and tax due diligence.

Subsequent negotiations with Row's owners led to agreement of the principal terms which were then set out and agreed in detail in the legal documents by Stephen Jarman of Taylors Solicitors.



Securing funding was critical to the deal. Partwell's strong track record was an important driver and the financial forecasts we prepared clearly illustrated the potential for the combined businesses to generate significant cash flow. We worked closely with HSBC, Partwell's long standing bankers who provided a term loan, and also introduced FW Capital who provided an additional working capital facility from the NW Fund for Loans.

The moral is clear. Find the right target at the right price, formulate a compelling proposition and work closely with experienced advisers. We can help you every step of the way.

If you are thinking about making an acquisition, then contact Jim Akkrill on 01254 604353 / jim.akkrill@pmm.co.uk or Tim Mills on 01254 604302 / tim.mills@pmm.co.uk for a no obligation, confidential discussion.

## PM+M NEWS

# A WORTHY CAUSE BLACKBURN YOUTH ZONE

**My greatest challenges and pleasure lately have come from working with Blackburn Youth Zone. For those who have no idea what I am talking about, this is a youth club with a difference! Right in the centre of Blackburn, it has nearly 3,000 members, around 1,000 visits a week from young people, fantastic facilities and a team organising more than 20 special sessions every night.**

I have the privilege and pleasure to be a trustee and to have specific responsibility for the finances, and while my day job involves a lot of financial review and analysis, it is very different when you are doing it for a charity that you really care about.

BYZ is supported by the local council but most of its funding comes from the business community - there is an inspiring commitment from local entrepreneurs to give back to young people in their area. Youth Zone (which opened in 2012) allows young people from whatever background to have access to brilliant facilities and to experience competent, caring support allowing them to fulfil their potential - in many cases this has a transformative effect on their lives and their stories help make it all worthwhile.

My role at the Youth Zone affords me the opportunity to work on a number of different projects. For example, working together to get a budget agreed; matching the needs of young people, the aspirations



of the committed professional staff and the continuing financing difficulties for local government and business. There is a difference between being a trustee and being a professional adviser and the emotional involvement can make it harder to take the tough decisions.

A more pleasant challenge presented itself earlier this year in the form of launching the Blackburn Beer Festival. The idea came from four Blackburn businessmen meeting at Bolton Beer Festival in October 2013 and deciding that one of these should be run in our town. Six months later, more than 700 people attended the event held over the May Bank holiday weekend. Over 30 new businesses were introduced to supporting the Youth Zone and 50 volunteers had a fantastic time helping out. After such success the organising team are already talking in enthusiastic tones about the prospect of running the event next year.

*"Oh, and we raised **£17,000** for the young people of Blackburn."*

Details of Blackburn Youth Zone and how you can get involved can be found at [www.blackburnyz.org](http://www.blackburnyz.org)

David Gorton - david.gorton@pmm.co.uk

## PM+M NEWS

# A VERY PROUD PM+M TEAM ACHIEVE GOLD INVESTORS IN PEOPLE STATUS

**We are absolutely delighted to announce that following our recent Investors in People assessment we are being upgraded from silver to gold status. To achieve gold recognition, businesses not only have to meet the standard 39 evidence requirements but also an additional 126 criteria.**

Partner Jane Parry commented “Only around 3% of IIP accredited businesses are awarded this highest accolade and I am immensely proud that we can now count ourselves amongst them.



“The assessor noted that the change from the traditional accountancy firm that he first met 6 years ago was amazing. I am delighted at this recognition of the commitment to development and growth we have made over the past few years and continue to embrace and am hugely proud of all the team.”

## TONY’S CYCLE CHALLENGE



Tony Brierley, Managing Director of PM+M Wealth Management, has taken part in the London to Paris Cycle Challenge to raise money for Blackburn Youth Zone. On the 24th July the team embarked on a four day, 275 mile ride taking in the English countryside before crossing the channel on the final leg of their journey towards the French capital.

Representatives from Napthens Solicitors were alongside Tony to take on the challenge. The team hope to raise as much money as possible to aid the Youth Zone in its continued support of the young people of our community. If you are interested in donating, please visit [uk.virginmoneygiving.com/team/london2paristeam](http://uk.virginmoneygiving.com/team/london2paristeam).

The London to Paris Challenge isn’t the first time this year Tony has used pedal power to raise funds for charity. In May, he competed in the gruelling Fred Whitton Challenge an undulating, 112-mile ride through the major Lake District passes. Tony completed the course in an impressive time of 8 hours 20 minutes and collected £550 for Macmillan Cancer Support.

## PERSONNEL

# LORRAINE CADE RETIREMENT

### How long have you been with PM+M?

When I leave it will be 39 years one month and 19 ½ days.

### What made you stay so long?

Family commitments and locality as well as the great team.

### One thing you’ll miss?

The obvious answer would be the camaraderie. I’ve met a lot of people, at PM+M, over the years and I regret to say that most of them I have forgotten, but there are quite a few who I still am in contact with and hopefully this will continue in the coming years.



### One thing you’re looking forward to?

Having the time to pursue ventures I’ve wanted to do for quite a long time.

### How will you be spending your time?

I plan to start playing the piano again. Also, I’ve been a member of the WI for many years and now I hope to take a more active role in the coming years. Finally, having two grandchildren will obviously take up a bit of my time as well.

# BARBARA PORTER RETIREMENT

### How long have you been with PM+M?

40 years and 8 months.

### What made you stay so long?

I liked the idea of working for the best firm of accountants in the area and the clients and mix of work I have had the opportunity to work with and on.

### One thing you’ll miss

The people and feeling that that I may have made a contribution, however small in helping a client.

### One thing you’re looking forward to

Not getting up so early.

### How will you be spending your time

Relaxing, reading, painting, cooking and walking.



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# STUDENTS GO FROM STRENGTH TO STRENGTH



Sarah Alpe



Maryam Mulla



Sophie Adamson



Sarah Clancey



Mark Richmond



Laura Bolton



Melanie Stones

## **In recent months a number of our team have seen examination success.**

As part of their studies to complete the ACCA qualification; Sarah Alpe has passed the Advanced Tax module whilst Maryam Mulla attained the requisite grade in the Performance Management examination.

Sophie Adamson has been successful in her final examinations and has qualified as an accounting technician. Well done to Sarah Clancey who has taken steps towards her AAT Qualification. Sarah has passed the Internal Controls & Systems Case Study and the Financial Statement examination.

Working towards qualifying as a Tax Technician, Mark Richmond has recently passed two exams; Personal Taxation and Business Taxation and Accounting Principles.

Congratulations go to Laura Bolton who has been successful in the CF1 UK Financial Services, Regulations & Ethics and CF2 Investment & Risk examinations as she studies to qualify as a Financial Adviser. She has also passed the CF4 Retirement Planning exam towards gaining the certificate in Financial Planning.

And, Melanie Stones has passed the Audit & Assurance and Tax Compliance examinations towards becoming a Chartered Accountant.



## **Blackburn office**

Greenbank Technology Park, Challenge Way,  
Blackburn BB1 5QB

Telephone: 01254 679131  
Facsimile: 01254 681759  
Email: [blackburn@pmm.co.uk](mailto:blackburn@pmm.co.uk)

## **Burnley office**

Lodge House, Lodge Square, Cow Lane,  
Burnley BB11 1NN

Telephone: 01282 438035  
Facsimile: 01254 681759  
Email: [burnley@pmm.co.uk](mailto:burnley@pmm.co.uk)