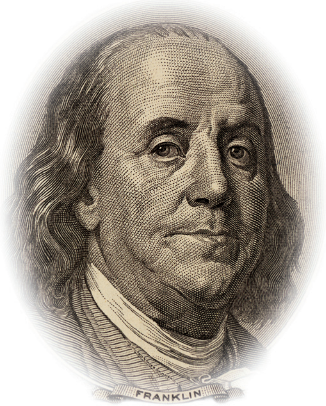
THP Total Accounting

Clarity

THP'S BUSINESS AND PERSONAL VIEW

February 2015

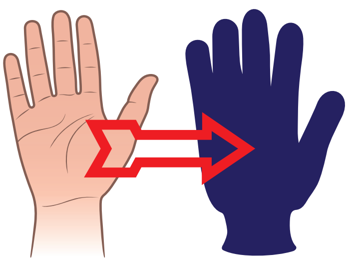


DEATH – BUT NO TAXES!

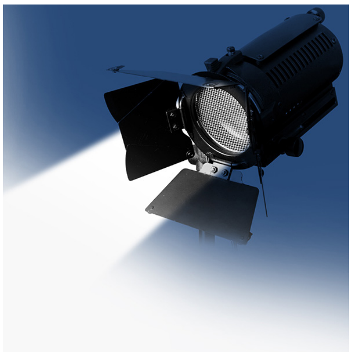
"In this world," said Benjamin Franklin in a letter to French physicist Jean-Baptiste Le Roy, "nothing can be said to be certain, except death and taxes."

Franklin was writing back in 1789, but now the times finally are a' changin'. From April, new regulations will abolish the punishing 55% death tax on pensions and – in many instances – help you to cut your Inheritance Tax bill and pass on your pension fund tax-free. Turn to page 3 to find out how the new rules will work and how you can benefit.

In recent months it has been all change at THP too. We're very pleased to announce that, in September last year, Witham based accountancy firm Conway Fielden Gough joined the THP family and brought its team and client base to our Chelmsford Office. The company was one of the first to offer its clients cloud-based accountancy services, and combined with a dogged determination to provide quality accounting to its clients, the new team has brought first-class skills and ideas to complement our own. Read more about the merger on pages 6 to 7.



One of the earliest clients that Conway Fielden Gough helped to transform with cloud accountancy software was Facta, a Covent Garden based PR agency that specialises in promoting businesses within the construction industry. We interview partner Johnny Dobbyn on page 4 and discuss ways in which he hopes THP will help his business thrive in future years. If you're inspired by Johnny's story, perhaps we can help you in a similar way?



We also throw the spotlight on two THP services this quarter, showing you how our bookkeeping and management accounts specialists can help you cut the amount of time you spend on admin, make your year-end return quicker and cheaper to compile, and give you up-to-the-minute figures on which you can make informed business decisions. What makes our offer particularly attractive is the fact we can work in a way that suits you best – whether you'd like a THP bookkeeper or accountant to visit you, or you'd prefer to drop off your records at any one of our offices. See page 8 to learn more.

On page 8, THP Director Adrian Hart has a word of warning for those of you who keep your business or personal bank accounts solely in your own name. Over the last year, he has seen difficulties caused when business owners have died without a co-signatory on their bank accounts – leading to serious commercial problems and immense misery for the family members left behind. Adrian's advice should prevent either of these things happening to you.

Finally, you may be aware that every employer will soon have to offer their staff an Auto Enrolment (AE) pension scheme – or run the risk of huge daily fines. We feel this topic is so important that we are currently preparing a special edition of Clarity that will show you how to make lighter work of the AE process, save money, keep fully compliant – and choose the best pension arrangement for your team. Look out for your copy, which will be landing on your desks in the spring.

Finally I hope you find this issue of Clarity both helpful and entertaining. And on behalf of the whole team at THP, may I wish you every success in your endeavours.

Jon Pryse-Jones

NEWS IN BRIEF

REVENUE'S TAX HELPLINE 'A LOTTERY'

Almost 1 in 3 callers to HMRC's tax helplines are cut off before being connected to an adviser, according to a new survey by Which? The consumer watchdog made 100 calls to HMRC's self-assessment and general enquiries numbers: 29% were cut off automatically, while the remaining calls were put on hold for an average of 18 minutes. The research also revealed one useful tip – you're less likely to be cut off if you call earlier in the day.

HMRC MOVES TO NEW ONLINE HOME

If you think that seeing hmrc.gov.uk vanish off the internet is a dream come true, then here's some good news – it's happened. The only hitch is that the taxman has simply moved home to the Government's main website at www.gov.uk. Click on the 'Money and tax' link on the homepage to file online returns and find relevant guidance, as before.

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NEWS ROUND-UP

ACCOUNTANCY AND FINANCIAL NEWS AND UPDATES FOR THP CLIENTS

TAXMAN REACHING OUT TO LANDLORDS AND SOLICITORS

HMRC is running two campaigns to encourage solicitors and landlords of residential properties to get up to date with their tax affairs.

In both cases, penalties will normally be less severe for individuals who declare undisclosed income via the schemes below than those whom HMRC discovers to be behind with their tax affairs.

The Let Property Campaign has a no disclosure 'window' and will be ongoing for some time. However, the later individuals declare undisclosed income, the higher the penalties are likely to be. Please note that the scheme is not open to landlords of non-residential property or those wishing to disclose income on behalf of a company or trust.

The Solicitors' Tax Campaign allows individuals to declare undisclosed taxes and duties until 9 March 2015, and make payment by 9 June 2015. By doing so, they can tell HMRC how much of a penalty they believe they should pay – although penalties will depend on the reasons for non-disclosure. Those who have deliberately kept information from HMRC will pay more than those who've made a careless mistake. Also, if they can't afford to pay the final penalty in a lump sum, they'll be able to spread the payments if their circumstances warrant it.

For more information about both schemes, please visit www.hmrc.gov.uk and search for 'HMRC Campaigns'.

HMRC INVESTIGATIONS NET BILLIONS IN EXTRA VAT FROM SMES

Tax cuts may be one way of boosting the public coffers, but HMRC is certainly still keen to increase its take from businesses. According to a recent study, increasingly aggressive VAT investigations into small firms have netted HMRC an additional £3.9bn in extra VAT – almost double the £2.2bn gathered in the 2010/11 tax year.

However, it's worth noting that HMRC has not always had a smooth ride when challenged by businesses to argue its case in court. So if you find yourself at the wrong end of a VAT investigation in the near future, please get in touch with your account manager – we'll help you plan the best response based on your circumstances.

20% OF SMES UNAWARE OF THEIR AUTO ENROLMENT STAGING DATES

The Pensions Regulator estimates that one in five small employers – and up to a half of micro-employers – are unaware of their staging date for Auto Enrolment (AE). At THP we are already receiving calls from clients concerned that they are not adequately prepared for this obligatory scheme. Many are contacting us because they are worried they may face escalating daily fines of up to £10,000 for not complying. To help make the Auto Enrolment process as simple and pain-free as possible, we'll soon be sending all clients a special AE edition of Clarity which will be filled with tips and advice.

BUSINESS TAX CUTS BOOST THE PUBLIC PURSE

No surprises here, but a study conducted by PwC has found that members of the 100 Group of finance directors reported higher contributions to the public purse where taxes have been cut.

Mainly responsible for the increase was the growth in employment and wages, with greater VAT on sales playing a significant role. Andrew Bonfield, chair of the 100 Group tax committee explained: "This report shows the clear link between helping businesses grow, invest and employ and how much money goes into the public purse. Taxes must be looked at in the round: businesses tax costs extend way beyond corporation tax and their wider tax and economic contribution is far greater still"

Let's hope that further tax cuts, such as the forthcoming 20% corporation tax rate this year, are in the pipeline.

SPECIAL AUTO ENROLMENT EDITION OF CLARITY

Many of our clients have been in touch, worried about how to introduce Auto Enrolment (AE) pensions to their businesses. Relatively few accountancy firms are able to help you with this; but we feel it's such an important issue that we will offer specific advice and help.

In early spring you'll receive a special Auto Enrolment edition of this newsletter. It'll contain all you need to know about Auto Enrolment, information on how long it could take you to implement and advice on selecting the best pension schemes for your employees. We'll also be introducing our own new, tried-and-tested Auto Enrolment service, the THP Ultimate AE Payroll solution which helps you save time and cut costs both before and after introducing AE to your businesses. If you'd like further advice now, please call our own AE specialist, Sam Rowe at our Wanstead office.

NEW THP WEBSITE

Soon after you receive this newsletter, we'll be unveiling our new website. We've created a resource that will make it simpler for clients old and new to learn more about our services, successes and how to find expert accountancy related advice– please do keep an eye out for the new site and let us have any feedback you may have.

HOW PENSIONS CHANGES CAN HELP SLASH YOUR INHERITANCE TAX

YES – NOW YOU CAN PASS ON YOUR PENSION, TAX-FREE!

In September, Chancellor George Osborne announced that the government would scrap painful death taxes of 55 per cent on pension funds.

This means that, from April this year, you will instead be able to pass on your pension money without giving a sizable chunk to the taxman.

Firstly, new rules will allow over-55s to access their complete pension pot in one go. You are not required to buy an annuity and you can withdraw money as and when you want, including your 25% tax-free lump sum. Withdrawals will be treated as income, so the amount of tax you pay on them will depend on your income in any given year – but it will be less than the 55% tax formerly charged for full withdrawal. Chancellor George Osborne describes this as using your pension “like a bank account” during your retirement.

From April 2015, if you have a ‘defined contribution’ pension – one with a yield that depends on how much has been paid in, and how well the investment has done – it's entirely possible to avoid paying death taxes on it. There will be three possible scenarios:

1) If you die before the age of 75, you can pass on your unused drawdown pension as a lump sum to the person of your choice – tax-free.
2) If you have a joint life or guaranteed annuity, you can also pass it on tax-free if you die before the age of 75.
3) If you have unspent defined contribution pensions and you die after the age of 75, you can pass the remaining money to a beneficiary – who can either take it as a lump sum taxed at 45%, or as income on which they pay the normal rate of income tax.

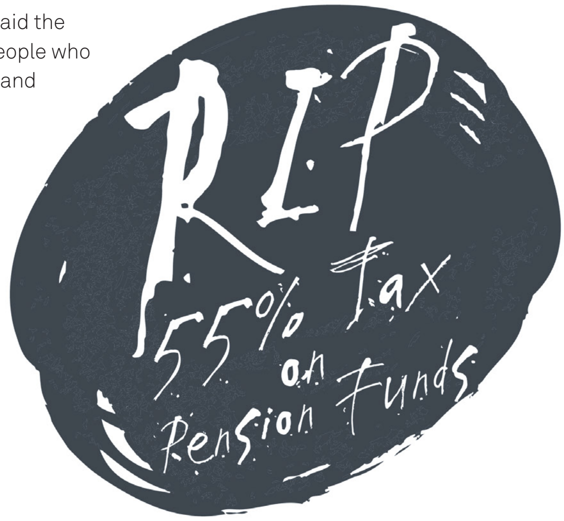
If you have a defined contribution pension, it could now make sense to shift assets into your pension plan. That way, if your estate is worth over £325,000 (for an individual) or £650,000 (for a couple), you can protect the transferred funds from Inheritance Tax at 40%.

However, even if you don't have a defined contribution pension, you may still be able to benefit from the new arrangements. If you have a ‘defined benefit’ or 'final salary’ pension which promises a certain level of income that is linked to your salary, you could transfer your pension into a defined contribution scheme instead. As long as your current scheme is a funded private or public sector scheme, this option is open to you. If it is an unfunded public sector scheme (typically an armed forces, teaching, NHS or civil service pension), you will not be able to transfer.

The new arrangements are a real step change for financial planning. Previously, the only way for your heirs to avoid paying IHT on your pension was if you died before the age of 75 and hadn't touched your pension funds. From April, you will be able to draw down your pension as and when you need it, and you can leave it to a beneficiary either tax-free or as income with a lower tax rate. Depending on your circumstances, if you are over 55 and have a SIPP, there could also be advantages to putting some of your fund into drawdown before 5 April – this may allow you to maintain your higher contribution allowance of £40k for the future.

The Treasury has said the changes are so “people who have worked hard and saved all their lives will be able to pass on their hard-earned pension pot tax-free.” However, bear in mind that the changes come into force only weeks before the General Election, so whether they are here to stay for the long term is open to question.

If you'd like to learn more and discuss whether the new changes could benefit you and your family, please talk to your usual THP contact who will be able to arrange a session with our trusted IFA partners.



PUBLIC RELATIONS FIRM FACTA TELLS THE STORY OF ITS GROWTH – AND HOW THP CAN HELP IT PREPARE FOR THE FUTURE.

"WE'RE LOOKING FOR ACCOUNTANCY SERVICES THAT HELP US ACHIEVE OUR AMBITIONS."

One of the Conway Fielden Gough clients we welcomed to THP after our recent merger is Facta, a London based PR agency specialising in the construction and industrial sectors.

The firm was founded by John Levick and Johnny Dobbyn, who met in 1989 when they worked for the same construction magazine. Two years later, John left to pursue a career in public relations and eventually set up his own PR business. Johnny stayed within publishing, ultimately overseeing a stable of magazines – and they remained friends and stayed in touch.

By 1999, Johnny had also joined a PR firm as an account director. His rise was meteoric and he was appointed to the board within 18 months. The only problem was that, after some years, he found himself increasingly uninterested in the luxury goods sector in which the agency had started to specialise. "Luxury campaigns lack variety – all too similar products, for all too similar audiences. They were too identikit for me," he explains. "It is such a rarefied market and not representative of real life as it is lived. While I loved the business, I had no appetite for that kind of work, finally resigning when it came to dominate the portfolio."

In 2004, John and Johnny met up at the Mon Plaisir, London's oldest French restaurant in Monmouth Street. Looking back, they both christened this meeting their 'Granita moment', at which they agreed to found a new PR company together.

John had already sold the company he had founded, Johnny had resigned and, within a few weeks, Facta opened its doors for business.

From the outset, Facta was a very different kind of PR firm. Because both John and Johnny had worked for business magazines, they knew that the quality of PR that titles received was generally very poor. "When we worked in editorial, we would discard 90% of the press releases and other material we received," recalls Johnny. "You could count the number of worthwhile, reliable agencies on one hand. And because we still have many contacts on magazines, we knew – and know still – that the situation hadn't changed. Badly presented, badly written, badly targeted poor material was and is the norm."

John and Johnny's combined experience equipped them to offer a much better service. "We had the right insight into the media and its practices," Johnny says. "We were both good editors and we know what a good editor is looking for. Add to that our extensive network within trade publishing, and we are ideally placed to provide clients with PR that catches the imagination and results in positive coverage."

In the early days, Facta worked for a wide range of clients, ranging from radio stations to the construction firms they went on to specialise in. They clearly met a need – referrals soon came pouring in and turnover doubled every year for four years.

But tougher times were round the corner. When the economic crisis began to bite in 2008, increasing numbers of companies began to rein in their marketing budgets. Facta used the opportunity to evaluate the way it did business, and began to invest more in its future. "We took stock and looked at the way our systems worked," Johnny explains. "We also realised we had lots of loose ends to tie up, such as IT and our own marketing, which had been neglected while we were so busy. On the back of this we spent a considerable amount on new systems, kit, IT, web and an all-round better infrastructure."

The investment reaped dividends. Within eight months, Facta had rebuilt its client list and achieved some notable marketing successes. "Before the recession, we had been rather snooty about entering awards," Johnny recalls. "We took the line that we

were too busy doing quality work to spend time entering into awards. But we decided to give it a try, and during 2008 we quickly scooped three awards – including a coveted Construction Marketing Award.

"I wouldn't say the awards immediately resulted in much more work," Johnny continues, "but they did reinforce our offer, increase our credibility and extend our contacts. In the longer term, this has been very valuable."

Over the years, Facta has not only grown its client base, but also the range of services it offers. "Our primary activity is still one of generating positive editorial coverage in relevant media," explains Johnny. "However, we also handle crisis communications, media buying, reports, copywriting, photography, social media and other services our clients need. In our industry, everyone has had to upskill in recent years and there are few aspects of marketing communications we can't do. And if we can't do it, you can bet we know someone who can."

Facta's relationship with the then Conway Fielden Gough dates back to 2006. "We were originally using a West End accountancy firm," Johnny recalls, "but we didn't feel we were getting much of a service, bar our year-end accounts, so we were minded to change. John gets the train from Witham each day, and Conway Fielden Gough used to be based near the station. A friend had recommended them and he put his head round the door and asked about their services. Obviously, he liked what he heard."

Johnny was delighted with the new accountants. "It was very much an improvement. The team was much more personal and we had a greater sense of being valued. We got more input from Paul Conway, including business development and tax advice, and over time they took on more work for us – including bookkeeping and generating remittances. We were also one of the first clients that Conway Fielden Gough moved to the cloud-based accounting software, Xero, which they had researched and trialled with success."

Now that Conway Fielden Gough has joined the THP family, Facta is hoping for an even more productive relationship – especially as more profitable times appear to be round the corner. "We know the construction industry in particular is on the up," Johnny enthuses. "Some manufacturers I talk to are working to capacity – and anticipate doing so for at least two years. If 'ground level' products and materials are being made in huge quantities now, it'll be bathrooms, electrics, windows and other items a few months down the line – and these companies will need quality marcomms – including PR – to compete better."

New growth will need both investment and careful guidance. "We want to grow 100% by the end of 2017," Johnny explains. "We're once again putting money into our marketing and infrastructure and we're hiring a new business development manager. What we're looking for from the team at THP is more complex services that will help us realise our ambitions. For example, we're currently a partnership – but would it be wise for us to incorporate as a limited company? Can THP handle more of our financial processes to free up our time for the business? And what about the impact business growth will have on our personal affairs – what will be the best exit strategy for us if we should decide to sell the agency in the future?"

At THP we're certainly hoping to help Facta with all these challenges and more, and to provide the very best accountancy and business services to guide the company on its path to successful growth.

Welcome to the THP Family

On 29 September, Witham accountancy firm Conway Fielden Gough merged with THP and we welcomed Paul, Clare and Prema to our Chelmsford team. We talk to director Paul Conway and learn how the merger is good news for clients old and new.

Paul, welcome to the THP team. What's the story behind your accountancy career and Conway Fielden Gough? I originally came to Essex from Kent, when I joined the Witham office of accountants Bland Fielden. In time I took over from the main partner and the firm grew until, in about 1993, it merged with a larger practice. Five years later I helped negotiate a demerger, and I and the team became part of a new firm called Conway Fielden Gough, serving clients from our Witham office.

That's interesting. Why did you want to detach the practice from the larger company? In Witham, we had always been a general practice branch and enjoyed strong personal relationships with our clients. We felt we weren't a good fit within a much larger corporate structure and knew we could provide a much better service without the constraints of the bigger firm. It proved to be the right choice to make.

As a general practice branch, what kinds of clients did you serve? When I first started working for Bland Fielden in 1982, it had a lot of clients in the farming industry. That suited me well as I had experience in agriculture from the time I trained and practised in Canterbury. We attracted a significant number of clients who farmed in East Anglia, ranging from small market gardeners to 8,000-acre farming estates. Many of the larger farms had been using major national accountancy firms, but were looking for a more targeted and personal service. Bland Fielden – and later Conway Fielden Gough – met that need.

We also developed a niche in doing accounts and audits for London and Essex solicitors' practices, but the majority of our clients came from a wide range of industries and sectors.

As a small practice, was it hard to attract new clients? When I look back at the early 2000s, I think we could have been better at marketing ourselves. But despite this we attracted a significant amount of business via word-of-mouth recommendations and our client base grew steadily.

There were significant exceptions of course. One of our major clients, a large East Anglian farming company, joined us after a successful telemarketing campaign in 2002.

There are many small accountancy firms in Essex. What made yours different? I think there are lots of different factors but all were driven by a common aim – we always looked for new ways of providing clients with a better service. For example, we were very quick to offer our clients cloud-based accounting services. Just over four years ago we began to put the cloud accounting software Xero through its paces. We immediately saw the benefits and used it first with Facta, a London PR agency *[see feature on page 4 - 5]*. It allowed us to share real-time accounting data with our client, while features such as automatic bank feeds cut the amount of time we spent on admin and freed us up to offer more focused business development advice.

Since then, Xero has been a major hit with our clients and it is especially suited for growing businesses with people working in a variety of different locations. It's a service that we are now bringing to THP, complementing the FreeAgent cloud software service it already provides.

Your business was clearly flourishing. Why the merger with THP? It was a matter of succession planning really. I love what I do, but I know that I can't work for ever – and I wanted to make sure my clients always remained in the best possible hands.

So we looked round for accountancy firms that shared our values and outlook, with the view of finding the best company to merge with. We sifted through many potential firms, but whittled them down to a shortlist of four – whom we talked to in detail. We rejected the other three very early on and chose to negotiate exclusively with THP.

Why did you think THP was the best candidate for the merger? At the end of the day, THP felt like a close fit. It had a similar sized office in nearby Chelmsford. We had about the same number of team members and there was a great deal of overlap in the types of portfolio we help. Both of our firms were also highly IT literate, making excellent use of systems, both internally and for the benefit of clients. My team are also very important to me, and THP was not only willing but also happy, to offer them flexible working. The other companies we approached were not.

I also got to know THP well as negotiations progressed. While the merger details were probably settled within a couple of months, we had to spend time negotiating a satisfactory exit for my fellow director. During this period, THP invited my team and I to take part in professional development days and they trained us up in new versions of document management. It was good to build strong relationships with future colleagues months before we actually joined them.

It's early days, but has becoming part of the THP family met your expectations? Yes, definitely. The main benefit is that there's a lot more we can offer all clients, such as a comprehensive new Auto Enrolment service, plus specialist advice from new colleagues such as Tim Housden, THP's tax expert. In the past we had to look outside to provide certain services – and now most of them are provided in-house. And above all I'm very impressed by the quality of work. The two teams are integrating well into a purposeful and sociable environment and there's a lot we can learn from each other.

That's great news. But has moving from Witham to Chelmsford caused problems for your clients? On the whole, no. After all, we're only eight miles away from where we were. For most clients this isn't a problem, but we have ensured we retain strong local links with Witham. Thanks to an arrangement with Bright & Sons, a legal practice in Witham, clients can drop their books in there and we can use the boardroom if required for meetings. Like the rest of the THP team, we're happy to travel to see clients, wherever they are based.

Looking ahead, how would you like to see your services develop within THP? The most important thing is that the quality of our relationship with clients remains unchanged. THP has the same personal touch as we always have had, so if anything clients will now have good relationships with a wider range of people. But I am looking forward to turning around work quicker, offering more business advice in addition to the usual compliance work, developing new portfolios and remaining the first port of call for every client who needs our help. We're still part of a firm with a strong family tradition – but now there's so much more we can do.

"WE'VE GOT MORE CONFIDENCE TO GET OUT THERE AND HELP." IF PAUL AND HIS TEAM ARE EXCITED ABOUT THE PROSPECT OF JOINING OUR CHELMSFORD OFFICE, THEN SO ARE THEIR NEW COLLEAGUES. WE TALKED TO DIRECTOR KEITH PULLEN AND CLIENT MANAGER MARK INGLE TO GET THEIR TAKE ON THE NEW EXPANSION.

KEITH PULLEN

I like the fact that we're both family businesses with a history of forging lasting relationships. We've also got very similar client bases, which is a comfort but certainly not something to take for granted. Over the next year, we'll all be getting to know Paul's clients and understanding what their long-term goals are. Once you know what motivates a client – whether it's raising money to buy new premises or pay for future school fees – then you can help them in the most tax-efficient way.

The two businesses are a very good fit and I'm looking forward to working with, and learning from, the new team as we serve our clients. It's part of our journey to building an even more successful and profitable practice.

MARK INGLE

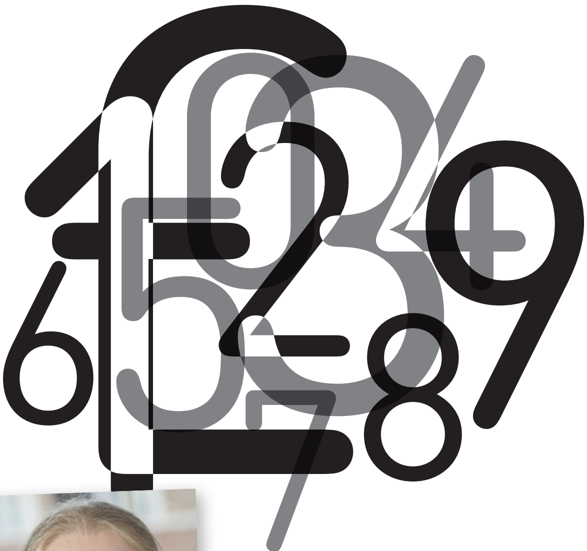
I see nothing but opportunity for our Chelmsford office. We'll be nearly double the size, we're working with some exceptional new colleagues and we'll be able to draw on valuable extra resources. Already there's a very good atmosphere and I can sense we've all got more confidence to get out there and help. We'll be able to do things earlier and quicker and we'll develop much more clout and visibility as a result of our efforts. We've only been working as a team for a few weeks, but it feels just like we've increased the size of our family.

Services of the Quarter

BOOKKEEPING AND MANAGEMENT ACCOUNTS

Do you or your team spend too much time struggling with your bookkeeping? Or when the end of the financial year comes around, does your accountant have to run dozens of queries past you before they can submit your annual return?

If so, it would make sound business and financial sense to try THP's bookkeeping service. We can work in the way that suits you best, whether you would like one of our accountants or bookkeepers to visit your premises each month, or you'd prefer to drop your records in to any one of our offices each quarter. In either case, if you use remotely-accessible accounting software like FreeAgent or Xero, we can update your records so you can see the results in real time.



"There are major benefits to using our bookkeeping services," says Debbie West, Client Manager at our Saffron Walden office. "Clients are relieved that we take away the hassle of making the books balance, and it frees up their time to concentrate on their business. Your bookkeeping will always be in the hands of a specialised bookkeeper or qualified accountant, meaning that your records are always accurate – and that means less work to do, and less to pay, when your annual return is due."

To save time, save money and plan ahead, many clients combine our bookkeeping with our management accounts service. These provide you with regular profit and loss reports, a full balance sheet, a cashflow forecast and detailed reports of what you are owed (and owe). With these figures at your fingertips, planning sales, stock and business strategy becomes so much easier – and we can prepare reports on a quarterly, monthly or even weekly basis.

So, if you'd like to cut back on your admin and get the figures you need to make strategic commercial decisions, talk to your Client Manager today to learn more about our bookkeeping and management accounts services – they could help make 2015 a more focused and productive year for your business.

CIVIL WAR OVER A PENSION

When Alberta Martin died at the age of 97 in May 2004, she was still receiving a pension her husband had earned during the American Civil War of 1861 to 1865. A veteran of the Confederate Army, he married Alberta when he was 81 and she was 18. It's not certain it was a love match, but the $50-a-month pension certainly came in handy over the next 80 years.

Double-check your Cheque Accounts

Have you ever considered that keeping your business and personal bank accounts solely in your own name could damage your company and leave loved ones in financial distress?

Unfortunately, these are both situations that have happened to clients over the last year – and I'd like to help you avoid them.

The first concerned a client who died leaving all his money in his personal bank account. While the bank was able to release funds to cover funeral costs, his widow was unable to withdraw money for day-to-day living costs. Worse still, all the utility bills were paid from the account – and because the bank had frozen it until probate was complete, these payments bounced. If he had only made his wife a joint signatory on the account, she would not have been left in such dire need.

In the light of this situation, my wife and I proceeded to make each other joint signatories on our respective bank accounts. We don't use each other's accounts, but we now have peace of mind that – should either of us die – Nessa will be able to access my money, and vice versa. I would advise you to do the same without delay.

Similarly, one client who passed away last year owned a company which rented out properties. He was the sole shareholder and the only signatory on the company bank account. It created a nightmare situation – the bank refused to let anyone access the company's funds, and all of its essential outgoings were cancelled, including payments for insurance and utilities. Even when probate was granted, the bank was still refusing to deal with any third party 49 weeks after the client's death – with dire consequences for the company's future.

So if you are currently your company's sole shareholder and bank account signatory, I strongly recommend that you assign at least a single share to your next of kin or executor, and you make them a joint signatory on your current account. In this way you'll not only help ensure the survival of your business if you die, but you'll make sure those you leave behind avoid financial disaster and immense misery.

Adrian Hart

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Wanstead 34-40 High Street, Wanstead, London E11 2RJ **T** 020 8989 5147 **E** wanstead@thp.co.uk **Cheam** Turnbull House, 226 Mulgrave Road, Cheam, Surrey SM2 6JT **T** 020 8652 1070 **E** cheam@thp.co.uk **Chelmsford** Shalford Court, 95 Springfield Road, Chelmsford, Essex CM2 6JL **T** 01245 251731 **E** chelmsford@thp.co.uk **Saffron Walden** 24 High Street, Saffron Walden, Essex CB10 1AX **T** 01799 527478 **E** saffron@thp.co.uk **City** Clements House, 27-28 Clements Lane, London EC4N 7AE **T** 020 3207 9078 **E** city@thp.co.uk **THP** is the trading name of THP Limited registered in England & Wales, No. 04664338, VAT number 249110185. Our registered office is 34-40 High Street, Wanstead, London, E11 2RJ. Our audit registration details are at www.auditregister.org reference number C001012915.

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