jamescowper
Accountants & Business Advisers

SPRING/SUMMER 09

perspective

Greater transparency – changes to insolvency rules

James Cowper has expanded its practice with the launch of James Cowper Insolvency Services. The team is led by partner Sue Staunton, a licensed insolvency practitioner and brings together a ten strong team of highly experienced insolvency, restructuring and business turnaround specialists, combining almost 100 years' top flight experience.

Sue explains some of the recent changes in insolvency rules below.

When a company is insolvent, but it is considered that there is an underlying business that has intrinsic value, it is often the case that the company will go into the insolvency proceeding known as administration. The administrator may then seek to sell that business and its underlying assets for the best offer.

The administrator is required to convene a meeting of the company's creditors to consider his proposals for the administration. However, in a series of cases the courts have held that where the circumstances of each individual case warrant it, the administrator has the power to sell assets without the creditors' prior approval or the permission of the court. This will be in circumstances where it is commercially important to sell the business quickly, as otherwise value could decrease, jobs could be lost and returns to creditors diminish. These types of sales are often termed "pre-packaged" or "pre-packs", as the terms may be agreed prior to the administrators appointment.

There has been concern expressed that in some instances these rulings may have led to insolvency practitioners doing deals – perhaps with those formerly involved in the running of the company – that are inappropriate.

In order to alleviate such concerns and make the terms of any such sale transparent (whilst still enabling a swift sale – if this is appropriate) the statement of insolvency practice 16, "Pre-packaged sales in administration" was introduced in January 2009.

Under the terms of SIP 16, where a pre-packaged sale is carried out, the insolvency practitioner is required to keep a detailed record of the rationale behind the decision to undertake such a sale. Included in this record (which should be disclosed to creditors) should be:

- Why it was not appropriate to trade the business and offer it for sale as a going concern, during the administration
- The alternative courses of action considered by the administrator
- The identity of the purchaser
- Any connection between the purchaser and the directors, shareholders or secured creditors of the company.

This measure should dispel some of the perceived mystique about "pre-packs" and hopefully enable administrators to continue to secure the future viability of a company's underlying business by selling it on to a new owner.

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In this issue...

Taxing times for investors

The recent collapse of several retailing giants has left investors asking whether they will see any of their money back. Investors who own shares in any company that enters formal insolvency proceedings are unlikely to see any of their original investment back. Ordinary shareholders fall to be paid after all creditors have been paid, and typically there is little or no money left.

The position is the same if the investment is made into a privately owned company. Although, if the investment was made by way of a loan, the investor would move above shareholders in the pecking order and even more so if the loan was secured against assets.

Investors who have lost money on their investments can be left further out of pocket if they fail to claim tax relief on their losses and reclaim any overpaid tax.

Losses on investments can be set against any capital gains made in the same tax year, or carried forward to offset against future capital gains. For shares in companies which are no longer trading but have a negligible value, a capital loss can be claimed equal to the cost. The date of the 'disposal' is either the date of the claim, or any date within the past two years, provided the share was of negligible value at that time.

Capital loss relief can also be claimed on irrecoverable loans to a company. A number of conditions need to be met, including convincing HMRC that the loan is indeed irrecoverable. It cannot be claimed on a simple debt.

Capital losses must be claimed within five years and ten months from the end of the tax year in which they arose.

Where an investment has been made in a privately owned trading company, it may be possible for the loss arising to be claimed against income rather than capital gains, although a number of criteria must be met. These losses need to be claimed within one year and ten months from the end of the tax year in which they arose.

Investors who have incurred investment losses are urged to take professional advice to ensure that any tax relief is claimed as quickly as possible. Small consolation perhaps, but given the current economic climate, very welcome.

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Outsourcing - why bother?

Outsourcing has been a huge trend across businesses in recent years, and finance is just one of the many functions you can outsource. But why bother? Isn't it always going to be cheaper to do it yourself?

Each case needs to be considered on its merits, but here are a few examples which demonstrate why outsourcing might be worth considering.

Study 1 - The directors of a small engineering company were always struggling to find out what the financial position of their business was. They had a bookkeeper who paid the bills and posted transactions onto the system, but every year the accountants came in and made so many adjustments that the final figures were nothing like those they got from their bookkeeper during the year. They struggled with this for a few years and made many decisions based on inaccurate information - eventually they saw the light and outsourced. Now the figures during the year are prepared on a consistent basis with the year end accounts and the directors can concentrate on sales and production, confident in the knowledge that their financial position is always accurate and up-to-date.

Study 2 - The directors of an advertising agency were great entrepreneurs, but they hated financial issues and tended to ignore them. Things went well for many years, but then trading conditions deteriorated. Suddenly the bank was asking for management accounts and they didn't even know where to find them. They scraped through that financial crisis but vowed never to get into a mess like that again. Now they outsource their finance function. They still hate financial matters, but now they've got someone on board they can trust to tell them what they need to know.

Study 3 - A software business was a subsidiary of an Australian company. They had a successful Australian operation and were excited about the prospect of opening up in the UK, even if they had no idea what they needed to do. They decided to engage UK accountants through their Australian accountants' international network, and outsourced their accounting function. They were amazed at how well it went. Not only did their UK accountants help them with finances, but they introduced them to suppliers and bankers and used their local knowledge to really help the business. The company has grown significantly and they now have an in-house finance function, yet they still use their accountants to help them with numerous financial issues - it gives the Australian directors confidence that things are being looked after in the UK, even though they are on the other side of the world.

James Cowper's outsourcing team helps lots of businesses like these. To find out how we can help you, contact
Karen Lock on +44(0)1635 35255 or
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James Cowper nominated for best EIS Tax Advisor

James Cowper has been recognised for its expertise providing complex tax relief advice to companies and investors by the Enterprise Investment Scheme Association (EISA) Awards programme.

James Cowper was one of four firms to be recognised and praised at a special awards ceremony at the House of Commons on 28 January 2009.

The EIS Association Awards have become a highly competitive challenge for members and denote excellence in a number of EIS fields. The Awards recognise companies, firms, advisers and individuals which, in the opinion of the members, have achieved outstanding performance in the context of the Enterprise Investment Scheme during the year.

Chris Lee, head of Business Tax at James Cowper, said: "As a regional firm it was very gratifying to be considered on a par with our fellow nominees, who included the UK's largest accountancy practices. The nomination recognises our expertise in this area and illustrates that specialist skills are not just available through the large global firms."

35 years on…

On 30 April and after 35 years at James Cowper, partner and ex-chairman Mike Riggall will step down and retire. As he prepares for his departure, he reflects on just how much James Cowper has changed…

"I joined James Cowper in Newbury in January 1975 from the City accountants Deloittes as a partner elect – effectively on a one year trial – before being invited to join the partnership in 1976. Back then, the firm had just 36 staff in two offices in Newbury and Reading. Now James Cowper employs more than 150 staff in four offices across the Thames Valley.

In the 1970's we would typically advise a wide variety of clients on the whole range of financial and tax matters, including the preparation of year end accounts and tax returns – and as there were no fines for late tax return filings, we would often prepare three or four years' income tax returns at the same time. We could also advise clients on their pensions and investment requirements.

Over time, the types of relationships we have with clients has changed, with technology sometimes leaving us a little more remote. Thirty years ago there was still time 'to do lunch' and there was much more face-to-face contact, leading to clients easily becoming family friends. Today, whilst clients do still become friends and whilst email and mobile phones have made us more readily available, the opportunities to talk about issues outside of work and meet up on a more social basis have become fewer. The firm still recognises the value of client relationships however and tries hard through events and direct marketing to keep that communication going, outside of the functional day to day contact.

I distinctly remember the arrival of the firm's first computer – it took up one entire room and its printer was the size of a desk. It is amazing to think that that computer was only able to record time spent on a clients' file and the associated fee. Yet that computer significantly sped up the way we worked. Prior to its arrival, accounts were produced on a typewriter using red and black carbon paper; it could take a whole day just to type up one set of accounts.

Marketing, HR and IT departments were unheard of back in the mid-1970s and now are an essential part of James Cowper, enabling us to deliver the kind of fast, efficient services our clients now expect. It is now hard to imagine life without this support.

James Cowper has grown and developed over the past 35 years into a forward thinking, progressive accountancy practice, serving a wide variety of businesses and private individuals. I like to think that we have retained that 'trusted adviser' status that clients demanded and expected 35 years ago and that the relationships we have with our clients will serve us just as well for the next 35 years".

Mike Riggall was succeeded by Adrian Rann as chairman in November 2008 and will retire on 30 April 2009.

Reducing costs and emissions at the same time

Are your energy costs too high? Did your business consume 6,000 MWh of electricity in 2008? Are you looking for ways to reduce your carbon emissions?

Contrary to the impression given by the Stern Report and by the majority of press coverage, reducing emissions does not necessarily equate to higher costs. Indeed a properly executed investment in emissions reduction should appreciably reduce both emissions and ongoing energy costs for a business. In a recession, finding ways to reduce overheads makes businesses more competitive and more robust. What is more, you may also find that there is public money available to help you implement your plans.

This is not to say that reducing emissions can be done without investment or due and careful management processes – simply that well run businesses will be reducing their emissions because their customers want them to and also because they want to reduce operating costs and therefore improve profits.

Solutions range from simple steps, such as the use of low energy lighting and improved insulation, to more capital intensive strategies involving the on-site generation of heat and/or power from alternative energy sources.

The level of investment warranted will depend on your business' energy consumption and energy efficiency. If you did consume 6,000 MWh of electricity in 2008 (approximately £500,000 across all sites controlled by a group) then you will probably fall within the Carbon Reduction Commitment (CRC) scheme. If so, then you should start planning now in order to minimise its effect on your business and optimise your position on the CRC league table.

How can James Cowper help? Whether you are looking at simple schemes for improving energy efficiency, or planning to invest £1m+ in on-site generation to 'decarbonise' your business, we can help you to plan your finances and in certain cases help you to raise the investment required. We have a sector specialist environmental team which can advise on:

- relevant tax reliefs available, such as enhanced capital allowances on combined heat and power equipment and renewable obligation certificates from renewable power generation
- specialist financial modelling for more larger and more complex schemes, especially those requiring third party investment
- compliance with grant funding rules to avoid triggering clawback provisions
- reporting of your carbon emissions and environmental benchmarking.

For more information please contact Paddy Thompson on +44 (0)118 959 0261 or paddythompson@jamescowper.co.uk

Forensic accounting under the microscope

Interview with Jay York, an executive from our Forensic Accounting Unit

So how would you define forensic accounting?

I usually describe it as anything where there is, or may be, legal involvement in an accounting issue. This can therefore range from potentially criminal cases, where we may investigate a suspected fraud, to personal or company law, where we may act as an expert accountant and actually make a determination in respect of a dispute.

How long have you been involved in forensic accounting?

My first involvement was a matrimonial case in 2005, where we had to value a number of companies as part of a divorce settlement. Since then, I have worked with Robert Holland, the partner at James Cowper who heads up our forensic accounting services, on a wide range of assignments. These have included shareholder disagreements, providing an expert opinion on disputes on completion accounts after the sale of a company, as well as loss of earnings claims and company valuations.

What is the most challenging aspect of your role?

Cases can often come in at short notice and with short deadlines. Although the need to involve a forensic or expert accountant may be identified at an early stage in a dispute, it may take some time for both parties to agree our letter of instruction and obtain the relevant supporting information, which then restricts the amount of time we have to draft our report before the deadline set by the Court. It can often be useful to involve us in this initial process, as we can quickly clarify what we can and can't do and which information is more or less key to our work.

It can also be challenging in some cases, where we are preparing a report on behalf of just one party in litigation, as they think we can act as their advocate. However, our primary duty is to the Court and we have to remain impartial at all times and therefore ensure that our views are expressed in a balanced manner.

What do you enjoy most?

I particularly enjoy the variety within the role and the opportunity to use the breadth of all the skills and experience that I have built up over 17 years in a Big 4 firm, where I worked in a number of departments, including owner managed businesses and insolvency, and over the last five years in business services with James Cowper.

For more information contact Jay York on +44 (0)1635 35255 or jyork@jamescowper.co.uk

Movers & shakers

In recent months James Cowper has welcomed several new faces at senior level

Stewart Lambert has joined as partner of James Cowper Corporate Finance LLP, a subsidiary of James Cowper LLP.

Stewart joined James Cowper from Tenon, where he held a partner role working across the firm's offices in central southern England.

He brings to the team a wealth of experience and expertise in all aspects of raising finance, preparing owner managed businesses for sale, and on the sale or purchase of businesses.

At James Cowper he will work with the corporate finance team to help find solutions for companies and entrepreneurs in this undoubtedly challenging environment.

Philip Freedman joined James Cowper in January as a consultant in the Bloodstock team.

Philip brings to James Cowper a tremendous amount of top breeding and racing experience combined with financial and accountancy knowledge.

Prior to joining James Cowper, Philip ran Cliveden Stud for 20 years and has held numerous high profile roles within the bloodstock industry including Chairman of the Thoroughbred Breeders Association, Chairman of the HAC Horse and Pony Taxation Committee and Chairman of Trustees of British European Breeders Fund.

Philip will work with the existing team using his knowledge of the industry and contacts to the benefit of James Cowper clients.

Stephen Barratt joined James Cowper in February from Grant Thornton as director in the private client tax team.

Stephen has a terrific reputation across the Thames Valley and a strong client base. Having begun his career with HMRC, he has spent the past 20 years with Grant Thornton across the Thames Valley developing its private client practice.

At James Cowper he will be advising private individuals and families on all matters relating to income tax, capital gains tax, inheritance tax planning, and residency and domicile issues.

Using M&A to strengthen your position in a tough market

Although there was a huge amount of nervousness regarding M&A transactions during 2008, our corporate finance team completed a significant number of deals in sectors such as consumer goods, niche engineering, technology and environmental.

However, the unprecedented collapse of Lehman Brothers in September 2008 did shatter confidence in a fragile marketplace, causing a very sharp period of change. Unsurprisingly, deal flow slowed down, particularly in the last quarter, as both potential vendors and potential acquirers became more hesitant.

Although we are still in challenging times, our corporate finance team who operate in the £2-£35m corporate finance market, are experiencing a return of confidence, with more M&A transactions under discussion. We experienced an upturn in enquiries during February which has sustained through March and April.

What we are seeing is a number of strategic purchasers in specific sectors, looking to make acquisitions to strengthen their own position in the tough economic climate. In many cases, they are looking to reduce risk by increasing customer spread, product or service ranges and gain valuable expertise, giving them the scope to leverage opportunity in their chosen market places.

Rather than looking to 'pillage' distressed businesses, which can be non-strategic and lead to significant integration cost, we are aware of a significant number of acquirers prepared to pay sensible multiples to achieve strategic fit and better economies of scale, resulting in improved prospects.

An example of one of the deals we have recently completed is the acquisition of Loadtest Ltd by Fugro Holdings Ltd, which completed in January 2009 where James Cowper played a vital lead advisory role in complex negotiations between parties spanning the UK and the US.

Those vendors that have delayed their exit plans should possibly reconsider and see what opportunities are out there, as they might just give them the welcome boost needed to realise their objectives in the current market.

For more information contact Nick Rogers on +44 (0)118 959 0261 or nrogers@jamescowper.co.uk

Retain cash – tax planning in the recession

With the recession firmly established and financing becoming increasingly difficult to secure, it is more important than ever to ensure your business maximises its cash flow by undertaking pro-active tax planning to reduce its tax burden.

In last November's Pre-Budget Report (PBR), HM Revenue and Customs (HMRC) announced a temporary extension of the entitlement to carry back trading losses from one year to three years. However, although the amount of losses that can be carried back to the preceding year is unlimited, only a maximum of £50,000 of the balance of unutilised losses is available for carry back to the earlier two years.

A company may make a loss relief claim under the new rules in respect of accounting periods ending in the period from 24 November 2008 to 23 November 2009. It may therefore, in some circumstances, be appropriate to consider a change of accounting reference date to take early advantage of the relief. Unincorporated businesses may also claim, once they have calculated their losses for their basis period for the 2008/09 tax year.

A further PBR measure that has been well received is the introduction of HMRC's Business Payment Support Service (BPSS), which is helping companies with cashflow problems to arrange to pay their HMRC tax bills to a timetable they can afford. No penalties or surcharges arise on the deferred amounts, although late payment interest does still accrue and BPSS must be contacted before amounts become overdue. By the end of February 2009, BPSS had agreed 'Time To Pay' arrangements with over 60,000 businesses.

For small and medium sized companies engaged in qualifying research and development activities, the repayable R&D tax credit was increased slightly from 1 August 2008, such that loss making companies can obtain a repayable tax credit of 24.5 pence for every £1 of qualifying expenditure. Similarly, 100% enhanced capital allowances (ECAs) on energy efficient and water saving assets can now be surrendered by loss making companies in exchange for a tax credit of 19% of the loss attributable to the ECAs, subject to certain upper limits.

Alongside tax planning, it may also be possible to use existing pension funds as an alternative source of finance. Entrepreneurial directors or owner managers can access cash as a business loan from their own corporate pension scheme provided that the scheme rules permit this, the trustees believe the borrower is credit-worthy and that certain qualifying conditions are satisfied. Persons who own assets, such as shares or commercial land and buildings, may wish to consider using a self invested personal pension (SIPP) to acquire these assets at market value, thus realising equity from the investment without fully disposing of the asset from their investment portfolio. It is possible that a SIPP may be able to borrow up to 50% of the net value of the scheme assets in order to fund any acquisition. Professional advice is essential prior to implementing any such restructuring.

For further information contact Ben Wickham on +44 (0)118 959 0261 or bwickham@jamescowper.co.uk

Death and taxes: are they both certainties?

Until such time as modern science has made the necessary advances, death is a certainty, but this is not necessarily so with its traditional bedfellow Inheritance Tax (IHT). The recently announced ability to transfer unused nil rate bands between spouses means that for many families IHT will not be payable when the second spouse or civil partner dies and it may be that if the Conservative Party forms the next government, further families will avoid perhaps this most iniquitous of taxes.

I believe it is true to say none of the major parties will be in a position to advocate the complete abolition of IHT and so for many, planning will still produce benefits.

It is recognised that property values have fallen, but with IHT being a tax payable as a result of death, forward planning beyond the current economic conditions is essential. Taking the longer term view what is to be done?

The good news is that there is plenty which can be done, from utilising specific lifetime exemptions (such as giving away surplus income to prevent capital further accruing) to more sophisticated planning, some of which has the blessing of the Government. Examples of planning include:

- Nil rate band planning: It might be that the ability to transfer an unused nil rate band (currently £325,000) will take some couples out of the charge to IHT but even if Conservative proposals are enacted, this will only affect a certain further proportion of the population. Others should still consider using the nil rate band on first death (perhaps where an asset is expected to appreciate in value faster than the nil band or where a widow(er) has remarried, as this could unlock a further nil rate band).
- Discounted gift plans: These can be used to generate a fixed income whilst removing the value of the capital from the taxable estate.
- Loan trusts: These arrangements allow the future capital growth in value to be sheltered outside the IHT estate, whilst retaining access to the original capital.
- Restructuring companies: Depending upon the company, or group, this might generate additional IHT relief or take future growth in business values out of the IHT net.
- Family trusts: By placing assets in trust for the family, not only can IHT savings be achieved, but the capital value of the assets can be protected because the assets are not owned by the individual members of the family.

Depending upon personal circumstances, requirements and asset values, it may not be possible to avoid IHT altogether (there is certainly no silver bullet), but through careful and timely planning, perhaps involving more than one of the ideas suggested above, it should be possible to limit the impact of IHT to an acceptable level. I would certainly place more faith in these planning ideas than the promises of either politicians or scientists!

The information above should only be used as guidance and does not replace the need to seek professional advice.

For further information contact Stephen Barratt on +44 (0)1635 35255 or sbarratt@jamescowper.co.uk

New James Cowper models

The James Cowper Corporate Finance team has been working hard on producing attractive new models – financial models that is!

As a firm we have always provided a financial forecasting service to our clients, whether that be to improve management information, assist with a bank finance application or as part of a fundraising for a management buyout. As a result, we have a strong team able to provide financial forecasts of all types.

Our financial modelling work, however, is aimed at more complex, longer term scenarios. One example has been the development of a 25 year financial model for AIM listed micro-CHP fuel cell developer Ceramic Fuel Cells to assist in its negotiations with various utilities. Our work has provided significant value to this client and required a detailed understanding, both of a new technology and its application within a complex market place. This resulted in a flexible model capable of running an almost limitless number of scenarios, based on a clearly defined set of client validated assumptions. This client has recently announced a significant order with Eon and you will undoubtedly hear more about this company in the next few years.

Another example is our work supporting the Tomorrow's Valley consortium of local authorities going through a public procurement process under EU rules for residual waste and kitchen waste treatment solutions. Part of our work has included significant financial modelling to clearly identify the financial impact of the different decisions which may be taken by the consortium as the process evolves. This is an area of strong interest for both local authorities and the waste industry, where long term schemes of 15-25 years are common and where a robust financial model is vital to support the procuring public bodies.

Wherever there is a requirement for a robust understanding of the financial impacts of a long-term project, a financial model may be required to provide comfort that multiple inputs have been properly considered. If your project has a lifetime of ten years or more, a financial model should be considered.

For further information please contact Paddy Thompson on +44 (0)118 959 0261 or paddythompson@jamescowper.co.uk

Planning to survive

As the credit crunch bites, the importance of having a sound business plan and using it as a tool to guide your strategy has become evident.

A plan also means that companies are able to identify when business performance is diverging from that strategy and take early steps to avoid disaster.

Despite this, it is still surprising how many businesses have no formal business or management information. It's a good idea, therefore, to go back to basics and review the essential elements of a business plan.

A business plan can take many forms, but should include the following:

- An analysis of where the business is now, what the strengths and weakness are and what are the opportunities and threats for the future.
- Where do you want to go - what do the directors want the business to achieve over the next five years?
- Why do you want to do it - does everyone want to achieve the same objectives?
- How are you going to get there - what should the business do to achieve its objectives?
- The financial implications - what will happen if the business achieves its objectives, what will happen if it does not, what working capital and investment are required to achieve the objectives?

Once the overall strategy has been set, the directors can then focus on the coming year.

Firstly, an annual budget needs to be agreed, which includes a detailed review of overheads to identify and eliminate discretionary/comfort spending. Directors should also analyse recent experience and establish which products or service lines generate a proper contribution and which are more marginal or loss making.

Most importantly, there then needs to be effective monitoring of results against this plan. In recessions, more than at any other time, budgets should be flexible and regularly revised to reflect changed circumstances and actions taken by management as the year progresses. To be useful, this monitoring needs to take place on a timely basis and we would always suggest that a client prepares a rolling three month cash flow statement.

By undertaking this process rigorously, businesses will give themselves the best chance of surviving the recession. However, in some cases, through no fault of their own, the fundamentals of the markets, products and services that the business is involved in will mean that the outlook is grim. In such cases, there are a few rules and reminders that are also important.

Firstly, it is important not to trade insolvently. If you are in any doubt about the solvency of your business, you should seek professional advice for peace of mind.

Secondly, businesses may be a curate's egg - i.e. good in parts. It may be possible to plan to sell the good parts off, or close the bad parts down and retrench.

Thirdly, boldness is the key to survival in difficult circumstances. Already, we are beginning to see that businesses that took bold and decisive action to contain their costs, through redundancy or other measures, have now placed themselves in a much better position to survive.

On a more positive note, many businesses can thrive in a recession. Those with cash, for example, can look for acquisition opportunities or invest in capital within the business in a more affordable way. Recessions can also be a good time to make strategic recruitment decisions as the pool of candidates widens.

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Antarctic charity warms to James Cowper

James Cowper has been appointed by the Shackleton Foundation to prepare its annual report and accounts. The appointment follows advice given to the charity relating to VAT issues.

The Shackleton Foundation is this year marking the 100th anniversary of Sir Ernest Shackleton's epic journey to the South Pole. On 18 January 2009, Henry Worsley, a descendant of Shackleton's skipper Frank Worsley, Henry Adams, the great grandson of Shackleton's number two Jameson Boyd-Adams, and Will Gow, the great nephew of Shackleton's wife Emily, all reached the South Pole completing "unfinished family business".

Terry Dockley, VAT Director at James Cowper said: "We are absolutely thrilled to have been engaged by the Shackleton Foundation. It is a tremendous time to be involved with the charity as it marks the 100th anniversary of Shackleton's famous expedition and we look forward to working with the charity and trustees in the years to come."

Established in 2007, the Shackleton Foundation is a charity that provides support and assistance to individuals of all ages, nationalities and backgrounds who exemplify the spirit of the famous polar explorer Sir Ernest Shackleton.

Bill Shipton, Chairman of the Shackleton Foundation, adds: "The Foundation hopes that beneficiaries will develop or possess the personal qualities that define leadership: a fierce personal commitment to succeed, a willingness to take intelligent risks, and the ability to inspire and energise those around them to do their utmost towards worthwhile causes."

Dockley adds: "We at James Cowper have all followed closely the descendants of the original 1907-09 Nimrod Expedition party as they battled to reach the South Pole."

For further information go to www.shackletonfoundation.org

Guess who's coming to dinner?

In our regular feature, a member of the James Cowper team tells us who they'd invite to their perfect dinner party. In this issue, Alex Peal, business services partner, chooses his five ideal guests.

J S Bach

J S Bach is widely considered to be one of the greatest composers who ever lived and if I could invite only one guest it would be him. As well as composing many choral and instrumental works that are still performed today, Bach was a virtuoso organist who could improvise music or the pipe organ that is beyond most of today's players – even with years of practice. What better guest to provide some after dinner entertainment!

Tony Blair

When it comes to managing change, many acknowledge that a good recent example of this is Tony Blair. From his "Clause IV" moment, to his modernisation of the Labour Party, he changed the party in a short time culminating in the 1997 election victory. I would also like to hear his thoughts on Gordon Brown seeming to have overtaken him as Britain's most unpopular Prime Minister. It would be interesting to find out the truth about their apparent uneasy relationship and how much of it was media hype.

Clive Woodward

…and if I didn't have a chance to discuss motivation and leadership with Tony Blair then I would discuss this with Clive Woodward. He led the England rugby team to be the best in the world and World Cup winners in 2003, through novel and innovative management techniques. I would like to discuss these and their application to the business world.

Dante Gabriel Rossetti

Brother of the poet Christiana Rossetti, D G Rossetti was an influential 19th century painter and poet who founded the Pre-Raphaelite Brotherhood, a group of English painters, poets and critics. Their intention was to reform art and created a distinct name for their form of art. Rossetti painted many famous works including Persephone and Beata Beatrix. I have a gap on my dining room wall which is just crying out for a Rossetti original so perhaps if I spoke to him nicely…

Rick Stein

Hopefully, this restaurateur, chef and presenter of many excellent TV series' would be able to cook his speciality seafood dishes while I put my feet up. Then he could tell us all about his journey from reading English at New College, Oxford to making his name as a seafood chef in Cornwall.

Upcoming Events in May

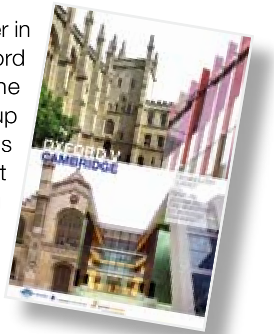
Date	Event	Description
7-10 May 2009	Badminton Horse Trials	James Cowper's Bloodstock team is co-hosting stand No. 56 with the Country Landowner Association (CLA) on all four days of the Badminton Horse Trials. Members of the team will be on hand throughout each day and would be delighted to see you if you are planning on attending this major equestrian event.
13 May 2009	James Cowper Tax Club	The James Cowper Tax Club is a quarterly gathering in central Reading, bringing together sole proprietors and small practices of professional accountants. For more information please contact: mbaxter@jamescowper.co.uk
20 May 2009	Charities & The Big Issues – are you up to date? A joint seminar hosted by James Cowper and solicitors Blandy & Blandy	A free practical seminar for charity trustees, executives and finance directors, on the latest tax, VAT and legal developments in relation to charities and their trading subsidiaries. In particular we will be focusing on the impact of the 2009 Budget and taking a look at incorporation and the increasing incidence of mergers and collaborative working among charities. For more information please contact: abradbrook@jamescowper.co.uk

Oxford technology firms expecting growth

James Cowper and Cambridge-based Accountants Peters Elworthy & Moore jointly conducted a survey of 500 technology firms based in the hubs of Oxford and Cambridge.

The survey reports a sector that expects continued growth in 2009, but concerns over funding and the availability of good quality people are never far from the surface.

The survey was designed to compare and contrast the technology sectors in Oxford and Cambridge and their prospects for the coming year.



Sue Staunton, a partner in James Cowper's Oxford office and head of the firm's technology group said: "Over 60% of firms are very positive about the future predicting continued growth for 2009. However, our survey does highlight, somewhat surprisingly, concerns over the availability of good quality commercial people to help drive businesses forward. The very reason for businesses choosing Oxford and Cambridge - the abundance of technical and academic expertise - seems to cause problems when looking for commercially minded business people."

The survey also revealed that, despite the government's £20 billion commitment to help SMEs, the R&D tax credit programme continues to play a critical funding role for technology companies. One survey respondent reports "It is an excellent scheme for getting cash into a loss-making business - much faster than the endless funding round presentations", with another respondent citing their recent tax credit receipt of £8 million as evidence of the system's success.

"Our survey suggests that companies are increasingly looking to R&D tax credits as a funding mechanism," says Staunton. "Over 75% of firms surveyed use the R&D tax credits, but the regime does not escape criticism. Some 20% of respondents find the regime inaccessible, time consuming and uncertain that they would actually qualify."

If you would like to receive a copy of the "The Oxford and Cambridge Technology Survey" please email info@jamescowper.co.uk

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