



# The Spark

AUTUMN 2011

## Welcome to the first edition of The Spark

Cowgill Holloway has launched 'The Spark', a brand new newsletter that will be bringing you the latest Cowgill Holloway news and sharing valuable information on issues which may be affecting your business.

Over the last 12 months we have seen several major successes at the firm, the most recent being our lead advisory role in the merger of recruitment agencies Assist and HC Recruitment which has created a top 10 industrial UK recruiter.

We have launched a new VAT retainer service to help existing clients tackle HMRC issues and our R&D tax specialists have helped clients reclaim over £2m in R&D tax relief.

Finally, our back cover shares our staff success with you including exam passes and promotions.

That's enough from me. I hope you enjoy the newsletter and please do contact us if there are particular subjects you'd like us to cover in future issues.

Kind regards

**Paul Stansfield**  
Managing Partner

## Cowgill Holloway Corporate Finance Advise Assist Recruitment Ltd On It's Merger With HC Recruitment Limited To Create Top 10 Industrial Recruiter In The UK



Liverpool based commercial and industrial recruitment business Assist Recruitment (Assist) has completed a merger with HC Recruitment (HC) that will see the company become one of the largest industrial recruiters in the UK. Both businesses will trade under the Assist Recruitment brand and will offer customers an enhanced service in terms of national coverage, innovative and cost-effective service solutions to the planned AWR legislation in October this year.

Both Assist and HC provide temporary staff to blue and white collar sectors and work with some of the UK's most recognised brand names including Morrisons Supermarkets, JD Sports, Next Directory, Music Magpie, Greggs the Bakers and Findel Education. The combined business will have a turnover in excess of £45M per annum and provides up to 6000 temporary workers from 16 branches and 20 embedded customer locations from Scotland to London and the South East.

### Dave Dargan, Managing Director of Assist explained:

"This is a fantastic step forward for our company, our combined business is now one of the largest industrial recruiters in the UK which presents some exciting opportunities for our customers and our staff. We have always prided ourselves on being different from our competitors which is a value shared by the team at HC which will help us continue to provide our customers with unique, cost-effective and compliant solutions for their staffing needs.

The deal was orchestrated by Cowgill Holloway's corporate finance team who identified the opportunity to merge the two businesses and structured and project managed the transaction.

### Ian Johnson, the Partner who led the transaction, commented:

"This is an excellent deal for two companies which share some remarkable synergies. Both are exceptionally well-managed, operate in identical areas and possess a common vision to grow and develop into a leading UK player."

Should you be interested in meeting with us specifically to talk through your own strategy please contact

**Ian Johnson** on 0161 827

1200 or email

[ian.johnson@cowgills.co.uk](mailto:ian.johnson@cowgills.co.uk)



## Cowgill Holloway Warns SME's:

### "Don't miss out on R&D tax credits"

**Thousands of companies are benefiting from research and development (R&D) tax credits, according to new figures from HM Revenue & Customs (HMRC) released earlier this year.**

The figures showed that the total paid out in tax credits since they were introduced in 2000 was nearly £5 billion.

"Cowgill Holloway has helped clients reclaim in excess of £2m to date, proving that there are significant financial advantages to be made from making a claim," says Andy Ball, tax partner at Cowgill Holloway.

Andy continued: "The types of activities that qualify for R&D tax relief cover a broad spectrum and can be challenging for businesses to apply in practice, so it stands to reason that any company seeking to gain maximum benefit from tax credits in this field will need specialist advice in order to recognise

the potential, fulfil the conditions involved and calculate how much relief can be claimed under the scheme."

Qualifying R&D is work which is aimed at achieving an advance in science or technology through systematic investigation which seeks to resolve scientific or technological uncertainty. A technological or scientific advance might be a new or improved product, process or service.

The SME scheme applies to businesses with less than 500 employees and offers higher rates of relief than the large enterprise scheme. Subject to State Aid Approval, the 2011 Budget made announcements to increase the relief to 200 per cent, meaning that for each £100 of allowable costs, a company's profits on which Corporation Tax is paid could be reduced by an extra £100, in addition to the £100 already spent.

"In some instances, for our clients, R&D

credits are more than just a tax incentive, they can provide a valuable source of funding because they find themselves in a loss situation and can surrender the loss in exchange for a cash payment," Andy concluded.

Subject to State Aid Approval, changes introduced in the 23 March Budget mean that the tax relief will become even more attractive to small companies, with the rates rising to 225 per cent from April 2012.

Cowgill Holloway has a dedicated R&D tax credit unit. This highly motivated team pulls together the experience and specific specialist skills in tax, accounting and audit that are necessary to identify and successfully manage R&D claims. For more information please contact Andy Ball on **01204 414243** or email [andy.ball@cowgills.co.uk](mailto:andy.ball@cowgills.co.uk).

## VAT: Ask The Expert Retainer Service



20%

Since VAT's inception in 1973, the system has become increasingly complex and it is an unfortunate fact of business life that it cannot be ignored. It provides many pitfalls for the unwary and penalties for even innocent errors. HM Revenue & Customs has wide-ranging powers and they are not reticent about using them. Consequently, the necessity of accurate, timely and proactive advice has never been greater.

For this reason, Cowgill Holloway has launched a new service, 'Ask the Expert', allowing you a tailored VAT package at an annual fee, which will put your mind at rest, potentially save your business money and avoid any disputes with HM Revenue & Customs.

To find out more contact our VAT Senior Manager, Carolyn Van Hecke on **01204 414243** or email [carolyn.vanhecke@cowgills.co.uk](mailto:carolyn.vanhecke@cowgills.co.uk)

## Property Focus:

Stuart Stead, Audit and Business Advisory Partner, heads up our Property and Construction division, here he gives his viewpoint on the sector....



### How difficult is it to operate in the property sector at this time?

There is a nervousness that needs to be overcome. That said, there are good opportunities out there for strong management teams with good track records and access to finance (which is clearly the most difficult aspect). The key is balancing the need for equity with investor's perception and desired return and I think there is still work to be done on this. We are very closely involved with a number of developers and investors to make viable schemes happen and we are having to unlock or create sources of finance to do so.

### Looking into your crystal ball, what are your predictions for the industry over the coming months?

I do not foresee much movement, unless we continue to be more creative and make things happen. We are working on a number of schemes in the student accommodation and care sectors as well as some residential and mixed-use stuff and we will push these forward in the coming months. My belief is that you need to make things happen and not just wait for the market to turn and I am working with my clients and contacts to do just that. I am also interested to see the effects of the Localism Bill, which I am certainly behind and expect residential landlords to take advantage of the recent SDLT initiative on bulk purchases later this year. The residential rental market should remain buoyant while feasible mortgage products are limited. The First Buy scheme will push some people onto the property ladder, albeit the reported sum of £250m is unlikely to have a dramatic impact.

### How does the North West commercial property compare to other regions in the UK?

We have good stock and good developers, but like anything else there is always room for improvement and risk of voids. There have been a number of brave schemes in the North West and this symbolises the entrepreneurial spirit of the region. In my opinion, Manchester is the UK's second city for business.

### What would be the biggest thing that could be done to improve the property sector in the North West region?

There appears to be such a focus on London in relation to certain aspects of the property sector, particularly funding. We all tend to gravitate there for larger and more unusual transactions and I believe we should attract more of this talent and resource to the North West region. Local knowledge is critical in property and if we can encourage more of the boutique finance houses, merchant banks etc. to have a greater presence here, or better still create our own, I believe the sector and the region would benefit immensely. I spend a great deal of time in London and there is no reason why a lot of what I have done down there can't be done in our region.



## Cowgill Holloway Becomes a Strategic Adviser to The High Growth Foundation

**Cowgill Holloway has joined a network of specialist advisers to launch The High Growth Foundation, a new programme to help the continued growth of local SME's.**

Endorsed by Winning Pitch, for the past two years, over 1,700 North West businesses had benefited from coaching support delivered by Winning Pitch plc via the High Growth Programme. The Programme had been widely recognised as having had a profound impact on the performance of growth hungry companies across the region, but is now successfully completed.

As a natural follow on from this support, Winning Pitch and partners are launching The High Growth Foundation to enable companies to access further tailored support as they continue on their growth journey.

Cowgill Holloway is one of a limited number of specialist advisers to provide the Foundation members with expert advice.

In addition to receiving valuable help and advice from the network of strategic advisers, members will benefit from a huge range of additional services, such as free workshops,

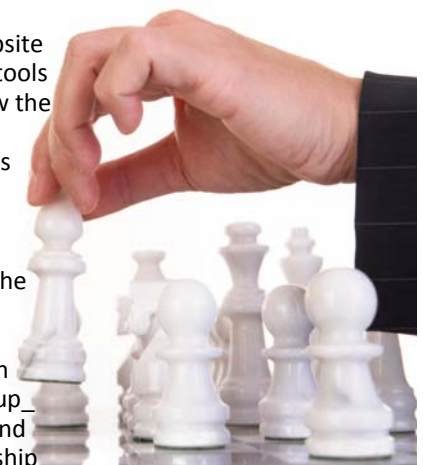
help with recruitment needs, a members website with access to proven tools and techniques to grow the business, preferential invitations to key events and much more.

Becoming a member is simple, just download the application (which can be found at:

[http://www.highgrowthfoundation.co.uk/sign-up\\_page.html](http://www.highgrowthfoundation.co.uk/sign-up_page.html)), complete and send with the membership fee of £295 plus VAT to The High Growth Foundation.

The High Growth Foundation is open to any company in the North West with a passion and commitment to sustainable growth.

For further information please contact Heather Lomas, [h.lomas@winning-pitch.co.uk](mailto:h.lomas@winning-pitch.co.uk) or call 0161 918 6679.



# Cowgill Holloway News

## Exam Success Celebrations

Six Cowgill Holloway students are celebrating after passing their exams. Nick Bolton and Neil Bunker, have successfully completed their final ACA and ACCA papers respectively and are now qualified. Charlotte Heys, Danielle Symes and Fiona Shuttleworth have all passed various modules of the ICAEW examinations. Nick Brierley who is studying to become a licensed Insolvency Practitioner passed his CPI insolvency exams.

John Marshall, partner in charge of graduate recruitment and development, at Cowgill Holloway said: "It is great to see yet more of our students passing their exams, this success is a testament to their hard work and commitment.

"At Cowgill Holloway we see training as an investment in the continuing success of the firm, and my colleagues and I look forward to seeing these students develop in their roles."

Cowgill Holloway places a strong importance on its graduate training programme, the firm are currently seeking applications for their 2012 January and September intake.



## Cowgill Holloway expands North West team

**Our Manchester and Bolton teams have been strengthened with four new appointments.** Over recent months new additions have been made to the corporate finance, audit and business advisory, outsourcing and payroll services teams.

Commenting on the new appointments, Cowgill Holloway's managing partner, Paul Stansfield, said: "Our recent appointments demonstrate that even when general market conditions are tough, there is still a large demand for advisory services from North West owner-managed businesses. We are confident that all the new recruits will be valuable additions to our team."



Among the new recruits is Linda Burt, who joins Cowgill Holloway's payroll division, as Payroll Administrator, commenting on the appointment she said: "I am thrilled to be joining Cowgill Holloway. The firm has an enviable client list and its payroll team is widely recognised throughout the North West, I am looking forward to advising a diverse client base."

Linda is joined by Denise Patrick who will work in the Manchester Office as a corporate finance analyst, Sean Neary, who is a trainee book-keeper in the Bolton office's outsourcing team and Ben Barlow, who is a graduate trainee working towards his ACA qualification.



## Paul Cunniff Promoted to Partner at Cowgill Holloway LLP

**Cowgill Holloway is pleased to announce that Paul Cunniff has been promoted to Partner.**

Paul qualified as a management accountant at the age of 22 and became a Director within Cowgill Holloway in 2008. He has been instrumental in driving the business forward, creating and growing the outsourcing solution of the firm, which has recently been launched under a new brand - CHR Financial Outsourcing.

Paul Stansfield, Managing Partner, at Cowgill Holloway said: "We are delighted to welcome Paul to the Partnership. Paul's contribution to the practice, combined with his technical and leadership skills and his excellent track record of retaining and helping his portfolio of SME clients has earned him his promotion to Partner. His appointment is part of our ongoing development strategy which will take the firm into new specialist sectors."

Paul Cunniff commented: "Cowgills has great plans for future development and I am delighted to be part of that future. Since I started with the firm in 2004, the service offering has changed significantly; we have brought together quality accounting, tax and business advisory services in order to provide an integrated package for our clients, the outsourcing solution has been a key role in the firm's development over the last four years and I am excited about developing the solution further."

Paul's promotion follows the recent appointment of accountant, Natalie Yates, who has joined his department to manage the book keeping team.

