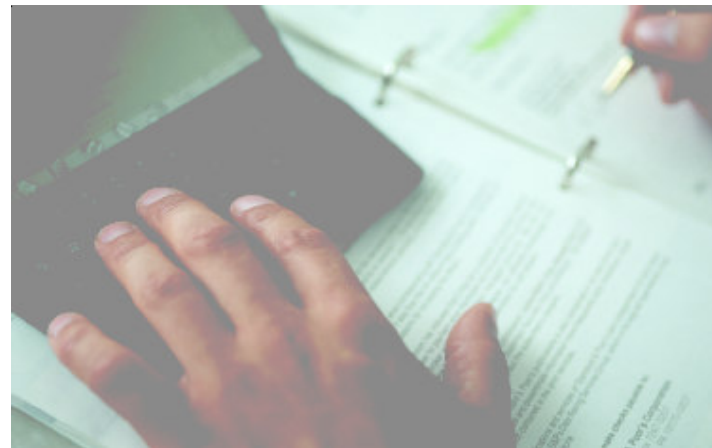


Top Tips - Review Your Pension



People stuck in poor performing pensions could find they are left with little to live on, warns Graham Gordon, head of financial planning and partner at leading Lancashire accountants Moore and Smalley.

Many business people do not find the time to review their pension scheme and consequently could find a huge shortfall come retirement. Some with-profit pension schemes offer a nil bonus rate, whilst other types of pension suffer levels of charges which eat away at any returns.

If you want a pension that will support you in later life, then you must review your arrangements on an annual basis. There are many pension funds either underperforming or suffering high charges. This could mean increasing the amount you pay in or moving your pension to another provider.

You will miss out on tax saving opportunities and be worse off in the long term if you simply assume your current pension provision is ticking over nicely. The charges for pension schemes are coming down and you can actually move a pension to a cheaper scheme at no cost resulting in more pension on retirement.

Moore and Smalley offer a pension review service to ensure people are not being overcharged or investing in under performing schemes.

To find out more about pension reviews contact Mark Brennan at mb@moore-and-smalley.co.uk.



Damian Walmsley, Partner

Damian Walmsley joined Moore and Smalley Chartered Accountants and Business Advisors as a student in 1987, and after training and qualifying as a chartered accountant, he became a Partner in 1998.

Damian is responsible for a portfolio of around 200 business clients with a range of turnovers up to £25m. In the last three years he has assisted a number of clients in acquiring and selling holiday parks in deals totalling over £20m and is one of our resident experts in this field.

Damian was recently recognised by his peers as the 'Business Advisor of the Year' in the North West Society of Chartered Accountants Business Awards.



Tony Medcalf, Tax Partner

Tony Medcalf has been with Moore and Smalley for 9 years and tax partner for 5 years having joined the practice from a big 4 firm. He leads a dedicated team of highly experienced staff on a wide range of tax planning initiatives tailored to the owner

managed business sector. Tony has a number of clients in the holiday park and property development sectors.

Tony is responsible for the management of the firm's personal and corporate tax compliance, as well as lead advisor on special one-off tax projects.

Moore and Smalley

Richard House, 9 Winckley Square, Preston, Lancashire, PR1 3HP Tel: 01772 821021 Fax: 01772 259441
Fylde House, Skyways Commercial Campus, Amy Johnson Way, Blackpool, Lancs, FY4 2RP Tel: 01253 404404 Fax: 01772 259441
www.moore-and-smalley.co.uk

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March 2006

park life

MOORE & SMALLEY
CHARTERED ACCOUNTANTS AND BUSINESS ADVISORS

Moore and Smalley are members of the British Holiday and Home Parks Association



NCC highlights motorhome sector

Welcome

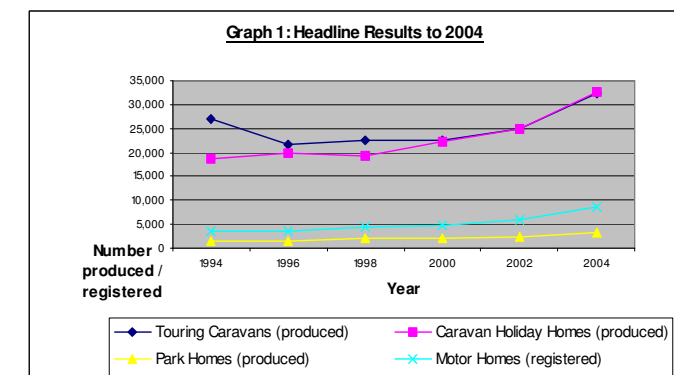
Welcome to the second edition of 'park life', the update for holiday and caravan park owners from Moore and Smalley Chartered Accountants and Business Advisors.

In this issue we have looked at a number of growing issues affecting park owners, including:

- ◆ The latest caravan industry statistics from the National Caravan Council (NCC) and what they tell us about how the industry is performing.
- ◆ Our BEST product, a solution to enable park owners who are considering selling their park to plan for their business exit and to maximise the value of it.
- ◆ How owners can minimise their tax burden by taking action prior to the end of the tax year.
- ◆ Why you should regularly review your pension in order to avoid charges that could deny you money in later life.

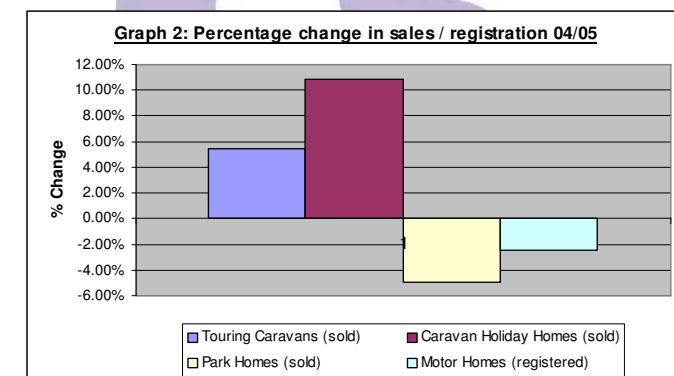
If you would like to find out more about our services to park owners, please contact Damian Walmsley at info@moore-and-smalley.co.uk or 01772 821021.

The National Caravan Council has released their 'vital statistics' for their members in the first half of 2005. Their figures show that the number of touring caravans, caravan holiday homes and park homes being produced is still on the increase, but by far the biggest growth in the industry is the total number of people registered in motorhomes. The relative growth in each of these areas from 1994 to 2004 is shown in Graph 1.



The UK is now the largest touring caravan market in Europe, but the motorhome market is still lagging behind France, Germany and Italy, showing the potential for growth of this market.

The signs over the first six months of 2005 is that the market for caravan holiday homes and touring caravans are defying the challenging market conditions and falling consumer confidence affecting the sector, thus highlighting the fierce loyalty of consumers within the sector. The changes in each sector from 30th June 2004 to 30th June 2005 are shown in Graph 2.



The loyalty of caravan park visitors is not the only reason for park owners to be cheerful, as the NCC report highlights that caravan holidays make up 19% of the domestic holiday market. Additionally, 26% of adults aged over 15 has been on a caravan holiday in the last three years, and of these, 21% were aged between 15 and 19.

As a result, with a largely growing market, and a significant proportion of younger consumers, there is still much for park owners to be optimistic about for 2006.

* All data is taken from the National Caravan Council's 'Vital Statistics' report which is available from www.thecaravan.net.

Only the BESt is good enough

Exiting a business is as inevitable as a tax bill but many entrepreneurial park owners have given no real thought to how they will do it.

Moore and Smalley has recognised the need for expert guidance and launched BESt (Business Exit Strategies) aimed at helping business owners achieve the best possible corporate, personal tax and wealth management results from their exit plans.

Official research shows that while half of business owners want to be enjoying the fruits of their labours by the time they are 50, only seven per cent have an exit strategy in place!

It is something busy park owners know they will have to address but they seem to believe they have all the time in the world to set it up.

Those who have spent years putting their emotional and physical energies into their business should know that planning cannot start early enough. Running a business is time consuming so expert help is needed to plan long term objectives.

As part of the BESt service, Moore and Smalley will conduct an initial free consultation to establish what a client wants to achieve. After this, for a fixed fee, the firm will undertake an exit consultation and review the business and the owner's personal circumstances.

This will include setting objectives; getting the business into the best possible shape for an exit; exploring the different exit routes available such as family succession or trade sales; minimising capital gains and other tax liabilities and financial and income planning.

To implement the plan that has been developed, Moore and Smalley will act as the lead advisor. Some clients may want to set the ball rolling immediately whereas others might prefer to save the report for the right time safe in the knowledge it is ready to go.

Moore and Smalley strives to ensure that clients realise their personal and corporate dreams. To do this properly, they need to work hard to groom the business for sale or succession.

The firm's experts provide advice on the confidential marketing of the business and identify potential purchasers where appropriate. Lead support will be provided during the time consuming negotiation process to allow owner-managers time to continue running their business so that it doesn't lose value.

Moore and Smalley partner and expert in the sale and purchase of caravan parks, Damian Walmsley said:

"Our specialist team has decades of experience in creating successful exit strategies for business across the UK in the leisure industry.

"Building your business to the position it is in today will have involved a great deal of hard work and sacrifice. Whatever the nature of your business and the method of your exit, we believe that you deserve the maximum sale value, the minimum tax bill and a stable financial future, all through as stress-free a process as possible."

Have you got an exit strategy in place? To book a confidential free initial consultation, contact partner, Damian Walmsley on 01772 821021.

Year End Planning – Act now to minimise your tax liability

Now is the perfect time to take stock of how you are managing your finances as the end of the tax year approaches.

It is an ideal opportunity to review your personal finances and business strategies and look at how to improve or reduce your taxes.

Tony Medcalf, Moore and Smalley's tax partner, highlights several ways to help minimise tax liabilities and achieve a more secure future by simply acting before April 5.

Capital Gains Tax

Every single person has an annual Capital Gains Tax exemption, which is £8,500 for 2005-06, but it cannot be carried forward from one tax year to another, so whatever amount that is not used in a single tax year is lost.

Husbands and wives should make sure they both use their annual exemption for Capital Gains Tax.

If you make a loss on selling assets you cannot carry that loss backwards. So if you have made losses try and match them to a year when you make gains.

Inheritance Tax

Too many people forget to review their gifts out of income. If your recurring net disposable income exceeds your annual living costs then the surplus can be gifted annually without restriction.

Ensure that you give the annual £3,000 limit and also the £250 limit to any number of people.

Wills should also be reviewed regularly and an up-to-date will is an essential foundation for effective IHT planning.

"an up-to-date will is an essential foundation for effective IHT planning"

Nil rate discretionary wills and a review of the ownership of joint assets will ensure that both spouses on death utilise their nil rate bands potentially saving up to £110,000 of IHT.

Gift Aid

If you are planning to give to charity make sure you do it through gift aid which means you only pay 78 pence out of every pound paid – the Government pays the 22 pence difference. Higher rate tax payers will get a further 18 pence deduction through the tax return.

Income tax

Before April 5 husbands and wives should make sure they equalise their income producing assets to utilise any lower rate bands.

Pensions

You should always review your pension in February or March to make sure you get your tax relief entitlement on your pension.

Always invest in your pension plan and obtain tax relief at your highest rate, subject to investment limits. Also make sure your scheme has been reviewed before April 6, 2006 – pension simplification day.

ISAs

ISA's are an excellent option for tax efficient savings. By making small regular contributions to ISA's you are exempt from income tax and capital gains tax, so make sure you use your full allowance of £7,000.

For further information, contact Tony Medcalf, tax partner at Moore and Smalley, on 01772 821021.

"you should annually review your pension in February or March"