

POWER IN NUMBERS

ROTHMANS CHARTERED ACCOUNTANTS NEWSLETTER ISSUE 1 2009



ROTHMANS, BUSINESS AS USUAL



Rothmans, standing out from the crowd

July 2009 marks another milestone in the history of Rothman Pantall. From this month the business changes its name to Rothmans and you'll notice a new look to our external branding.

Despite these alterations to how we look, it's business as usual. So why make changes?

In its 54 years as an accountancy practice in the south of England, Rothmans has grown to around 200 people located in 12 offices. Throughout its history the business has changed size and shape, mainly through organic growth. However, during its half century it has always kept the same ethos and business focus – to work in partnership with its clients, in order to help them develop their businesses successfully. As a business develops and grows, it's

important to ensure that the culture which worked in the early days is not lost. Like any of our clients, we plan our future, and as part of our strategic thinking we were determined that any further expansion should not diminish the values for which we have always stood or the breadth and depth of services on which we have built our reputation.

To this end we undertook a review of our existing business relationships. Our research clearly demonstrated that a key factor of our success is our 'team' approach to working with clients. From start ups to international corporates, we are considered part of the business team and it is this relationship aspect, alongside the quality of our services that people appreciate.

Our philosophy has always been the

same - no matter which office you contact, no matter who is working on your business, you need to feel that Rothmans is with you every step of the way, through the downs as well as the ups that come with running a company. And as we recruit new staff, they need to understand that we are not a firm that only concentrates on routine accounts and tax matters, but we work in a close relationship with clients at every stage.

So, back to the question I posed at the beginning – why make changes? Our rebranding exercise; new name, new logo, new website etc. is just part of a programme to promote our key concepts more actively to clients, contacts and staff. It's intended as an affirmation of who we are and what we

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can offer, both now and in the future. We think the new 'look' is fresher, more contemporary and more accurately represents our business and its values.

In this recent review, one of the issues to emerge was the realisation that not everyone is aware of the range of services and areas of specialisation we have within the Rothmans' organisation. To address this, you'll be seeing and hearing more about us and our work throughout the year. And we've also been looking at some new ways to bring you practical advice, business ideas and interpretations of the latest tax regulations.

Please take a look through this newsletter which gives some insight into our approach and what's happening at Rothmans. If you are one of our clients, we hope you feel we go that extra mile for you and feel confident to recommend us. If you've not used our firm before, then please call one of the Rothmans' partners and we can tell you more about how we can help your business.

You'll notice that we have adopted a strapline to accompany our new logo, which we think sums up our philosophy. It's 'everyone counts'.

Andrew Bennett

Partner – Rothmans Chandlers Ford



ROTHMANS CHANGES TO LLP STATUS

As part of a programme to further develop our business, Rothman Pantall has taken the decision to move from a traditional partnership to a Limited Liability Partnership (LLP), trading under the name Rothmans. This change will take effect from 1 July 2009.

The ability to move to LLP status is a relatively new development for accountancy practices. While you will not experience any change in the way we work with you, LLP is a more contemporary corporate structure and better suited to our business today, enabling us to drive the firm forward and serve our clients more effectively.

The LLP structure is a vehicle for growth and will assist us in a number of areas. For example, to develop our business and expand the facilities we are able to offer, Rothmans needs to continue attracting bright young partners into the

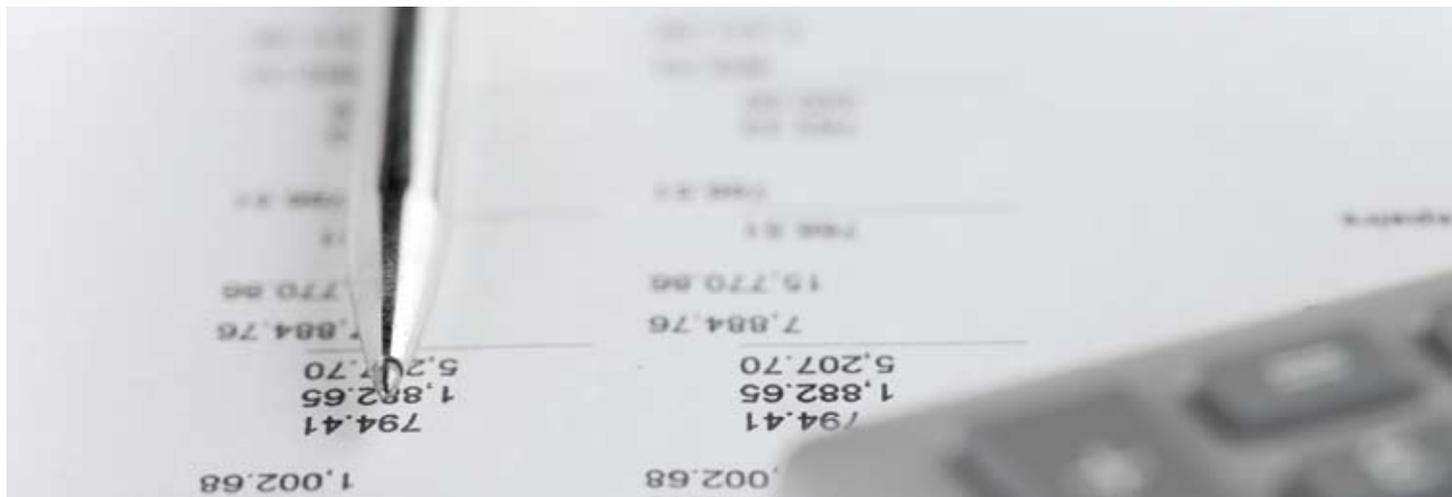
firm - LLP increases our recruitment prospects in this respect.

As far as our clients are concerned, only our name has changed – Rothmans will continue to provide you with the same excellence of service. However, if you have any questions at all, please contact one of the partners and we will be happy to give you further details.

Barry Lynch

Senior Partner – Rothmans Winchester





CORPORATE FINANCE

Corporate finance is one of those terms which can cover a wider range of activities than many people appreciate.

Looking at the term **corporate** it is usually described as: shared by members of a group, whereas **finance** can be any of the following:

the management of money

money as support for an undertaking

the money resources of a company or person

In terms of **corporate finance** as a specialist activity, again the phrase can relate to a number of separate but connected areas:

- establishing the constitution and structure for businesses
- raising funding for the needs of the business or the proprietors
- adapting the constitution and structure of businesses as circumstances change
- buying and selling businesses or holdings in businesses

The **initial structuring of a business** can refer to a sole trader, partnership, LLP or other company structure and may address partnership, LLP or shareholder agreements. It may include a business plan, different share classes, options, profit-sharing agreements, service contracts and keyman insurance.

The **financing of the business** may include capital or loans from the proprietors. It will usually include a relationship with one of the major banks but may also include leasing, instalment finance, invoice discounting, commercial loans, sale and lease-back, EIS schemes, private equity, grants and merchant banking.

As **circumstances change** within a business, all the issues mentioned above may need revisiting. It could then be the time to look at group structures, spin-off businesses, joint ventures, distribution agreements or management incentive schemes.

And at some point there will be **ownership changes**; perhaps an acquisition, a disposal, the exit of a shareholder, a management buy-out or new shareholders buying in. Often a business valuation will be necessary.

Many of these areas are strategic, involving long-range planning and it may be helpful to have some professional input. Your Rothmans team are dealing with these issues daily and can help you look at the benefits and suitability of various alternatives.

At the more specialist end of corporate finance, a number of our partners are qualified corporate finance professionals. In addition we have a strong network of relationships with bankers, merchant bankers, private equity, nomads, solicitors and other experts that we can bring to the table when they have a role to play.

In future newsletters we will touch upon the four separate areas of corporate finance in more detail. If any of the points mentioned above have prompted you to think about issues for your business then please do have a chat with your Rothmans team.

OFFICE FOCUS SEGENSWORTH

Located on a thriving business park between Fareham and Portsmouth, the Segensworth branch is a modern, purpose-built office where the 12 strong Rothmans team handles a mix of clients from individuals to international companies.

Partner Martin Osborne explains that although the office has only been in its present location for less than a year, its association with the area goes back a lot further. "The current Rothmans office has its origins in Park Gate, where it was established 35 years ago. We've had a number of moves locally since then to cater for our steady growth. Our clients tend to be very loyal and many of them have been with us 25 years or more, testament to the close working relationship and tailored service we provide.

"The current location, situated just a few minutes from the M27, is really very convenient for clients and the modern facilities we have reflect the culture of

our team and the needs of our clients. The success of the branch meant that an office move became essential and the new premises provide us with a great platform for our future expansion plans."

The majority of Segensworth clients are local, primarily owner-managed SMEs from a wide range of industry sectors and, in common with other Rothmans offices, are offered a wide range of services.

"Typically we build up a close relationship with our clients and provide tax advice and planning, accounts, audit and advice on business development, such as acquisitions. We are very fortunate to have very dedicated and loyal staff, a number who have been with the firm for 20 years or more. This helps to foster stability and continuity within the office, something that our clients value highly."

Fellow partner, Daren Laidlaw said "Although we act for businesses nationally and internationally, we enjoy

being part of the local community. This brings an added bonus for clients in our having great links established with banks, solicitors and other professionals in the area. It also means our staff get involved in local activities, such as the recent Race for Life and we are able to support local charities such as Leukaemia Busters which does such brilliant work in this region."



Martin Osborne

Martin has been with Rothmans for 25 years and became a partner in 1986. He trained with an accountancy firm in the Midlands and qualified in 1982. Having gained considerable experience in advising small and medium sized businesses, Martin enjoyed a two-year secondment in Zimbabwe prior to joining Rothmans, where he worked on large

international audit assignments.

Although he deals in all aspects of general practice, Martin gets a great satisfaction from ensuring that clients make the most of tax planning and wealth creation opportunities.

He lives in Bishops Waltham with his wife, Helen, and has three children. He is an avid sports fan and enjoys participating in golf, squash and tennis.

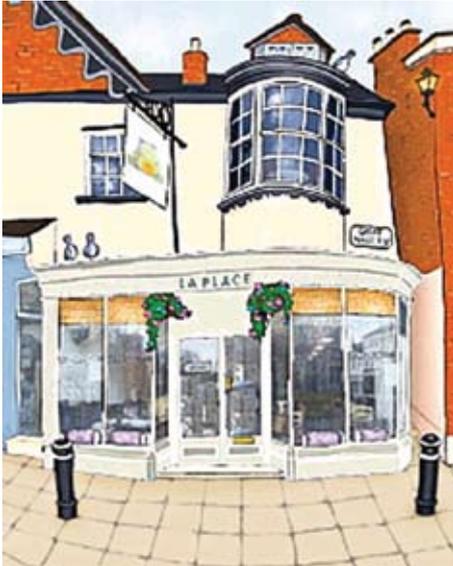
Daren Laidlaw

Daren joined Rothmans in 1997 and became a partner in 2001. Following his graduation, he trained and qualified with a small firm in Fareham. Daren has considerable general

practice experience, advising a variety of businesses both locally and abroad. He specialises in owner-managed businesses and enjoys the close working relationship such clients require. Daren

lives in Whiteley with his wife Louise and their three young children. He has recently succumbed to the lure of the water by taking up canoeing and sailing and enjoys other sports when time permits.





CASE STUDY

CLIENT – BISTRO LA PLACE

Setting up a new restaurant is considered by many to be risky at the best of times. So opening a new restaurant just before one of the worst recessions in recent years should have been a disaster. However, Bistro La Place, a French restaurant and bar which opened in February 2008 in the centre of Winchester, has proved that combining talent with a strong management team can confound the critics.

From a strong start the business has grown significantly and is substantially ahead of initial business model projections and performance measures, with a growing reputation in the city for excellent food and service.

The idea for Bistro La Place was conceived by two experienced French restaurant managers, Gael Pes and Sebastian Brancy, who knew the local restaurant market, and their business partners Jackie and Andy Dyble. Experienced in running businesses, Andy Dyble knew that putting the right management team in place was crucial and he brought in Barry Lynch, a partner at Rothmans in Winchester, at the earliest stage of negotiations with a brief to acquire the lease for the

premises, to develop the business plan and very importantly to help raise the balance of the funding. "Fortunately Barry's relationship with local banks eased that process considerably via his and Rothmans' reputation and professional history," explains Andy. "I have no doubt that without their introduction, this business would never have got off the ground."

Barry Lynch effectively took control of the legal and financial structure of the company, to achieve the right balance between the various interests, and looked after all related issues for the start up in liaison with a local solicitor. The Rothmans team initially guided Bistro La Place through the bookkeeping issues but when the business started to grow it took over the complete management of the books together with financial reporting and compliance, taxation, VAT, filing accounts and staff PAYE. "In effect Rothmans has become a one stop shop for all our accounting needs, including statutory reporting advice on issues of insurance, dividend policy and advising on the legal structure as the business matures," Andy comments.

"Rothmans has a very solid machine

that handles all these issues professionally, diligently, and above all on time, whilst keeping the process friendly and respectful. I have particular feelings about this because I started off doing the bookkeeping and soon discovered that it is really a job for the professionals. I can relax about the financial management of the business because it is in Rothmans' capable hands."

Looking to the future, Bistro La Place is keen to seek more support from Rothmans on issues of management information and growth and in planning the next developments of the company and business.

"We have developed a practical, no nonsense partnership," continues Andy. "Bistro La Place would not be here without Barry and Rothmans and it certainly would not be in such good accounting and management control. That's so important, because one cannot really run a business properly and prosper without confidence in the figures and their timeliness."

www.laplacebistro.co.uk

Barry Lynch

Senior Partner - Rothmans Winchester

ROTHMANS UPDATES

As a part of re-launching our brand we shall be looking to improve our approach to keeping our clients and professional connections up to date with changes in rules and common practice which may affect them.

In the future we shall produce straight-forward updates in simple English under the banner 'Rothmans Update'. The updates will contain key points relating to changes in personal tax, business tax, company law and general commercial topics which will be relevant for our clients and contacts.

Our intention is to provide a summary of key information in an 'easy to read' format on areas of change. The updates will be delivered by email and will also be available on our website. The covering email will be very simple,

confirming the subject matter and inviting you to click on the link to access the update.

Our intention is also to be as unobtrusive as possible where the particular subject is not of interest to the recipient. The covering email will instantly identify the content as a Rothman Update and will also identify the subject. If it is of no interest to you it can be deleted with one click.

The first update will be on a company law topic and will be distributed at the end of July. We hope that you will give the Rothmans Updates a try and will find the information provided helpful. If you wish to check that you are on the distribution list please contact a member of our team or email to the following address: webmaster@rothmansllp.com

STRATEGY CORNER

People have a wide variety of different reasons for being in business. Some may have a considered plan to go into business whereas others may have found themselves in the right place at the right time.

Whatever the background to your business, our experience has shown that many business owners lack clarity about their long-term financial goals and their strategies for achieving them.

From a purely financial point of view there are four main reasons to own a business:

1. **generating income for lifestyle requirements**
2. **generating cash that can be extracted from the business and converted to capital**
3. **increasing the value of the business as a realisable capital asset in its own right**
4. **generating opportunities to become involved in other businesses**

If you are reviewing your business strategies then your team at Rothmans are here to help. If you are not thinking about your business strategies, then perhaps it is even more important to discuss the future of your business with your Rothmans team.

INTRODUCING ADAM BOLGER

Adam Bolger is the latest employee at Rothmans to be appointed to a directorship within the group. Based at the Portsmouth office, Adam has built an impressive portfolio of clients, many of whom are in the property and construction sectors.

Joining Rothmans directly from college, Adam started at the Portsmouth office in 1999, qualifying as a certified chartered accountant in 2005.

Accountancy was actually his second choice of career, after narrowly failing to pass the entrance to become a pilot, but one he relishes. "I entered the profession thinking it was all about numbers,

but quickly realised accountancy is about dealing with people and solving problems. I couldn't have chosen a better life."



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