

AUTUMN 2006

# aspect

News, views and information from Ashdown Hurrey and Spectrum

## NO ORDINARY COMPANY DIRECTOR

4Down on the up

### this issue

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#### Pensions time bomb

Government set  
to diffuse

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Dave Gould



# Welcome

to the second installment of *Aspect*, we hope you enjoy it.

Our first issue certainly generated plenty of debate and comment - the audience appeared split down the middle on the merits of photographing the four partners freezing to death on Bexhill seafront! Whatever your view, we hope the image reflected the Ashdown Hurrey determination to be a little different and always offering more than your average firm of accountants.

This issue includes a number of really exciting articles that challenge the old and rather negative stereotypes that Hastings has suffered from. Our cover story features Ian Morris and his growing team at 4Down. Hastings is a veritable Mecca for BMX devotees and Ian is playing his part by building a highly successful distribution business.

Another alternative view of the town comes from entrepreneur Peter Stavri. Peter and his business partner, Dave Gould, have invested a huge amount of money in the redevelopment of buildings across Hastings and believe the area remains an ideal vehicle for potential investors.

On a different theme we are immensely pleased to announce the launch of our new web sites. The web has been playing an important role in the success of Ashdown Hurrey and Spectrum for a number of years now and we fully expect this to continue to grow. We hope you find time soon to click your way to [www.ashdownhurrey.co.uk](http://www.ashdownhurrey.co.uk) and [www.spectrumfs.co.uk](http://www.spectrumfs.co.uk).

Finally, we would like to thank every client and professional contact for the good natured patience shown while key changes to the business were being implemented. The relocation of Spectrum into new offices in Bexhill and Hastings went extremely well and is proving hugely popular with clients and staff.

We were very keen to minimise any disruption to our normal high levels of service to clients and hope that we broadly achieved this.

## Terry Weston

Marketing Partner



Partners; Paul Bradbury, Patrick Lee, Jeff Moore and Terry Weston

# No ordinary company di

**D**id you know Hastings is a very, very serious player in the world of BMX? No, nor did we, but it is and people like Ian Morris are ensuring that reputation is growing amongst a global audience.



## OUR NEW FACE ON THE

**Ashdown Hurrey and Spectrum are delighted to announce the launch of two fantastic new web sites. Both sites boast a contemporary design that is often lacking from the more traditional approach used by other businesses in the accountancy and financial management sector.**

Marketing Partner Terry Weston said:

"The web site is much more than just an online advert. The web sites are a handy resource, full of key information that clients and staff can use every day. Obviously, we hope they appeal to people who are looking for an accountant or financial adviser, but most crucially of all we want people to see them as a tool that will help in managing their business and personal financial affairs."

Ashdown Hurrey and Spectrum were amongst the first businesses in Sussex to recognise the potential offered by the world wide web. While the



first web site bore little resemblance to the modern design now used, it did play an important role in communicating with both new and existing clients.

# rector

Already a known face amongst BMX devotees due to his many years as a pro rider and countless magazine and video appearances, Ian is now leading a rapidly expanding distribution business that is drawing the attention of riders and retailers from across the world.

4Down Distribution Ltd started trading in April 2006 and currently imports, markets and distributes 16 top BMX hardware and clothing brands and distributes them to leading BMX shops and mail order specialists in the UK. In addition to this, the company has launched its own unique brand, United Bikes. Designed in the UK and manufactured primarily in Taiwan, United Bikes has already made a massive impact worldwide with massive market gains in the USA. Worldwide orders for the product exceeded US\$100,000 for the first 'drop' and future order books are even stronger.

The success of United Bikes can also be put down to the team of riders that have been assembled to



represent the brand. Corey Martinez was voted World Street rider of the year by his peers for the past three years. Kye Forte is reigning World Dirt jumping champion and is widely considered one of the top three riders in the UK. Marketing is a key strength of 4Down and the owners have used their skills and contacts to deliver rapid growth and demonstrate a clear vision for the future.

With the help and guidance of Paul Bradbury and Tamsyn Rayner-Vincent at Ashdown Hurrey, the company are now looking forward to a move into new larger premises and riding high on continued growth.

A Government scheme exists that can save your employees around 50% on the price of a new bike. It is aimed to make cycling to work a more attractive option by taking advantage of some unique tax incentives. For more information please contact Patrick Ovens on 01424 720222.

## INFORMATION HIGHWAY

“ We have certainly come a long way since taking our first steps on the information highway, not just as a business, but also as individuals. We have needed to adapt to the new technology and that process hasn't always been easy. The speed at which technology has changed, and continues to change, is often a little overwhelming, especially for people who can still remember the typewriter ribbon! ”

Patrick Lee  
Ashdown Hurrey Partner

We will soon be writing to every client and professional contact to invite them onto our new web site. For a small fee, businesses will be able to enjoy a presence alongside Ashdown Hurrey and Spectrum in cyber space.

[www.ashdownhurrey.co.uk](http://www.ashdownhurrey.co.uk) and [www.spectrumfs.co.uk](http://www.spectrumfs.co.uk) already receive over 15,000 hits per month. This figure will continue to grow and your company could be there to share in the success. We will include a brief description of your business, contact details and company logo.

More details and your formal invitation to take part will be with you soon.

[www.ashdownhurrey.co.uk](http://www.ashdownhurrey.co.uk)  
[www.spectrumfs.co.uk](http://www.spectrumfs.co.uk)

## Is that true?



More movies are produced in Bollywood than in Hollywood

The tomato is the world's most popular fruit, selling more than bananas and oranges

A fresh egg will sink in water, but a stale one won't

An espresso has less caffeine than a cup of coffee

Nobody knows who invented spectacles

There are more than 2700 languages spoken in the world

There are more than 20,000 brands of beer

**Why your Mum always said, 'wash your hands'.**

Studies have found up to 93 strands of bacteria, including the hideous E.coli, living on the surface of the



Before and After; The Queens Hotel in Hastings

# AH Clients Transforming Hastings

**Two forward thinking entrepreneurs are playing their part in the drive to regenerate Hastings. Peter Stavri and Dave Gould are involved in a number of development projects around Hastings including the incredible transformation of the former Queens Hotel.**

The seafront hotel had become a serious eyesore and reflective of a town in decline. The whole site required massive investment and an equal amount of determination to return the building to its former glory.

Peter and Dave shared a vision to turn the dilapidated old hotel into 44 luxury apartments.

Peter said: "Prior to the completion of the Queens apartments Hastings did not have any property of a similar type and quality. While the town still has a long way to go it is definitely on the right track.

Both men have invested over £15million in the development of properties around Hastings and continue to identify investment opportunities across the town.

Peter added:

**"There is still room for investors to operate in Hastings and the town represents an excellent investment opportunity."**

While all the Queens Apartments have long since sold, the entrepreneurs are still working to turn an old ballroom in the former hotel into a casino. Planning permission is already in place and with Hastings earmarked for a casino, Peter and Dave hope that the anticipated change to the gambling laws in 2007 will allow them to realise their ambitions.

Ashdown Hurrey's Patrick Lee said:

**"It's great to work with clients that are bringing such exciting and welcome change to Hastings."**

## Sea Space: Regeneration for Business

**Sea Space, the local regeneration company, knows how important businesses are in the development of our area. That's why they're concentrating on offering practical help and support.**

### So who does what?

The Enterprise Hub runs subsidised training courses on issues important to business, such as 'Tricks of the Trade – Introduction to PR' and 'Lean Manufacturing Training'. If you are an entrepreneur or an established business with a new idea, the Hub can also help with funding and finance advice, investment readiness programmes and access to a network of business, professional and academic contacts.

See [www.hastingshub.co.uk](http://www.hastingshub.co.uk) to sign up for the latest events or for details on how the Hub can help you.

The eBiz Centre provides free and impartial IT and e-commerce advice to help businesses reduce costs and win new clients. As well as personal consultations, the Centre runs regular workshops and eBiz Clubs. Topics include how to build a website, search engine optimisation, advertising

online and using eBay for your business. Funded by Sea Space, SEEDA and the EU, services are provided free of charge.

Visit [www.ebizcentre.co.uk](http://www.ebizcentre.co.uk) to register for a free consultation or reserve a place on a workshop or eBiz Club.

The Work Space is an ideal location for start-up businesses, offering shared offices in a professional environment with furniture, broadband and telephone line for a simple monthly fee. Hotdesking facilities are also available.

The Creative Media Centre provides managed offices to creative and media companies, with flexible terms, the best in broadband and a prestigious address. Contact Linda Jeffcoate to find out more or visit [www.creativemediacentre.com](http://www.creativemediacentre.com)

The new Innovation Centre, which opened in July, is now letting to ambitious companies who will

**"Hastings has a vibrant business community which provides the cornerstone for its economic growth and regeneration. We are pleased to be playing our part by adding to business support and to new premises to support expansion. The next step forwards in our growth plan is the new office development at Lacuna Place, which replaces one of Hastings' worst symbols of urban blight."**



**John Shaw,**  
Project Director

benefit from state of the art facilities and a supportive environment. Out of town meeting room hire with parking also available.

Contact Jenny Haley on 01424 858100 for information or to arrange a tour of the facilities or visit [www.innovationcentrehastings.com](http://www.innovationcentrehastings.com) for more information.

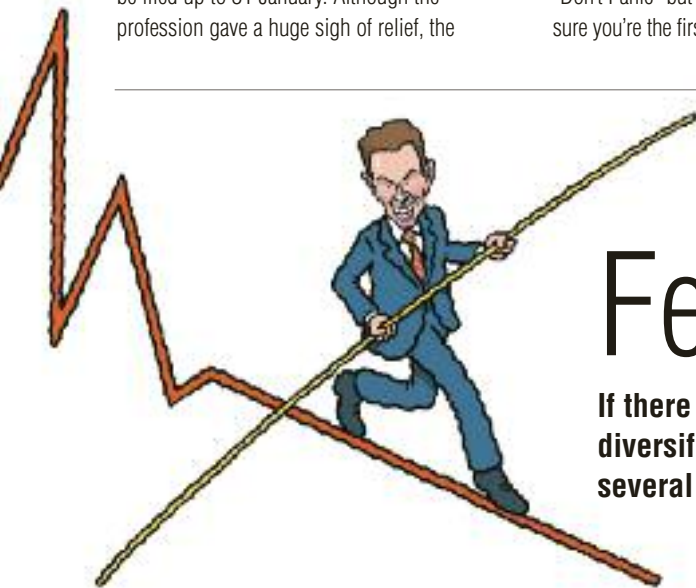
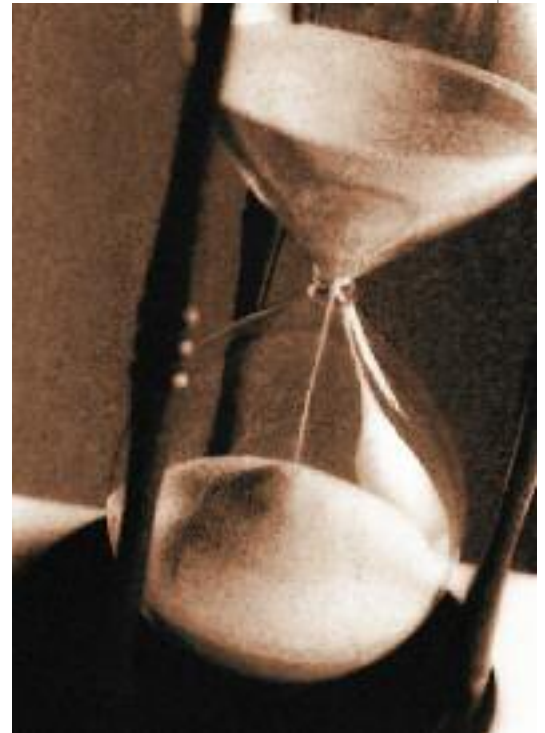
**A wave of panic swept through the accounting profession in March when Chancellor Gordon Brown announced that he was to accept the Lord Carter recommendation that filing dates for tax returns should be brought forward four months from 31 January to 30 September. The Government is encouraging electronic filing for almost all official documentation and the Budget included a provision that electronically filed returns could be made up until 30 November.**

Whilst this might be convenient for the Inland Revenue, it was considered to be immensely impractical within the accounting profession and the pressure groups instantly sprang into action to lobby for a rethink.

Fortunately good sense prevailed and recently the Government quietly announced that the proposals were not to be fully enacted. Paper returns must be submitted by 31 October from 2008 but electronically submitted returns could be filed up to 31 January. Although the profession gave a huge sigh of relief, the

proposals did highlight the benefit of planning to have accounts and tax returns dealt with as early as possible.

At Ashdown Hurrey we have always encouraged clients to deal with their accountancy and taxation affairs in a timely fashion, those who leave it until the last minute in January do not give themselves time for planning or budgeting for their liabilities and are likely to pay a heavy price in the long run. So as Corporal Jones would have said "Don't Panic" but do heed the warning and make sure you're the first one on parade!



## Feeling Exposed?

**If there is a secret to successful investment it has to be diversification - which is not simply a matter of investing with several different investment managers!**

Many funds on offer are closet trackers with similar portfolios. True diversification involves not only different approaches but investment across different asset classes. When people think about investment they often think of stock markets which are associated with a relatively high degree of risk. Sensible stock market investment can be very profitable but equities are only one potentially rewarding class of asset. Some of the others include Government stock such as index linked gilts, corporate bonds, commercial property and commodities. Some managers will even suggest a small amount of exposure to private equities and hedge funds. Even cash is a valid investment option.

Different people have different attitudes to risk but even those who are happy to accept a high degree of stock market exposure need to ensure that investments are spread across a range of different investment styles, sectors and geographic areas. Those who prefer a less volatile approach

should consider a mix of different investments. Fortunately, recent changes to the rules governing unit trusts have heralded a relatively new breed of investment vehicle. These funds involve a mix of different asset classes. Some go one step further and offer access to different fund managers as well. The theory is that they select managers on a "best of breed" basis to manage different sections of the portfolio.

For those who either can't or won't accept the mediocre returns offered by cash but who are wary of increased risk on stock markets, these multi asset class multi manager vehicles can be the answer. These funds can now be held in an ISA and so can produce tax efficient income. In some instances it is even possible to protect the value of the investment.

**For more information contact Spectrum's Investment Manager, Roy Snook on 01424 739222 or email [roys@spectrumfs.co.uk](mailto:roys@spectrumfs.co.uk)**

# Government step in to defuse pensions time bomb

**Did you know that despite being constantly told that we are not saving enough for a comfortable retirement and that poverty beckons for most, over 80% of Britains see retirement as the beginning of a new chapter in life! Oh dear...**

The Government are well aware of this alarming contradiction and are now trying to change things.

New pension rules introduced back in April offer far greater flexibility in both the ways in which we can accumulate our retirement savings and ultimately draw them. Unsurprisingly, many of our clients are showing far more interest in pensions than they have done in the last four or five years.

The Government is also proposing an "evolution" of state pensions. The idea being that the basic state pension will increase in line with earnings rather than prices - probably from 2012. The state second pension (S2P) will also become flat rate in the longer term and the state pension age will increase by a year every decade, starting in 2024.

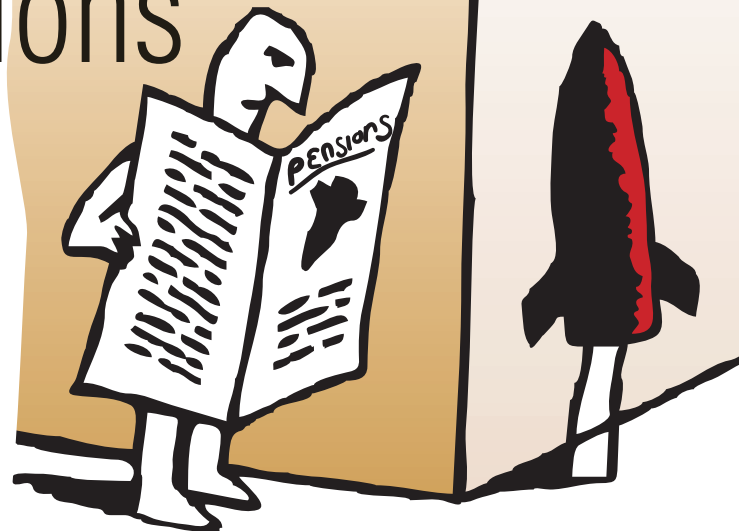
In 2012 personal accounts will be introduced. These are simple low cost individual arrangements that employees will automatically be enrolled into unless they choose to opt out or a company pension arrangement qualifies for exemption. This means that the vast majority of us will soon be saving at least 8% of earnings per annum towards our retirement. However, is this enough?

One pension product provider recently suggested that 8% should be an absolute minimum and in actual fact suggested that the minimum should be 12% of earnings. In the past, experts have encouraged people to save around half of their age as a percentage of earnings.

Regardless, the beauty of the new pension rules mean that we will be able to save large amounts when we can afford to, but take a rest from saving when funds are required for other purposes such as school fees or university costs.

Whether the Government succeeds in introducing these proposals remains to be seen. However, what we can expect is for the debate about saving for retirement to continue to generate many column inches of media comment, speculation, criticism and if we are lucky, celebration.

**Contact Graham Peters on 01424 739222 or email [grahamp@spectrumfs.co.uk](mailto:grahamp@spectrumfs.co.uk)**



## VOX POPS!



**"The lunch club manages to achieve the right mix of fun and formality. I've made so many new contacts."**

Jennifer Allen, JMA Associates Interior Design and Property Development

"It is great to have a well attended club in Hastings that enjoys such a really relaxed and friendly atmosphere."

**"The venue, service and food are always superb at the Royal Victoria Hotel – keep up the good work!"**

Karen McGill,  
KLM Mobile Beauty Therapist



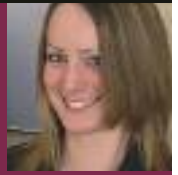
"When you make the effort to attend this type of event you want good speakers and we have always had that."

# Probably the best lunch club in the world!

**The phenomenally successful Hastings Women in Business Lunch Club continues to attract huge numbers of ladies who love to lunch. As first reported in the pages of Aspect, the club was created in 2005 by Ashdown Hurrey to address the lack of opportunities for Hastings business women to network and socialise.**

The latest club meeting welcomed over 70 guests who enjoyed a sumptuous lunch at the Royal Victoria Hotel.

To book your place at the next lunch meeting please contact Kathy Baker at [kathyb@ashdownhurrey.co.uk](mailto:kathyb@ashdownhurrey.co.uk)



## A Shilling for your thoughts!

**How long have you been with Ashdown Hurrey?**

Four and a half years

**What is your job title at Ashdown Hurrey?**

Qualified Accounts Senior

**Most memorable moment at Ashdown Hurrey?**

Passing my final exams and becoming ACCA qualified earlier this year

**How come accountancy and not florist?**

I suffer from hayfever so floristry wouldn't have been the ideal career choice!

**You bump into a friendly genie on the way home, what are your 3 wishes?**

1. To have enough hours in the day to get through my workload
2. To have a never ending supply of shoes
3. To become Mrs Johnny Depp

**Best mate in the office?**

Paul Bradbury of course!

**Claire's ambition?**

To be a successful accountant and one day become a partner

# Protection That You Really Can't Afford To Be Without

**How will you react when the man from the Revenue starts asking questions?**

The Revenue can raise enquiries into your tax affairs for many reasons, but substantial numbers of returns are picked randomly for enquiry. Even if all the figures are correct and no additional tax liability is found, costs are incurred in dealing with all of the Revenues questions and providing the required information. By taking out CCH Fee Protection Insurance the professional fees resulting from a full enquiry will be covered in full.

The Revenue recently investigated a client of Ashdown Hurrey who runs a small business. They asked to look at all the records of the business and asked questions about how the business was run, how the records were maintained and how the figures in the accounts were calculated. This involved many hours of

work for both the client and the staff of Ashdown Hurrey. After a lengthy investigation, the Revenue decided that the client's tax liability for the relevant year should be increased by £8. A pretty good result, but unfortunately the professional fees amounted to over £3,000. It could be argued that this should be recovered from the Revenue for wasting time, but this is not the case. Luckily the client had CCH Fee Protection Insurance and the whole of this cost was covered by this policy. The client's overall liability was therefore restricted to the increased tax liability of £8!

If you do not have cover and would like further details please speak to your usual Ashdown Hurrey contact and they can provide you with details.



**Yago Zens and Jeff Moore**



## Clients Corner

### PBI International Limited

**For this edition of Aspect, client's corner has gone international! PBI International Ltd is the company owned and managed by Mr Yago Zens.**

Before studying for a business degree at Bangor University in North Wales, Yago spent his childhood in Düsseldorf in Germany. With a German father and Spanish mother, he finally settled in the cathedral city of Canterbury in Kent where he has been a resident since 1995.

PBI International Ltd, which specialises in the manufacture and supply of specialist ball bearings, was set up by Yago in August 1996, operating at that time from a small rented unit in the centre of Canterbury.

Some ten years later, the business has relocated to its own freehold premises on an industrial estate in Whitstable and has seen its UK based

turnover grow from £100,000 in its formative year to an estimated £2.8 million currently.

Ashdown Hurrey has been involved with the business from day one and Jeff Moore in particular has had a very good and long standing relationship with Yago.

Yago said: "Having Jeff on board has been of great value to me as he has been closely involved in every major business decision made over the last ten years."

Now PBI has established an office in Shanghai, and is currently constructing a state of the art warehouse and factory facility in Suzhou.

Yago and Jeff have just returned from a trip to China where they were able to take in the 2006 Chinese Grand Prix, whilst also overseeing the finalisation of the build.

The company sells many of its specialist products into the motor racing world and enjoys a great relationship with all the Formula One teams.

Yago said "With the past ten years now consigned to the history books, this new foray into China is both the most crucial and the most exciting period that the company has experienced."

# The Loan Arranger

Saddled up and ready to write again, our mystery man brings you the best mortgage advice.

Over the forty years I have been associated with the mortgage market, it is amazing how products and people's expectations from mortgage products have changed. This has gathered momentum over the last ten years and now, people are not just expecting the product to provide the wherewithal to purchase property but, more so, they are expecting various options built in which they can choose to use or ignore.



A typical example are the new flexible type loans which some of the more innovative lenders in the UK market are now offering. These products very much fit people's changing lifestyles by way of offering flexibility with regard to making additional payments on either a regular or one off basis, redrawing funds which previously have been overpaid, arranging pre-agreed additional funding and even taking payment holidays.

Flexible accounts can also tie in with savings offset facilities. Offsets are becoming more popular in the UK mortgage market – an offset mortgage is where you have the opportunity to offset any savings against your mortgage. Interest is only charged on the difference between the savings and the loan, thus allowing you to pay less each month or carry on paying more but be free of the debt sooner and you can have access to your savings at any time.

In the past both offsets and flexible type loans as described above have had less attractive rates than those for other loans. However, these days with the more sophisticated market place, and customers expecting more from their lenders and those products, we are enjoying more competitive rates.

Naturally, contact me if I can be of any assistance to you on the matters mentioned above or indeed any other mortgage related concerns you may have.

**Call David Lakin on 01424 739222 or email: davidl@spectrumfs.co.uk**



Hellebores watercolour

**Helen Evans**, Ashdown Hurrey, Hastings

Helen Evans works at the Ashdown Hurrey office in Hastings. In addition to being a key member of staff, she's also a talented artist.

If you would like more information on this issue please contact CSURE Public Relations on 01323 728681

## Ashdown Hurrey and Spectrum

### Bexhill

28 Wilton Road  
Bexhill-on-Sea  
TN40 1EZ  
01424 730300

### Hastings

20 Havelock Road  
Hastings  
TN34 1BP  
01424 720222

[www.ashdownhurrey.co.uk](http://www.ashdownhurrey.co.uk) [www.spectrumfs.co.uk](http://www.spectrumfs.co.uk)

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