



Pensions, Business Protection & Commercial Mortgages

Having the appropriate financial package to cover most eventualities, can give peace of mind to any business.

From selecting pensions through to insurance, seeking expert professional advice will help to take the pain out of the process – and save valuable time.

You may want us to look at your existing arrangements and employee benefits package. We can assess your pension schemes, risk benefits and private medical insurance. We highlight any areas for improvement and will also make recommendations for any changes.

Ever-changing government legislation means that companies cannot lose touch with their responsibilities. As well as bringing companies up to date with regulatory changes, we will help to ensure that you and your employees get the best deal out of any financial decisions made.



Choosing The Right Pension Package



Pension legislation means that businesses with five or more employees must, by law, provide their employees with at least access to a pension plan which meets the regulations.

Stakeholder schemes are designed as low-cost flexible plans.

Members have to be able to transfer funds in and out of a scheme without penalty, whenever they choose– this includes leaving or taking early retirement.

Under the stakeholder guidelines, employers must consult staff before choosing a pension scheme. Once a scheme has been chosen (designated), employers must inform their employees of the availability of the scheme and provide information on it.

Employers are responsible for ensuring that their chosen pension scheme meets the stakeholder rules and that the scheme provider has registered the designation of the scheme with OPRA (the Occupational Pensions Regulatory Authority). We can check these details on your behalf.

However, Stakeholder pension schemes are not the sole option for businesses. To avoid having to make an important pension decision by yourself, a discussion with us can help you choose the most appropriate option from the many available from all the pension providers.

April 2012 will see the introduction of personal accounts. Under the new system, all employees will be automatically included in a personal account pension scheme unless their employer already offers a suitable alternative pension scheme. Importantly Employers will be compelled to contribute along with their employees, unless the employee opts out. Clearly this is an area where advice is required and an early discussion with us is advised.

Another plus point for group personal pensions, is that they offer more investment options than stakeholder schemes. Pensions simplification makes the provision of independent advice more important than ever before as the eight different pension regimes were replaced by one set of rules after 6th April 2006.

We appreciate every business has different circumstances and we will provide advice to suit your company's situation.

Protecting Your Business

Apart from a company's physical assets such as a factory, computers, offices, machinery and cars, which are normally insured, it also has its employees which for most businesses are the most important asset.

Many companies rely heavily on a few key members of staff. If one of these individuals should die or become seriously ill, the company may suffer a loss of profits and ultimately may be forced to close.

Key man insurance (life assurance taken out by the company on the life of a key employee) can protect against this business threat. The level of cover should be based on an estimate of the loss a business may incur should it lose a key employee.

Share protection insurance can provide cash at the right time to ensure the shares of your company remain with you and do not pass to the deceased shareholder's family, who could seek a seat on the board without the relevant expertise or experience. You can also arrange group life assurance, critical illness, income protection and private medical schemes for your employees.

These policies pay out in the event of death, critical illness, loss of income due to long term illness or accident and can pay for private medical treatment. You will usually benefit from tax breaks for setting up these schemes and we will be able to advise you on the tax position.



Commercial Mortgages



Owning your own business property can prove to be very cost effective. In order to own your business premises, it is likely that a commercial mortgage will be required.

Commercial borrowers are considered to be a higher risk than a residential borrower. The repayment terms as a result are not as cheap as residential mortgages and a large deposit will be required.

The majority of commercial lenders are likely to lend between 70 and 80 per cent of a property's value. Also, interest rates will be higher than those attached to residential loans – typically between 2 per cent and 4 per cent above the base rate.

Arrangement fees tend to range between 0.5 per cent and 1.25 per cent. Most lenders set a minimum level for the loan they are prepared to make, ranging from £15,000 to £100,000. Businesses can take advantage of tax allowances, by claiming back some of the costs of a commercial mortgage.



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For further advice and assistance

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