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Ascend Executive

Personal High Net Worth Insurance Solutions

Welcome to our Ascend Executive newsletter Winter Edition.



Winter Risk Management

A recent news release from the Association of British Insurers (ABI) emphasised the importance of acting on the risk of pipes freezing and bursting during the cold months. Their data shows that these types of claims "cost an average £8,800 over the past year, but can often be even more" and at the start of 2018, around the time we saw the 'Beast from the East', total claims for damage related to frozen and burst pipes jumped to £197m, "suggesting people are unprepared for the impact of extreme weather".

Here we briefly detail four steps that can be taken by those responsible for premises to defend their plumbing systems against extreme cold.

Step 1: Carry out a risk assessment

Plumbing systems in unheated or open areas, such as large warehouses, will be more vulnerable as the temperature drops so could benefit from trace heating and lagging.

Step 2: Stay on top of maintenance and repairs

A small leak might be just a nuisance now but in freezing conditions may cause damage to the plumbing system, resulting in pipes bursting. Don't forget to check for defects and regularly maintain your plumbing systems.

Step 3: Keep heating on or drain down equipment

Time the heating to run at regular intervals at a temperature that will prevent freezing, even when the premises are empty. If the property is going to be vacant for an extended period then it might be worthwhile to drain down water installations and equipment (except sprinkler systems for fire protection).

Step 4: Always be prepared for leaks and burst pipes

Even after taking all the available precautions, unforeseen events, like blockages, accidental external impacts or an exceptionally cold winter, might cause damage to plumbing systems. Keeping stock, materials and equipment off the floor as a matter of course may reduce the potential extent of damage, as well as checking that keyholders know where the main stop cock is and ensuring the valve gets exercised regularly so it can be used easily in an emergency. You might also want to consider installing leak detection devices that can automatically shut off the water supply and raise an alarm.

Download our risk management guides covering water damage and winter driving at www.ascendbroking.co.uk

High net worth home insurance – what's covered?

Every insurance policy for the high-value home should be tailor-made to fit its requirements. The cover required will vary according to the net worth of the property, its fixtures and fittings, as well as the assets included in and around the residence. And, if you live in a listed property, things can become a lot more complicated.

If you have valuable jewellery, priceless antiques or pieces of fine art, they should be evaluated by experts to ensure they are adequately covered by your high value contents insurance. Collectibles, guns and expensive wines should also be thoroughly assessed and home office equipment like computers and printers can be covered for eventualities such as accidental damage or theft.

You can choose a policy that protects items such as jewellery and electronics when you are away from home, too, so if your laptop is stolen or a precious gemstone falls out of a piece of jewellery while you're out, they will still be covered.

New services

We have partnered with RebuildCostAssesment.com to provide all our clients with discounted rebuild valuation reports. 70% of properties are underinsured. This means you could face a significant reduction in the event of a loss. Contact us to find out more about this service and the preferential rates we have negotiated on your behalf.

Also we have launched, the first of our monthly introductions to our preferred suppliers, where we provide you with an introduction to suppliers we use and that could add value to you. This month, Steve Bird from Viewpoint accountants highlights some challenges in transferring buy-to-let properties between personal status and to/from a Ltd company:-

We offer an award-winning One Stop Shop solution. Please contact us to learn more about how our high net worth home insurance - and other plans - can help financially protect you, your loved ones and your assets.

Matthew Collins
Managing Director

Ascend Executive rebuild valuation service

Read more at www.ascendexecutive.co.uk

Ascend Executive free home security review service

Read more at www.ascendexecutive.co.uk

How we have expanded our service to your business:

- Shareholder agreements
- Business protection
- Share protection
- Corporate powers of attorney
- Share schemes
- Flexible employee benefit packages
- Cashflow modelling
- Cash management
- Business consultancy
- Corporate investment
- Pre and post business sale planning

How we have improved our service to you:

- Creation of your financial life plan
- Wealth accumulation strategies
- Pre and post retirement strategies
- Wealth preservation strategies
- Tax efficient investments
- Charitable giving



Listed Buildings

Listed buildings are beautiful, unique and, quite often, works of art. Owning one is not only something quite special, but means you have an obligation to maintain and protect it beyond that of a regular home. Indeed, the consequences of knowingly under-insuring a Grade I listed building could result in legal action and you'll find that most standard 'off-the-shelf' insurance policies may not be suitable for a Grade II listed building.

If you own a listed building, you need a specialist policy that brings you the advice you need and that extra peace of mind – and it could save you money on both premiums and claims settlements. Here at Ascend, we have developed a specialised branch of buildings insurance for owners of listed properties. We understand the special considerations that come with repairing a listed building in keeping with its historic significance. We provide the care and attention to detail to keep you covered and you can rest assured your beautiful listed building and its complex insurance needs is in very safe hands.

Ascend Executive work in partnership with the award winning Jarroviaan Wealth. Jarroviaan were listed as one of the top 100 financial planning businesses in the UK for 2018 by New Model Adviser magazine.

Jarroviaan help our clients plan and achieve their desired lifestyle. Once achieved, they help maintain and protect your lifestyle through life's trials and tribulations.

Contact us today to arrange a free consultation.



Shareholder Protection Assurance – a Business Continuity Plan

As owners of your business, you will want to make sure your business can continue if one of the directors dies or becomes critically ill.

When an owner dies, their share in the business will pass to their beneficiaries; most likely their family members (either under the terms of their will or according to the law of intestacy if they don't have one). This however might not be what either the continuing owners of the business or the deceased owner's family wants to happen. The continuing owners may want to buy the deceased owner's share and the deceased owner's family (who might not have been involved in the business), might prefer the cash value of the share. A major problem arises where the continuing owners don't have the funds available to buy the deceased owner's share. Life assurance policies can be used to provide a solution to this problem.

How does the arrangement work?

Each individual owner takes out a life assurance policy on their own life with the "sum assured" under the policy reflecting the value of their share in the business. Each owner's policy is held in a business trust from the start, for the benefit of each of the other owners. When an owner dies or becomes critically ill, the claim proceeds are paid to the trustees (keeping the proceeds outside their estate for inheritance tax purposes). The continuing owners can use this cash to buy the deceased owner's share of the business. While this arrangement provides the funds to buy the deceased owner's share, there also needs to be an agreement that this is what the continuing owners will use these funds for.

Option agreements

The Agreement required is called a "cross option" agreement. Under this, when an owner dies, the continuing owners have an option to buy their share and the deceased owner's personal representatives have the option to sell their share. If either party chooses to use their option, the other party must comply.

For critical illness protection, a single option agreement is required. With this type of agreement, only the critically ill owner can apply the option to sell their share – they can't be forced to sell their share by the continuing owners. This is to protect the critically-ill owner, particularly if it's likely that they'll recover and return to work.

Payment and Taxation of life assurance premiums

If the company makes the policy payments, it will receive corporation tax relief provided the payments meet the 'wholly and exclusively for the purpose of the business' test. In other words, provided shareholders' total remuneration (including these payments) are not excessive in relation to the duties they perform for the company. As the company is providing additional remuneration to a shareholder, they will be subject to income tax on the payment.

The owners might decide to make the policy payments themselves – perhaps out of salary and/or dividends received from the company. If they do, no tax relief is available on the policy payments.

Other potential tax implications

There could be other tax implications of the arrangement. However, if it is set up correctly, it is unlikely that such tax charges will arise.

Download our full article at www.ascendexecutive.co.uk



Ascend Executive
Personal High Net Worth Insurance Solutions

Passionate about protecting the exceptional

Insurance of the highest calibre

Directors' personal liabilities are unlimited – are you covered correctly?

Most businesses have some form of public liability insurance, so does a director of a business have any personal liability responsibilities regarding their corporate business actions? The answer is yes. While the company can be covered with public liability protection and other related business insurance, the individuals who work within the company are left unprotected if a person acts improperly and does something wrongful.

Download our article at www.ascendexecutive.co.uk



Personal Guarantee Insurance

What is it?

An annual insurance policy that provides Directors with insurance cover in the event the business lender calls on their Personal Guarantee following insolvency.

What is a Personal Guarantee?

Personal Guarantees are very common in the SME marketplace. Directors are often required, as a condition of raising business finance, to provide additional security to the lender by signing a Personal Guarantee. By signing a Personal Guarantee, the Director (guarantor) provides their lender with access to his or her personal estate should the business fail on its loan obligations. By signing a Personal Guarantee, the guarantor may be putting all of their assets at risk, including their family home. This is determined by the size of the loan and the amount personally guaranteed.

Interested in finding out more? Download our recent article at www.ascendexecutive.co.uk



Home Cyber-crime top 7 tips

How can you take steps to protect yourself and your assets in the virtual as well as the physical realm?

The best defence is practicing good cyber hygiene and you can start today! Here are seven tips to help you minimise your cyber risk and practise smart risk behaviour.

Download our top 7 tips to avoid personal cyber-crime at www.ascendbroking.co.uk



Introducing Ascend preferred ...

Viewpoint are a local firm of Accountants who work with their clients to understand their issues, give the advice they need and help to deliver the advice.

What are the implications of transferring my buy-to-let properties to a Limited Company?

Given the recent attack on Landlords by the government (restriction on loan interest relief and restriction on Capital Gains tax lettings relief), more and more landlords are considering transferring their property portfolios to a limited company. Whilst, on the face of it this might seem like a good idea, there are considerations that you might not be aware of.

At first glance, it might seem sensible to transfer your property because the company will not only obtain full tax relief on the loan interest paid, but will also benefit from a 19% tax charge instead of up to a 45% tax charge.

However, although you will be transferring the properties to your own limited company, this is still considered as a disposal for capital gains tax purposes, meaning that you could realise up to a 28% tax charge on the difference between your original purchase price and the market value of the property at the point of disposal. Additionally, as you are transferring to your company, you might not realise any proceeds to settle the tax liability.

The company could be liable to pay Stamp Duty Land Tax on the market value of the property and the company will be liable to the SDLT at the additional rate of SDLT.

These two liabilities could wipe out any tax savings you achieve by obtaining full tax relief on the loan interest.

Disadvantages of transferring property in to a limited company

You should also consider the following: -

- What is the view of the mortgage company? As the property is held in a company, they might view this as a commercial mortgage and charge a higher rate.
- If something happens to the company, then the assets, including the property are exposed.
- If the company sells the property, then the proceeds will belong to the company. There will be additional tax liabilities to consider if you want to extract the proceeds from the company.

Advantage of transferring a buy-to-let to a limited company

It becomes a bit of a numbers game and you really need to crunch all the numbers to establish if it is beneficial for you to transfer or not.

There are some circumstances where transferring to a limited company might benefit you: -

- If you're buying a new property, then buying via a limited company might make sense
- If you run your buy to let business via a partnership, then transferring might reduce the tax burden
- If you want to leave the properties to your children, you could consider a company rather than a trust

As a general rule, if you own one or two buy-to-let properties, then transferring to a limited company doesn't make sense. However, if you have six properties, it might be worth exploring the potential benefits.

Steve Bird at Viewpoint Accountants would be more than happy to discuss and explore the potential benefits in more detail. Steve can be contacted on 01245 258689 or at steve.bird@viewpointaccountants.co.uk

2019 Recognition



Local Community Fundraising

Olympic Abseiling – Olympic Stadium – September 2019

In September, two intrepid members of our team – Edwin Carter and Katherine Smithers – braved the elements to abseil down the side of the Olympic Stadium in Stratford, London, raising £500 for Little Belsteads. Katherine said it was 'a hair-raising experience but an exhilarating one' – not one she would like to 'repeat too often', she added.



Watch the video here: www.ascendbroking.co.uk/charity-support/ascend-olympic-abseiling/

Nuclear Racing – Kelvedon Hatch – November 2019

In early November, five members of the team – Matthew Price, Max Collins, Alex Patten, Edwin Carter and Katherine Smithers – entered the Nuclear Racing 'Fallout' challenge which involved sweat, tears and lots and lots of mud. On the wild plains of Kelvedon Hatch, they had to undertake a 7-and-a-half-km obstacle including wading through ditches, scrambling up nets, hauling themselves through metal tubes and running in ankle-deep mud and knee-deep water.



Watch the video here: www.ascendbroking.co.uk/charity-support/ascend-nuclear-7-5km-mud-run/

In The Press

We recently featured in...

Essex Magazine – A feature regarding the launch of Ascend Executive

Essex online – a feature on our award success and career opportunities



New starters

We welcome David Baker as Development Director, Jenny McGhie as Claims handler and Mel Seymour as Senior Account handler.



The Ascend 24/7 Sharepoint

Download our award winning instant claims notification App



Insurance Times Double Delight

Customer Champion of the Year & Independent Broker of the Year – November 2019

We were delighted to be crowned Customer Champion of the Year and highly commended as Independent Broker of the Year at the prestigious The Insurance Times Awards on the 22nd November at the Grosvenor Hotel, London. Attended by over 1,200 of our peers this was the last award ceremony of the year. Matthew Collins said, "it's a fantastic achievement to have won this award at such a prestigious event – the premiership title in football terms!"



Start-up of the year WINNER at The UK Broker Awards – September 2019



"Ascend Broking group have achieved impressive growth offering an alternative to consolidated brokers. The judges view Ascend as one to watch and look forward to seeing achievements in coming years"

Start-up of the year WINNER at the Broker Innovation Awards – September 2019



"The judges were impressed with the customer-first culture, the use of technology and strong customer testimonials"

