

We help your clients secure a brighter financial future

A Word From Our Chairman

I would like to welcome you to our first newsletter of 2011, which I hope you will find both interesting and informative.

2010 proved to be another successful year for our company and our investment clients, despite continued economic uncertainty. In this issue, Managing Director Tony Ashton reviews the past year and shares his thoughts on the investment possibilities for 2011.

The Jackson report and the recent changes to legal aid funding will have implications for the personal injury and clinical negligence practitioner and our guest contributor, Scott Donovan of Atlantic Chambers, reviews the proposals and considers what action may be taken.

I am also delighted to introduce the Neurosupport charity, with whom we developed a close relationship in 2010. They are now our chosen charity and we will continue to work with them on fundraising projects. CEO Maureen Kelly explains how the charity provides much needed support and services to some of the community's most vulnerable individuals.

As a company, we have always focused on quality and stability, rather than growth and it remains our philosophy to provide advice and services of the highest quality to all of our clients and professional connections.

Professor Paul J Morrissey

Winds of change – By Scott Donovan

A cold wintry wind has been blowing across the legal landscape. The combined forces of Lord Justice Jackson and the Ministry of Justice (MOJ) have unleashed a maelstrom of proposed changes to personal injury and clinical negligence litigation. There is already considerable concern that many potential claimants will be denied access to justice.

The Government is running a consultation period until 14 February 2011, and key changes made thereafter will need to be debated in Parliament.

Under the MOJ proposals, some of the costs of bringing a case will be taken out of the damages awarded to the injured person. In particular damages awarded for personal injury and past losses.

In an attempt to compensate for this deduction, Lord Justice Jackson has recommended increasing general damages by ten per cent, but the Association of Personal Injury Lawyers (APIL) have strongly made the point that this 10% increase would not be enough to cover the shortfall in damages in many cases, especially the most serious, often catastrophic cases.

If the MOJ's proposal to abolish public funding for the victims of clinical negligence is acted on then many potential claimants will find it extremely difficult to find lawyers willing to take on their cases. Interestingly Lord Justice Jackson has recommended retention of public funding for early stage investigation of clinical negligence cases and has urged the MOJ to retain this funding in his response to the MOJ proposals. Is the future as bleak as it might appear? I don't believe it is as there are many very skilled lawyers, both solicitors and barristers, who are determined to continue to provide high quality legal services to personal injury claimants and the victims of clinical negligence. But now is not a time for complacency, rather it is a time for making sure the issues are discussed in the media and for lobbying MPs so as to ensure that the proposals are fully debated in parliament. In the broad interests of all potential claimants no personal injury and clinical negligence lawyers can afford to stand idly by at this critical time.

APIL is urging interested lawyers to respond to the MOJ consultation and make representations to their MPs so that the interests of claimants are safeguarded.

The Personal Injury and Clinical Negligence Teams at Atlantic Chambers are determined to lend its support to the efforts to ensure the proposed changes are fully debated and a satisfactory outcome is achieved. Whatever the outcome of the consultation Atlantic Chambers is committed to providing a high quality specialist advisory and advocacy service to solicitors acting for claimants.

Scott Donovan

www.atlanticchambers.co.uk

Introducing Neurosupport – By CEO Maureen Kelly

Neurosupport is a Liverpool based charity which offers non-medical advice and support services for people with neurological conditions. Whether it's Epilepsy, Alzheimer's, Huntington's, Stroke, Brain Tumour or Brain Haemorrhage, neurological conditions touch all our lives and Neurosupport is here to give practical and friendly help.

Our work includes:

- **Information:** we have a comprehensive library and information resource which is a wonderful way of learning about your condition. Using the library is free and there are minimal charges for photocopying.
- **Working Life:** our Working Life Service supports and advises people with neurological conditions who are in danger of losing their job or who need specialist help in getting back into work/training/education. The service has helped many hundreds of people over the years and continues to grow from strength to strength.
- **Room-Hire:** Neurosupport is home to neurological charities such as the Huntington's Disease Association, the Alzheimer's Society and Merseyside Regional Epilepsy Association. But we also have open, accessible and flexible rooms to hire—and all the of the money earned from this goes DIRECTLY to helping people with neurological conditions
- **NeuroLife:** our NeuroLife courses are tailored to help those people with neurological conditions who, because of their condition, aren't yet ready to go back into the world of employment. Courses such as Confidence-building, Tai Chi, Creative Writing and Art help build an individual's confidence so that they can get on with their lives and move into looking for work and/or training.
- **Events:** Neurosupport organises conferences and seminars on neurological related topics, all designed to raise awareness and highlight the difficulties people with neurological conditions face in their day to day lives.

10 million people in the UK have a neurological condition which has a significant impact on their lives. And of this number over 1 million people are disabled by their condition.

Neurosupport is a unique organisation which looks to tackle the stigma facing people with neurological conditions, provide information, and offer support.

To find out more visit www.neurosupport.org.uk

Or to talk about how you can help Neurosupport please contact Maureen Kelly at maureen@neurosupport.org.uk and 0151 298 2999.

Market Overview – By Tony Ashton

Negative economic news continued to dominate the media during the past year and it may, therefore, come as a surprise to many that global stock markets continued the rally that began in the spring of 2009.

Between 2ND January 2010 and 31st December 2010, the FTSE All Share grew by +14.5%, the Dow Jones by +17.6%, the MSCI Japan Index by +19.23% and the MSCI Asia (exc Japan) by +23.7%.

These gains built on the returns of +25% to +30% recorded in 2009.

The usually safe haven of government bonds became a riskier asset class as countries such as Greece and Ireland required financial support from the Eurozone. Portugal, Italy and Spain have also come under scrutiny as to their creditworthiness.

Corporate bonds performed better as many companies have strengthened their balance sheets since the credit crunch began, increasing their credit rating and reducing default risk.

Although a lack of available finance is still affecting the property market, there were signs of a recovery in the London commercial property market, as investors took advantage of valuations to increase their portfolios.

Unfortunately, people relying on bank deposits to fund their income needs continue to be penalised by low interest rates and many will have been forced to spend capital, which may never be recovered.

Many of our clients have been able to take advantage of the significant market recovery since March 2009, whilst longer term clients have seen their portfolios recover the paper losses of 2008 and are once again enjoying capital gains.

The outlook for 2011 remains positive, however, a cautious approach may be required, as there are still many obstacles to overcome, before the economic recession is truly behind us. Sovereign debt will continue to affect the bond market, both consumers and companies need encouragement to begin spending again in order to sustain an economic recovery and the possibility of a return to inflation will need careful management.

These concerns should be balanced against the fact that many global equities look attractive on a historic valuation basis, global growth will continue in the emerging economies and economic recovery in the developed world will lead to good quality companies continuing to make profits. An increase in bank lending will help to stimulate the commercial property market and good quality corporate bonds should continue to yield more than cash deposits.

We will be rebalancing client portfolios this year, to crystallise some of their gains, whilst ensuring that they continue to benefit from income and growth opportunities, without subjecting their portfolios to unnecessary risk.

Finally, if you have been worrying about your own pension or investment portfolio, now may be a good time to request a valuation statement. You may be pleasantly surprised!