

PAUL'S BLOG

31ST AUGUST 2009

Another Summer has ended on a damp note—our roads are heaving and the UK's population has swelled to an unsustainable level of 61 million.

On the good news front most of Europe is now officially out of recession and the UK looks set to follow suit in the third quarter of 2009.

Business confidence remains fragile with investment levels extremely low not helped by the continuing reluctance of the banks to lend.

The banks are taking an extremely hard line at present creating little room to manoeuvre with managers subservient to the views of the "credit team".

It is extremely important that businesses do not give their bankers any excuse to put them under pressure.

This means being proactive and producing good management information.

My feeling based on discussions and meetings with various bank managers is that a sea change is going on with more optimistic views expressed and hope of a return to near normality in the foreseeable future.

Unemployment levels though remain high and will continue to rise.

Despite prevailing low interest rates I remain concerned about the level of interest margins which will really start to bite once rates increase, probably towards the back end of 2010.

As a generalisation our client base remains unaffected by the recession with several client continuing to grow both organically and by acquisition.

Activity levels remain extremely high due to a mixture of some excellent new clients and increased productivity.

Like many businesses the recession has made us focus and strike to be more efficient. This will generate considerably long term benefits.

We put a lot of effort into our marketing as well as continuing to develop our suite of promotional literature, we are proud to launch a new magazine "The Publication" a feature dedicated to the licensed trade.

The first edition is now posted to the website and we hope it will help to raise our profile and generate new business.

We have also reactivated our Andover Office which remains under the general control of Chris but with a new dedicated manager in Angela Thorn.

Angela has a wealth of business experience and we are keen to become more prominent in the area.

We are proud to launch a newly focused "private clients" service and will be looking to strongly grow this service in conjunction with our colleagues at Certus Financial Services.

It only remains to wish one of our best clients and patrons, Sean O'Brien, all the best in his battle against illness. Sean has recently become somewhat as a celebrity following a well published transplant.

He bears his condition with great fortitude and good cheer and remains a lesson to us all!

PAUL