

Quarter of SMEs relying on hand-outs



A quarter of small and medium sized businesses are supporting themselves with a heavy reliance on personal savings and hand-outs from friends and family a recent report has suggested.

Bibby Financial Services, which commissioned the survey of 1000 SMEs, said that the reliance on personal finances was preventing small businesses from being able to take advantage of the first stage of the economic recovery.

The survey results also showed that almost half of small and medium sized enterprises were using only one source of funding, 20% of firms said they relied on a bank overdraft with the same amount again relying on a bank loan.

David Postings, UK chief executive at Bibby Financial Services said that many business owners were turning to those closest to them for financial support because they were unaware of the wide range of options available to them.

He added: "Businesses with unsustainable or limited sources of finance in place will find it challenging in the months and years to come if they cannot take advantage of the gradually improving trading conditions in the UK."

The report commented, if firms were availed of the finance options open to them, it might ease their economic constraints.

Inflation falls to 2% in December

The UK's rate of inflation, as measured by the Consumer Prices Index, fell to 2% in December, down from 2.1% the previous month.

It is the first time that inflation has been at the government's 2% target since November 2009.

The Office for National Statistics (ONS) said the fall was due to slower increases in the price of food. They said the rise in the prices of food and non-alcoholic drinks was the smallest it had been since 2006.

Phil Gooding from the ONS said that a slowdown in the increase of fruit and meat prices was behind the fall in inflation. However rising petrol prices were having an upward effect on inflation.

Economists have been commenting that the fall would ease pressure on the Bank of England to increase interest rates following the recent economic recovery. The expectation being

The Latest UK Personal Debt Statistics

- £54,197 was the average household debt (including mortgages) in November
- £163 million was the daily amount of interest paid on personal debt in November
- 1,315 people were made redundant every day between August and October
- 866,000 people had been unemployed for over a year between August and October
- Every 18 minutes 15 seconds a property is repossessed (based on Q3 2013 trends)
- £11.0 million of loans are written-off daily by UK Banks and Building Societies (based on Q3 2013 trends)
- £1.479 billion was the daily value of all purchases made using plastic cards in October
- Every 5 minutes 3 seconds someone is declared insolvent or bankrupt (based on Q3 2013 trends)
- 7,015 debt problems were dealt with by the CAB each working day over the year to September

Stats from The Money Charity

that inflation will stay around the 2% target for some time to come.

Bank of England governor Mark Carney has indicated that the Bank will not raise interest rates until the unemployment rate, currently at 7.4%, falls below 7%.

FIG Insolvency Practitioner to give presentation at Wilds Group



Focus Insolvency Group's Natalie Hughes will be at Wilds Group on Thursday 16th January to give a presentation entitled 'Insolvency: dispelling the myths'. The Crossroads event will take place at Lancaster House in Radcliffe, Manchester.

The event is free with registration and refreshments beginning at 5:30pm and the main event taking place between 6pm and 8pm.

For further details and to book your place please see the [events page](#) of the Wilds Group website.

Here are just a few reasons we should be your first choice for debt and cash flow problems

- Service – not only a great service, but an unrivalled one. Top qualified and experienced staff with a 'can do' approach to getting the job done. A single point of contact for both introducer and client
- Cost Effective – higher targeted performance, free meetings and fewer costs
- Reciprocal Work – we believe in supporting those who support us and we do not compete
- Full range of financial, insolvency and restructuring solutions available
- Big enough to cope with the large jobs but small enough to care for everyone
- Experienced and qualified board of directors who care passionately about what we do and how we do it
- Focus Business Club – quarterly corporate events, newsletters, updates and blogs

Focus Business Club Winter BBQ

The next Focus Business Club will be on Thursday 20th February from 12pm onwards on The Rooftop Terrace at The Great John Street Hotel in Manchester.

The Focus Business Club is a regular hospitality event hosted by Focus Insolvency Group. Why not come along and join our senior team at our winter BBQ for a relaxed chance to catch up along with other like-minded professionals. Feel free to bring along a colleague or business contact. RSVP to a.platt@focusinsolvencygroup.co.uk

Free Debt Advice Service

We pride ourselves on being large enough to provide a partner lead national business and yet small enough to offer tailored and bespoke personal service. Always open and approachable, we subscribe to the ethics of 'Best Advice' therefore our advice is always free, ethical and totally objective.

Simply call or email us today to discuss a case or arrange a meeting. Any initial discussion or meeting can be arranged at a time and place to suit your client and is completely without obligation.

For more information you can contact one of our team on 01257 257038 or email a.platt@focusinsolvencygroup.co.uk

Contact Focus Insolvency Group

If any of your clients have been affected by the stories in our newsletter or need advice on any other matters, please feel free to contact us on 01257 257030 or email a.fisher@focusinsolvencygroup.co.uk

Focus Insolvency Group deals with corporate matters, whilst Debtfocus helps struggling businesses and consumers and Moneyfocus raises finance on the general market. Our restructuring arm, Phil Stone Consultancy, can help businesses internally to restructure the company with or without formal insolvency proceedings.

We pride ourselves on being the experts of choice for anyone struggling in business or with debt.

Tel 01257 257030
Fax 01257 253145
Email a.fisher@focusinsolvencygroup.co.uk
Web www.focusinsolvencygroup.co.uk

Skull House Lane
Appley Bridge
Wigan
WN6 9EU



Anthony Fisher, Gary Birchall and Natalie Hughes are licensed to act as insolvency practitioners in the UK by the Insolvency Practitioners Association. Registered in England and Wales, company number 7913045

*Images from www.freedigitalphotos.net ~ Headshot by Eye of Rae Photography