

Newsletter

4th June 2010 -

Words of wisdom from Sir Isaac Newton....



Long ago, [Sir Isaac Newton](#) gave us three laws of motion, which were the work of genius. But Sir Isaac's talents didn't extend to investing: He lost a bundle in the [South Sea Bubble](#), explaining later, *'I can calculate the movement of the stars, but not the madness of men.'*

Sir Isaac would of course have been at home in the current economic climate...

British business continues to operate in an environment of massive uncertainty. The recent General Election provided little more than a parochial sideshow as Greece went bust and the entire economic rationale for the European single currency creaked alarmingly. The UK is seemingly in for a period of extremely weak national economic growth but who knows how long this will last for? As well as the potentially seismic changes in the euro zone, (our biggest export market of course), inflationary pressures keep building, and ultimately interest rates must start rising again.

Admittedly the fact that we are outside the euro zone allows us, *to an extent*, to remain masters of our own economic destiny. However, those business recovery gurus at Begbie Traynor recently reported that currently no less than **161,000** British limited companies are experiencing **'significant' or 'critical' financial distress owing creditors, suppliers and service providers more than £55bn.**

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This is partially down to hardening attitudes of trade creditors more willing to take court action to recover what they are owed.

With the clearing banks still rebuilding their balance sheets and funding solutions for the SME business community remaining extremely thin on the ground, we can but hope that the coalition's government emergency budget on 22nd June offers clarity, common sense and hope to our hard pressed businesses.

Moving on, we hope you like our new look website, which has been designed with a view to providing some direct, jargon free, user friendly advice for troubled businesses. We would of course welcome any suggestions or constructive criticisms you may have of site contents.

Finally, here's to us all enjoying some sunshine and a bit of World Cup success!