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Crystal ball gazing is for mugs.....

Is it really ten years ago that UK business faced the looming catastrophe of the deadly 'Millennium Bug'? What a damp squib that turned out to be. Just five years ago the eight billion pound cost of London Olympics was decried by hordes of respected commentators as being something that this country would never be able to afford. Who would have thought in late 2004 that eight billion pounds out of the public purse would be considered to be a mere drop in the ocean compared to the stunning level of UK deficit in late 2009? Who could have foreseen eighteen months ago that 50% of our major clearing banks would effectively be under state ownership?

My point is this; it is easy for all of us to make windy, portentous predictions; the fact is that none of us really have a clear idea about our country's economic prospects over the coming year.

What can be said with confidence is that in 2009:

- many thousands of small businesses were kept afloat by HM Revenue and Customs generous 'time to pay arrangements' for arrears of PAYE and VAT.

30th June 2008 – level of unpaid taxes in UK £ 2billion

30th June 2009 – level of unpaid taxes in UK £26 billion

- to put it mildly, the banking sector were incredibly cautious in lending money to the SME sector. The replacement to the Small Firms Loan Guarantee Scheme, the Enterprise Finance Guarantee Scheme has been, in this writer's opinion, a travesty. I understand that banks need to repair their devastated balance sheets; why not be more honest about that requirement instead of pretending that there is still government backed money to lend to small business?
- forgive me for standing on my soapbox but there is a clear lack of understanding of UK business from our all shades of our political elite. Too many individuals with serious political

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responsibilities are theoreticians; too few of them have real life business experience.

I would strongly hope ... but could never predict! ... that 2010 will be a year when we start to fully embrace the business turnaround culture. Whether you are an accountant, lawyer, operations expert, investor, funder, IT specialist, or are one of the unsung heroes out there actually owning and managing businesses, there are plenty of jobs to preserve and businesses to protect. I believe it is going to be extremely busy.

Thank you for your support and we look forward to working with you in 2010.

Wishing you and your families a peaceful Christmas and a prosperous New Year.