

EAST ANGLIAN
DAILY TIMES



CHARTERED
ACCOUNTANTS

EADT
Business Life
Survey
Spring 2009



I am pleased to present the latest results of the Larking Gowen Business Life Survey which, once again, has been produced with the help of the East Anglian Daily Times and represents the thoughts and forecasts of a wide selection of businesses in the region.

In our previous survey, the focus of the respondents was firmly on the performance of the economy in the coming year. Looking back over that period there have been extraordinary events: historic low interest rates, the part nationalisation of several of our banks and quantitative easing as the Bank of England pumps millions into the economy to help it stay afloat. It is against this backdrop that we compare today with that of around a year ago.

The overall impression is that, although some have experienced increases in profits and staffing, and many more are seeing the status quo maintained, there is still a significant minority who anticipate further problems. 41% have seen profits decrease and a similar number see more of the same into 2010. At least the job position is looking as if some plateau has been reached and perhaps sufficient actions have now been taken to slim down businesses and help efficiency.

One of the best ways to help ensure survival in tough economic times is to receive support from those around you. An understanding approach, which is being adopted by HM Revenue & Customs for example, can make all the difference until times improve. Despite the influence of the Government in the banking sector, a number of respondents are flagging up a worsening of their relationship with their bank and expecting some problems in extending their borrowings. An easing of credit availability might be just what is needed, although the overwhelming majority has lost faith in Gordon Brown and thinks that no effective measures have been brought in to help. Whatever the truth of this, clearly the Government has a huge battle to fight over peoples' perceptions and this lost trust is likely to take a long time to rebuild.

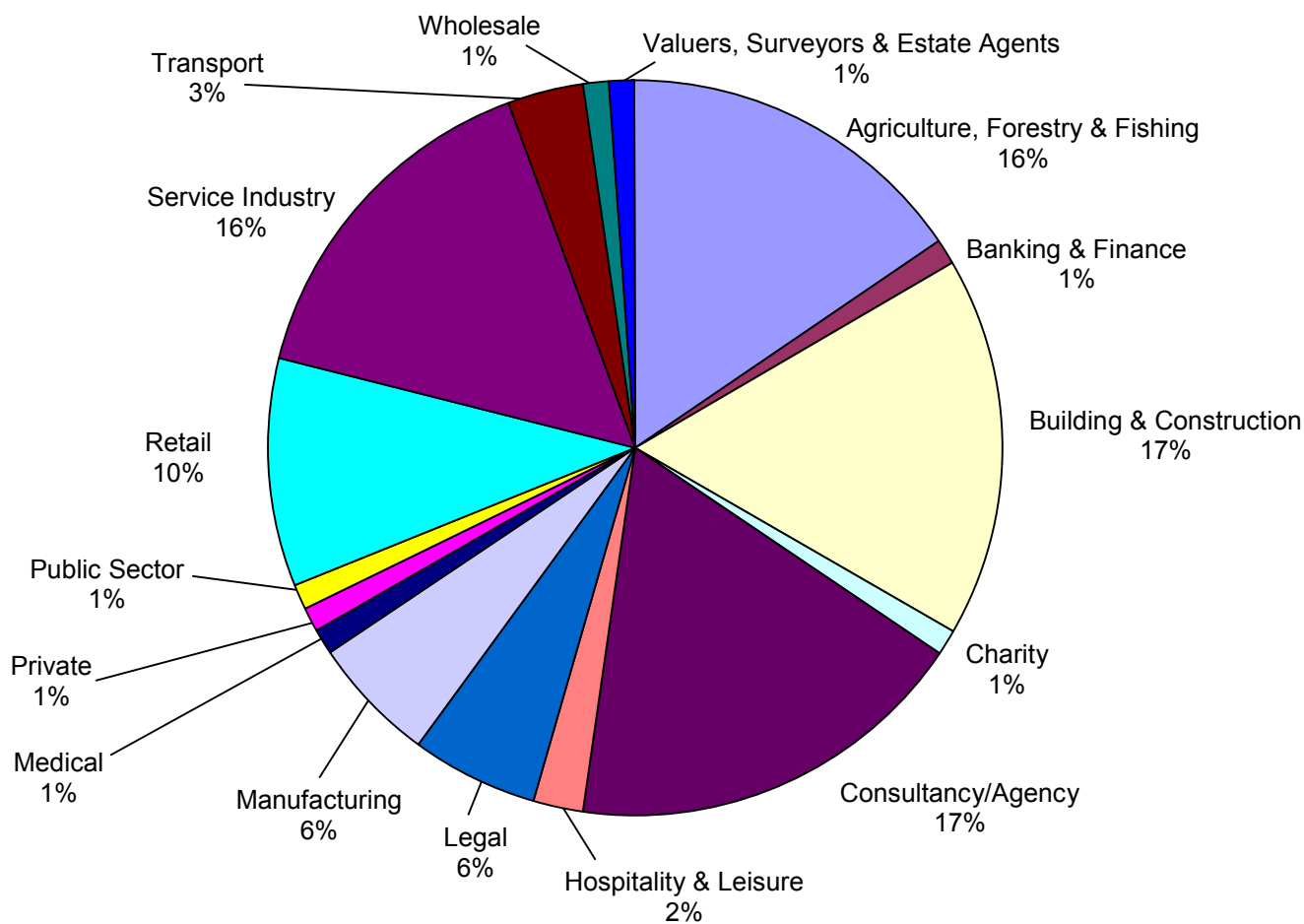
The businesses in Suffolk and Essex also feel unrepresented by the business organisations in the region and are so far unimpressed with what the Olympics might bring to them in 2012. It is far from clear how long this recession may last. Opinions are divided as to whether another year will see us at the end of the tunnel or still with twelve months or more to go. The only thing that does seem certain in almost everyone's minds is that it is unlikely to be a quick fix.

Some businesses do very well in tight times and the thought of recession has caused many to examine how they trade and try to make their work more efficient and lean. When better times return, this will set them up well for recovery. I hope the business community in the region can work together to achieve this goal and Larking Gowen will continue to assist their clients to be in the best possible shape for whenever the green shoots return. I look forward to seeing evidence of this being reflected in our Surveys in the future.

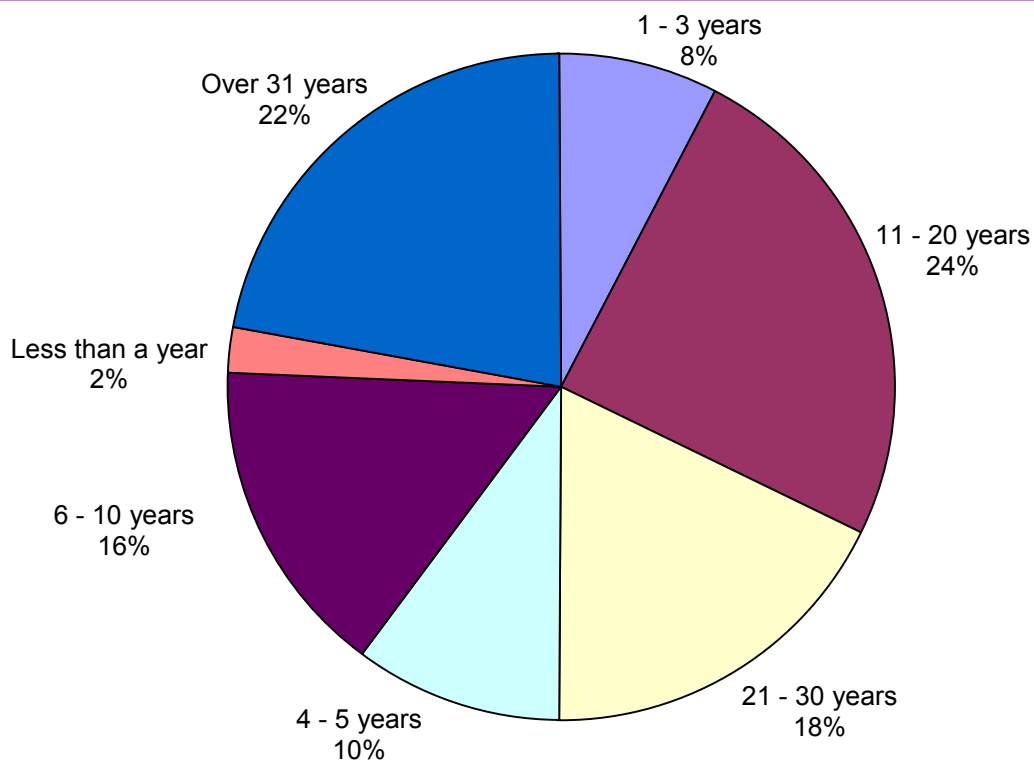
Bob Rose

**Managing Partner
Larking Gowen**

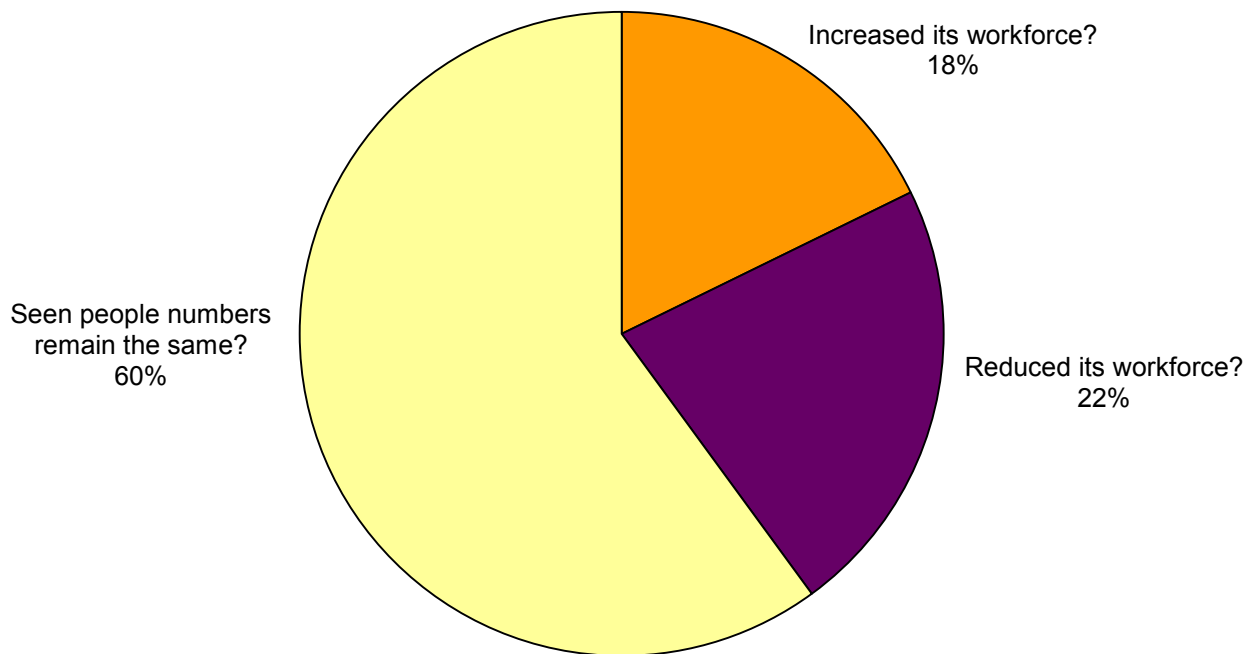
Industry type:



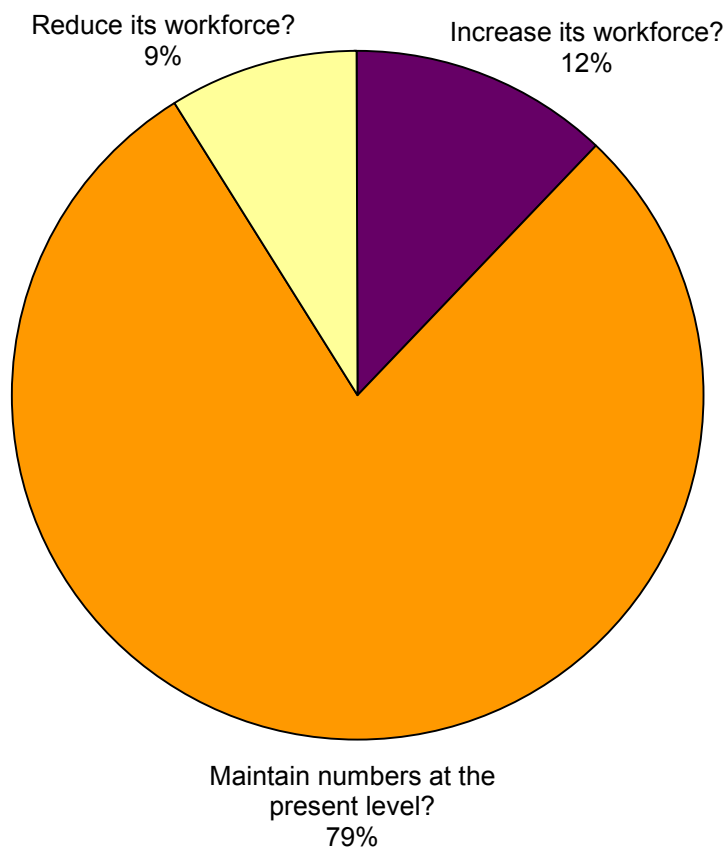
Number of years the business has been operating:



Recruitment Over the last 12 months, has your business:

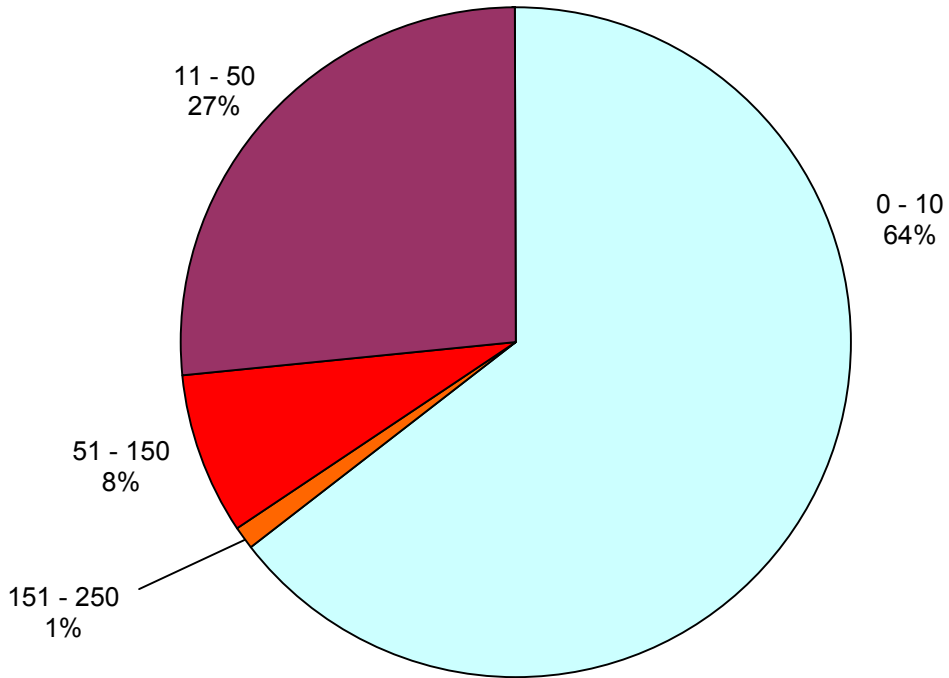


Recruitment Over the coming 12 months, do you expect your business to:



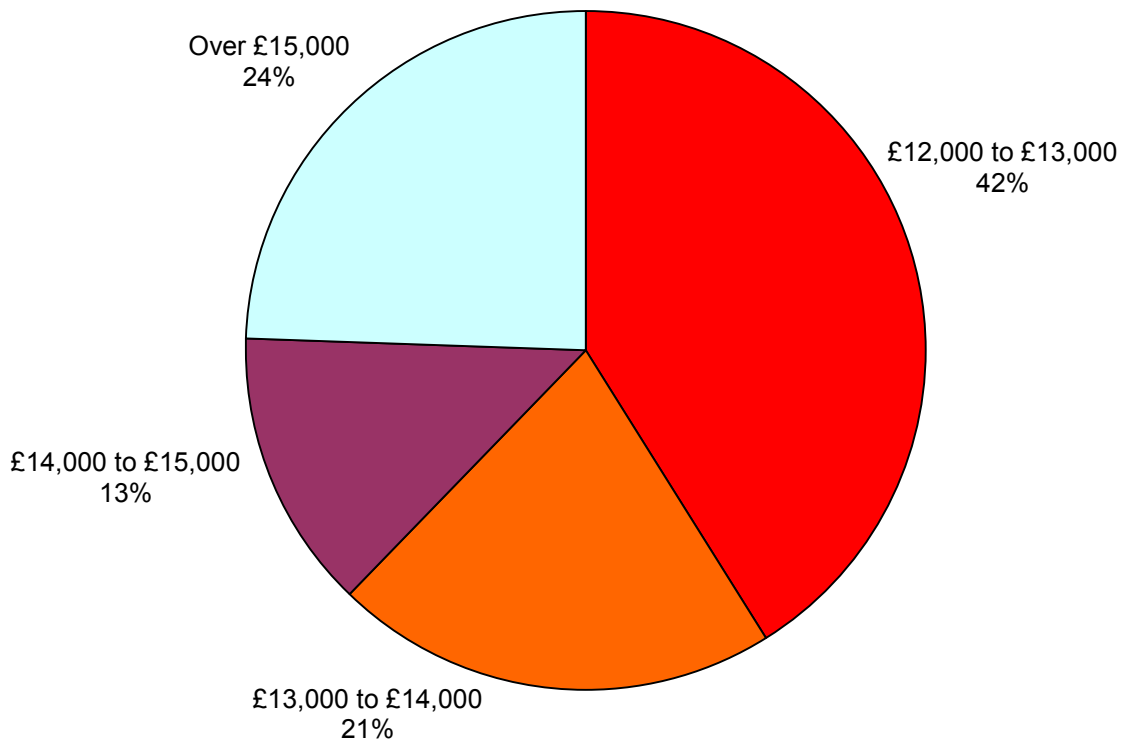
Recruitment

How many people do you currently employ, including both full time and part time?



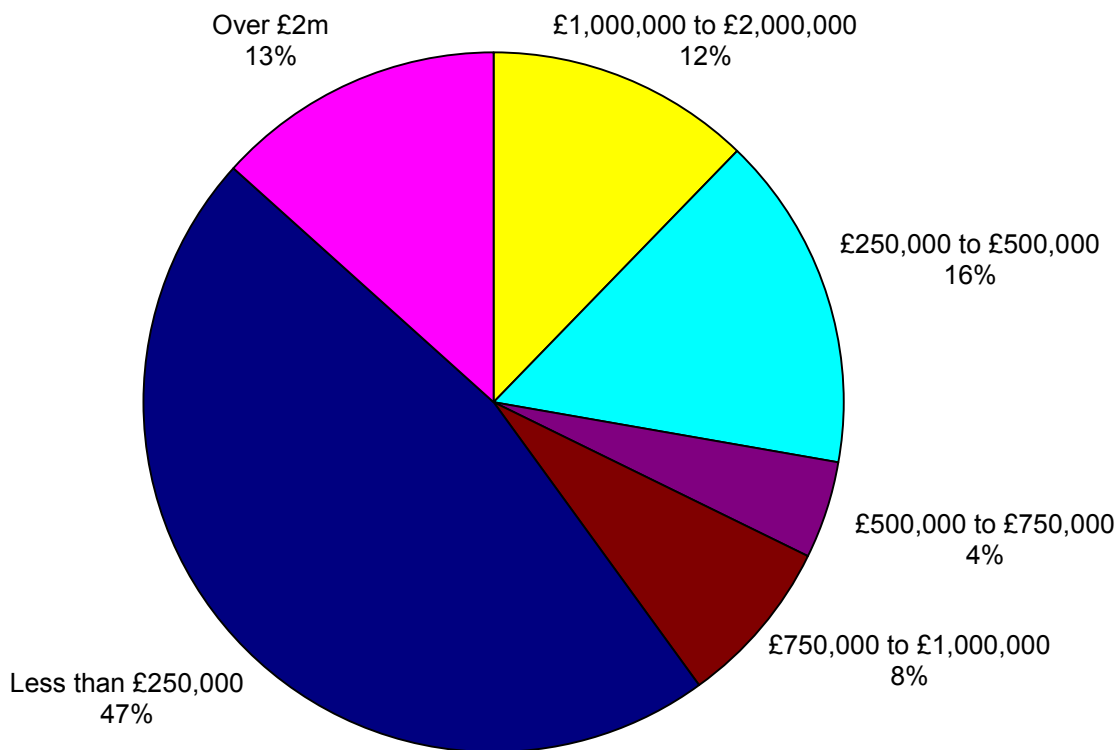
Recruitment

The minimum wage, for an adult, is currently £11,918 per annum, based on a 40 hour week. To what level would it have to increase to have a negative impact on your business?



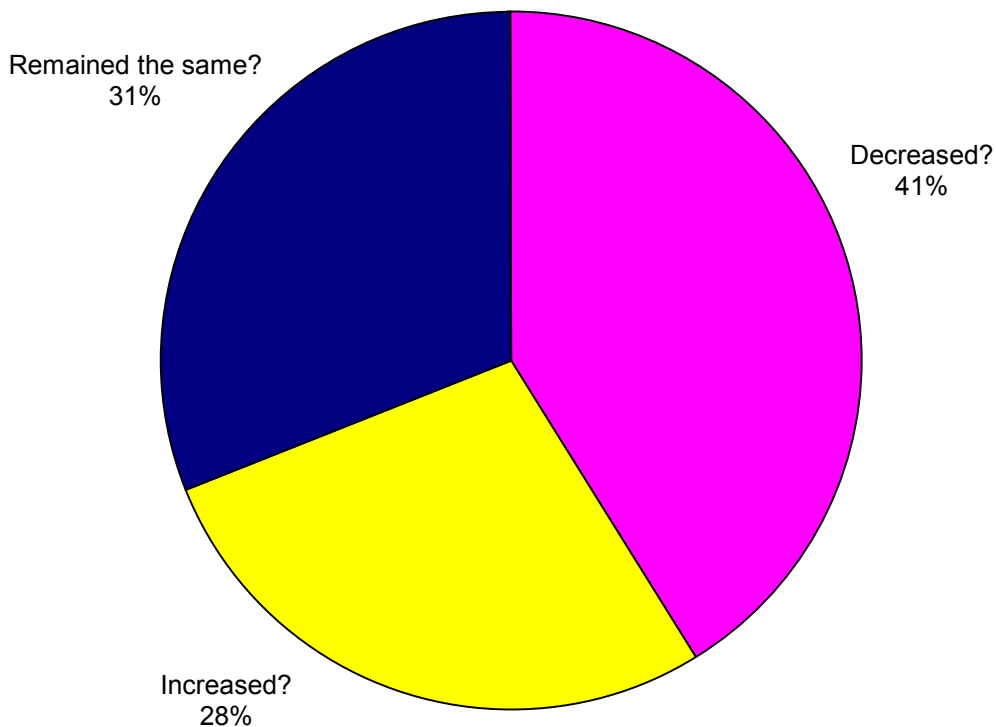
Profitability / Costs

What is the turnover of your business?



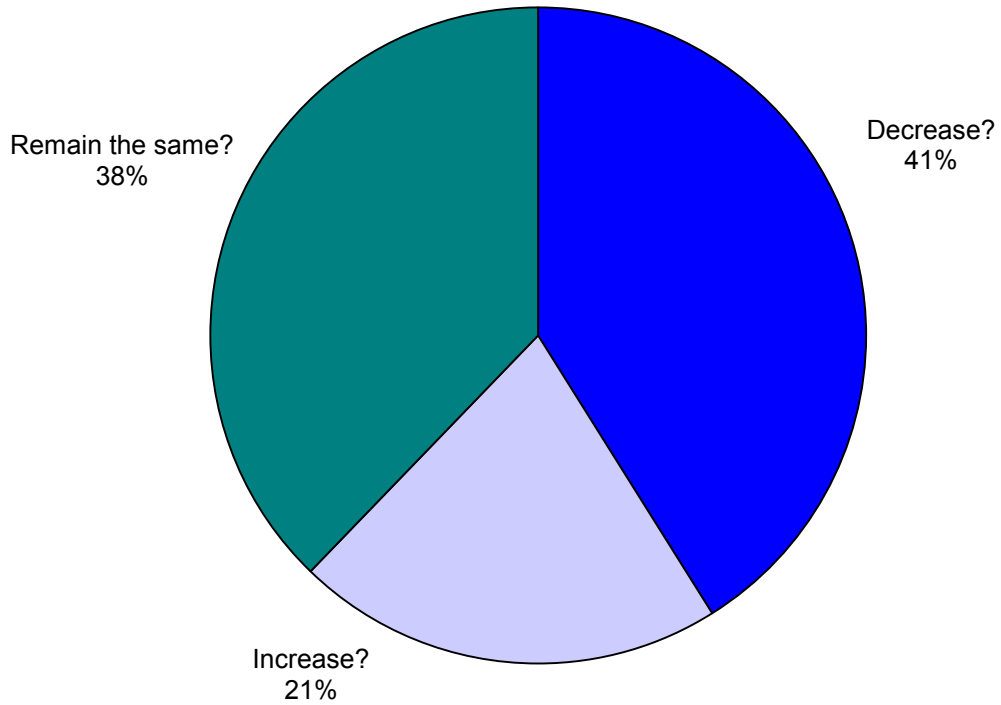
Profitability / Costs

Over the last 12 months, have the profits within your business:



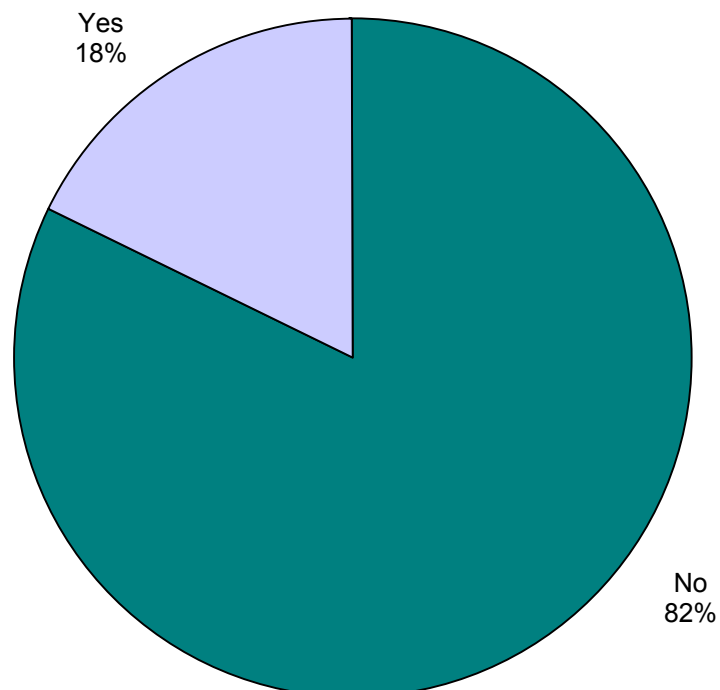
Profitability / Costs

Over the coming 12 months, do you expect profits within your business to:



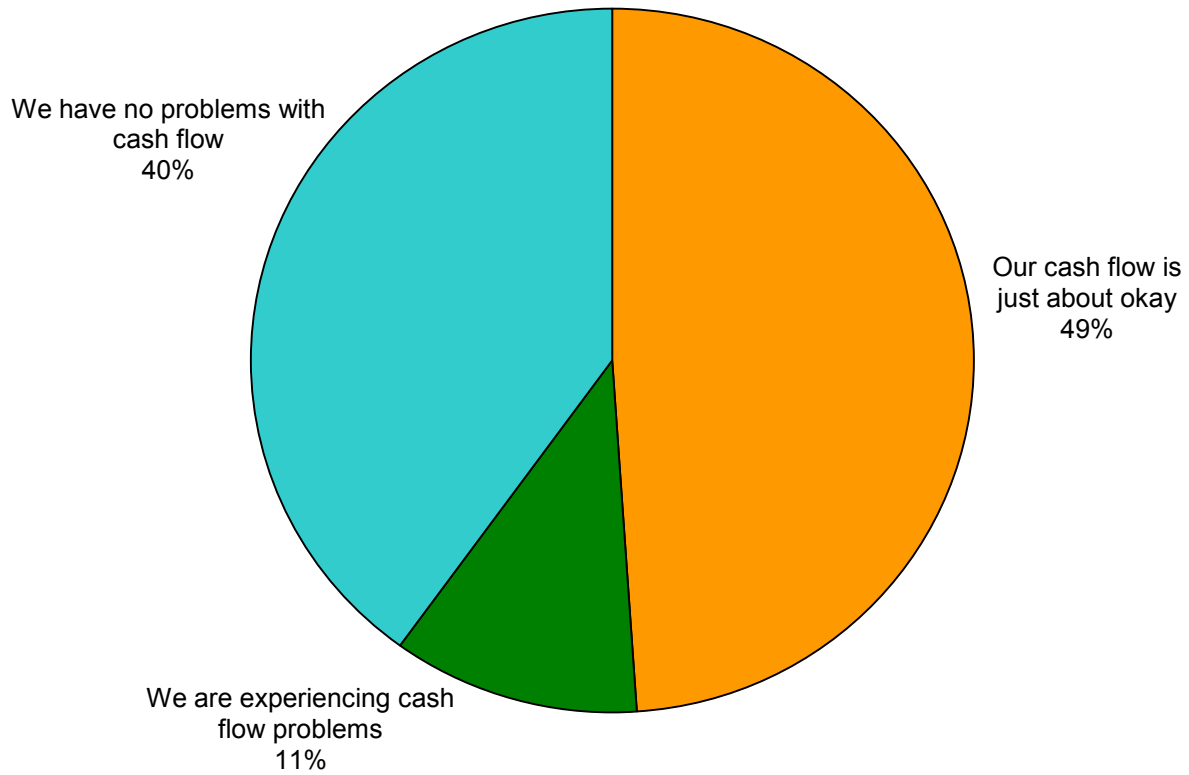
Profitability / Costs

Has the 'Credit Crunch' had a negative effect on the relationship with your bank?



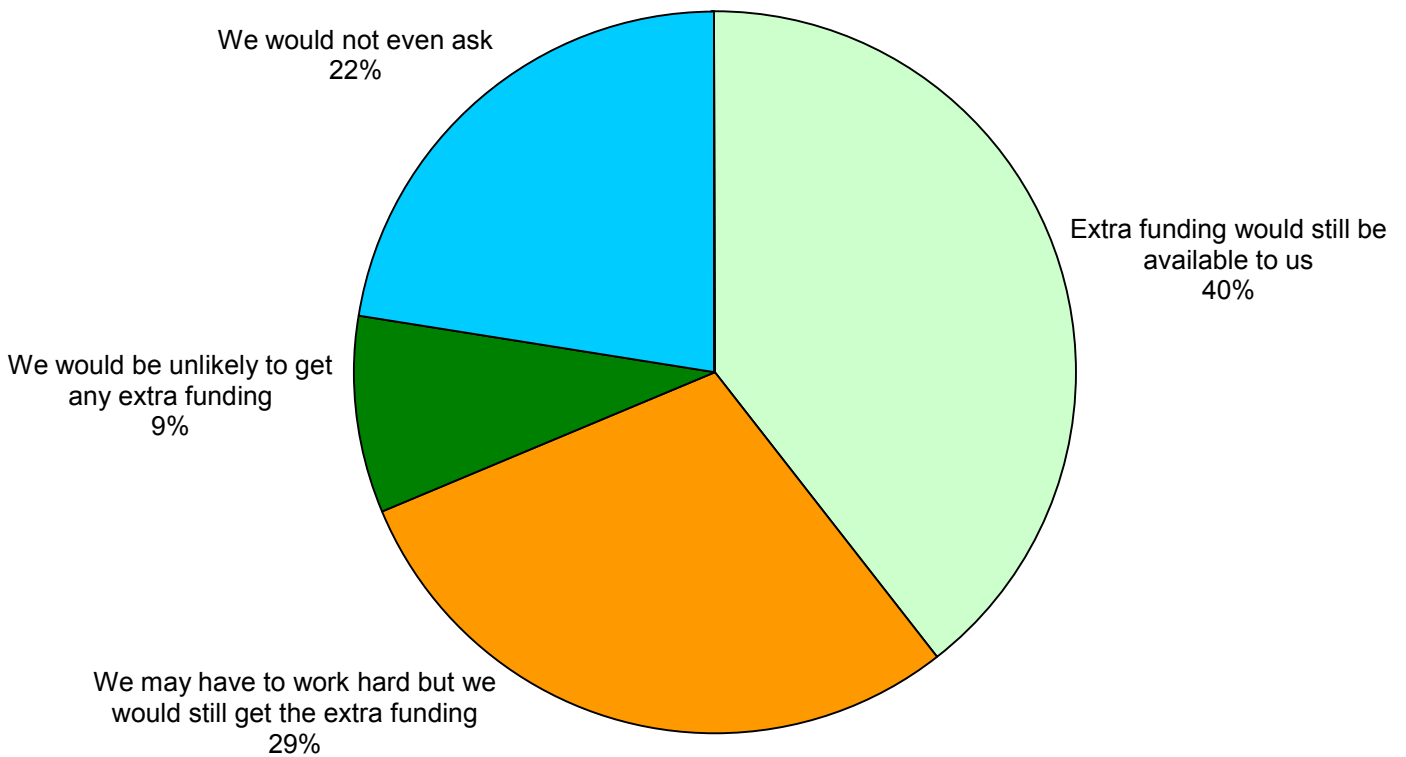
Profitability / Costs

When it comes to cash flow, which statement most accurately reflects your business at this time?



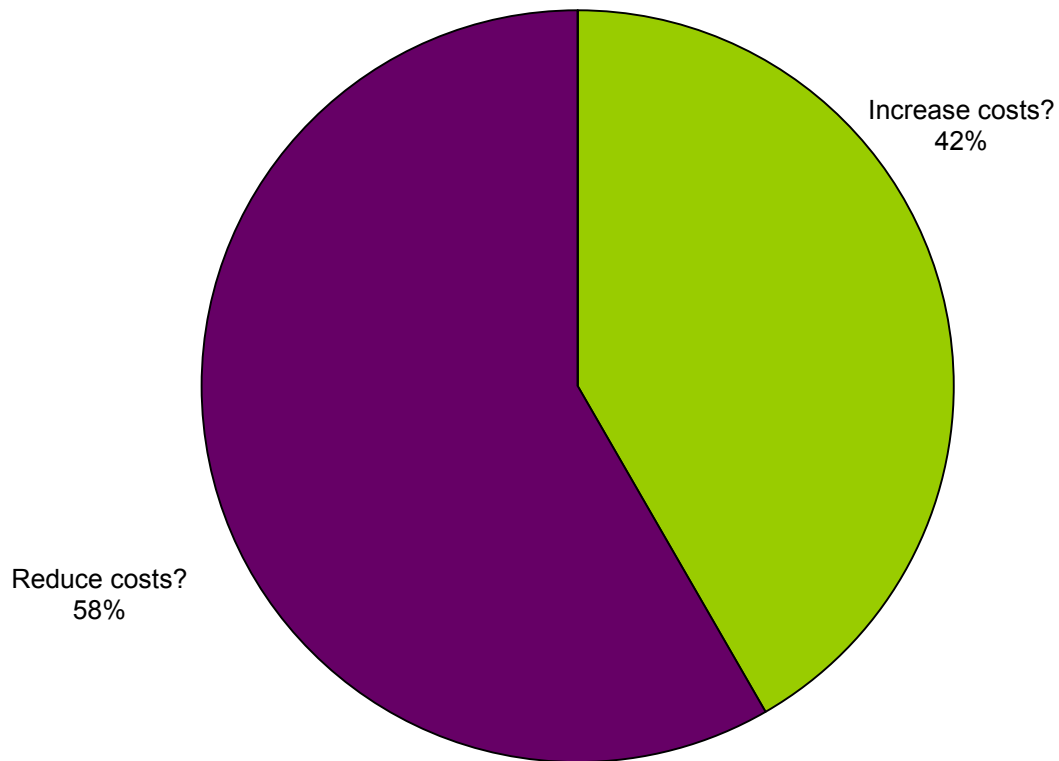
Profitability / Costs

What do you think your bank would say now if you asked for a loan or to extend your overdraft?



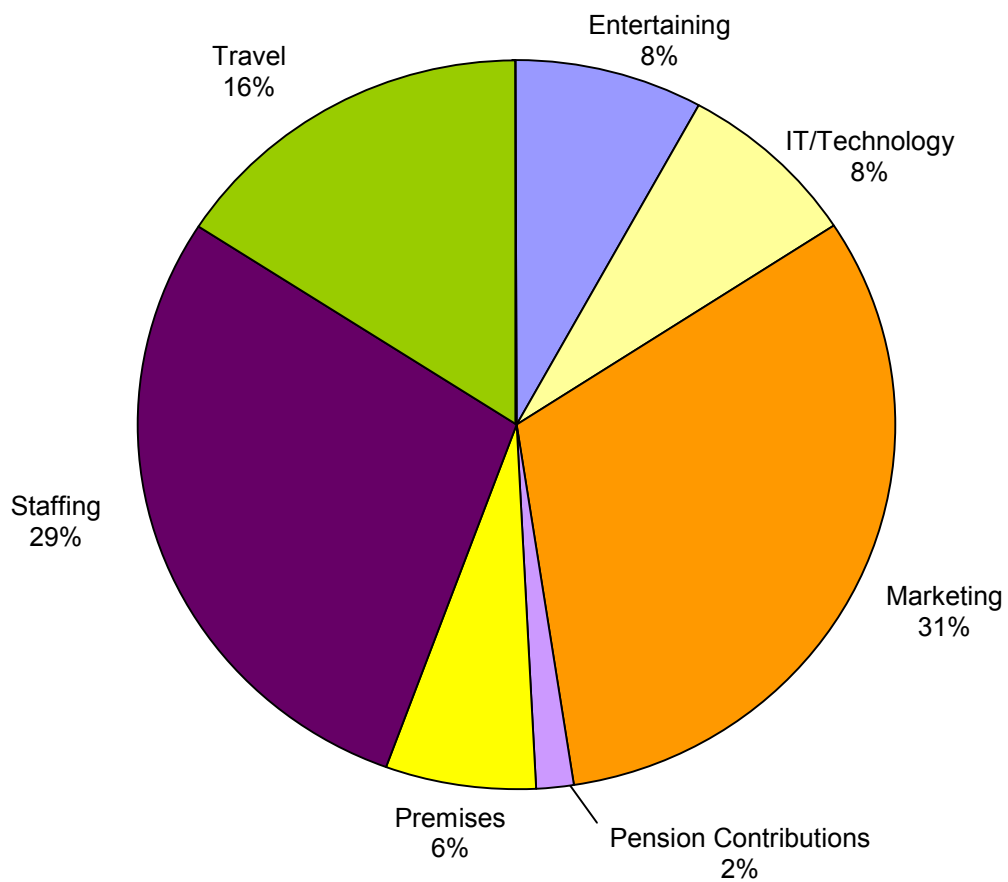
Profitability / Costs

Over the coming 12 months, does your business expect to:



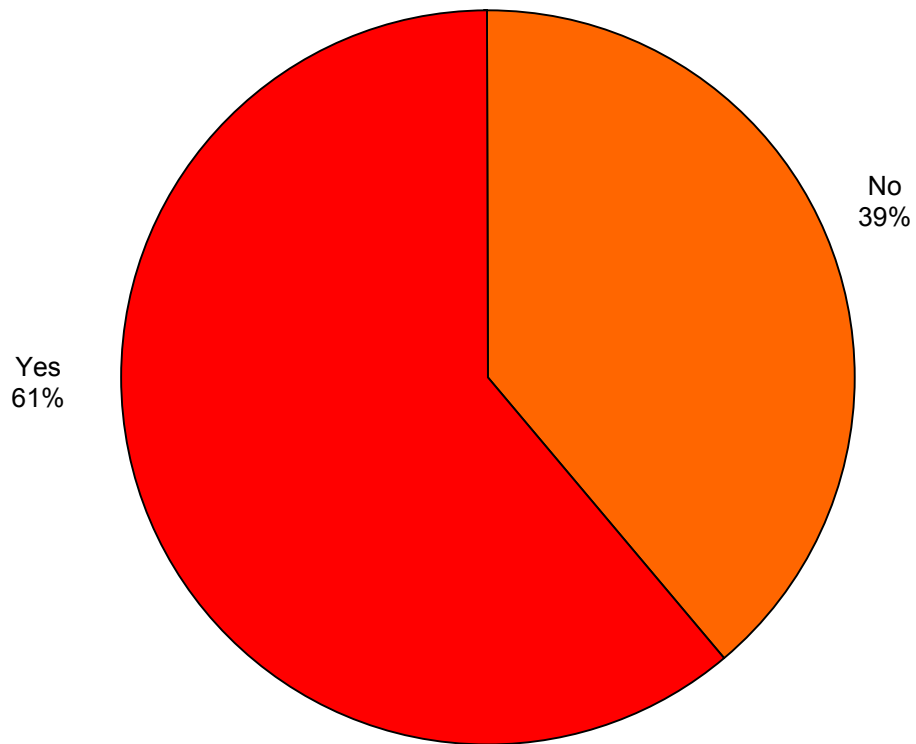
Profitability / Costs

If you are expecting to reduce costs, in what area is it most likely to be?



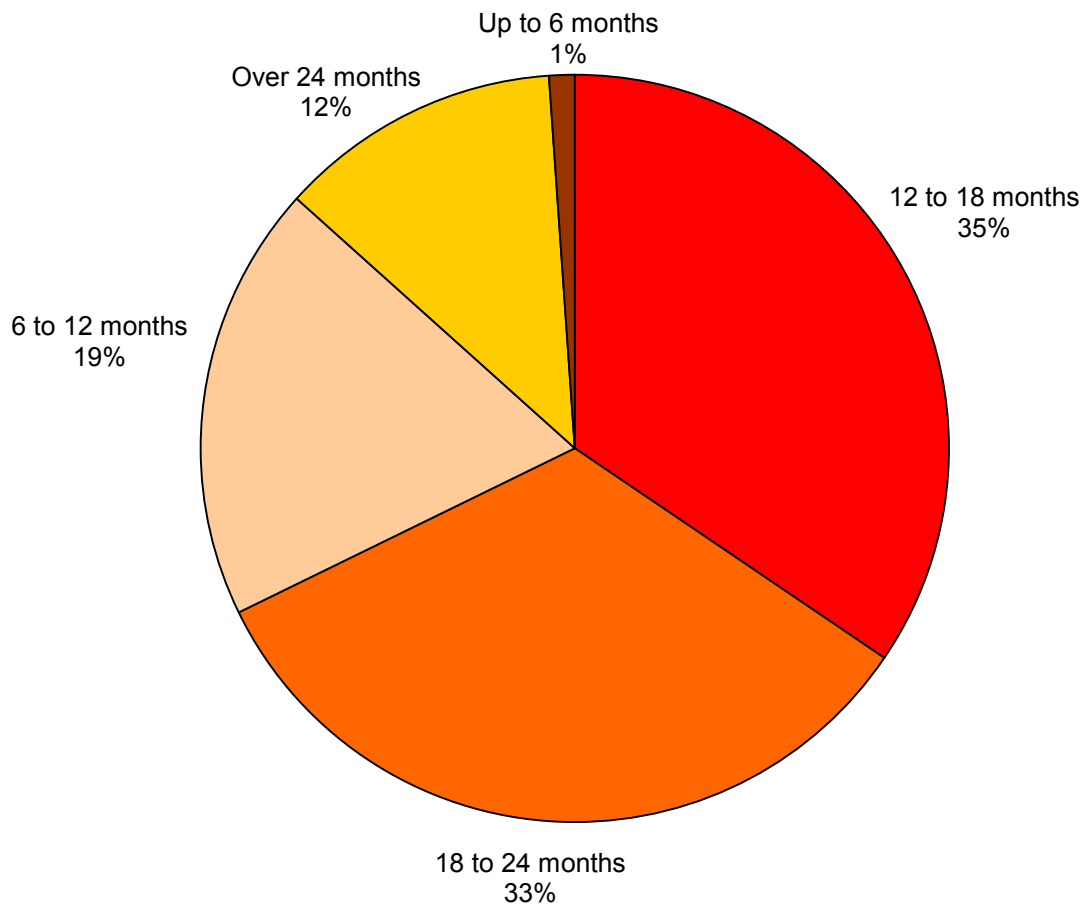
Profitability / Costs

Do you think anything positive could come out of the recession?



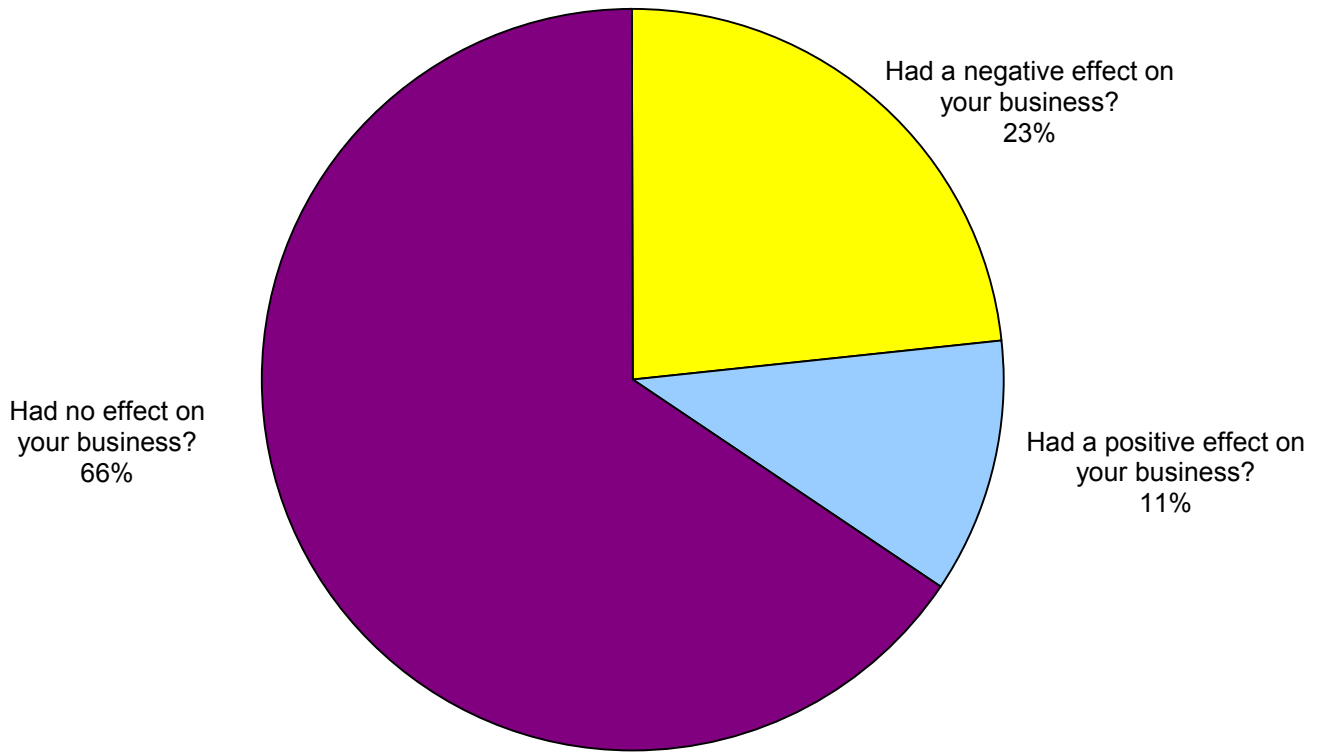
Profitability / Costs

How long do you think the recession will last?



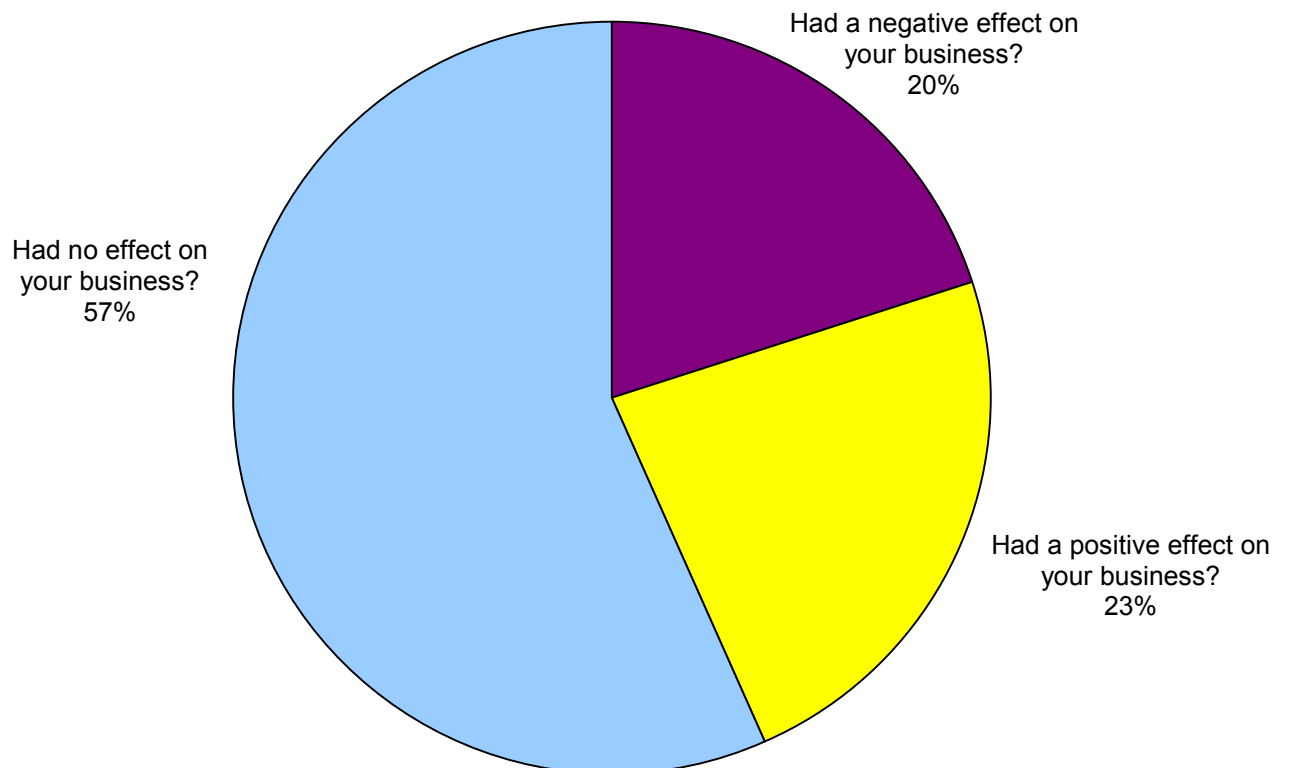
Profitability / Costs

Has the recent fall in the value of sterling:



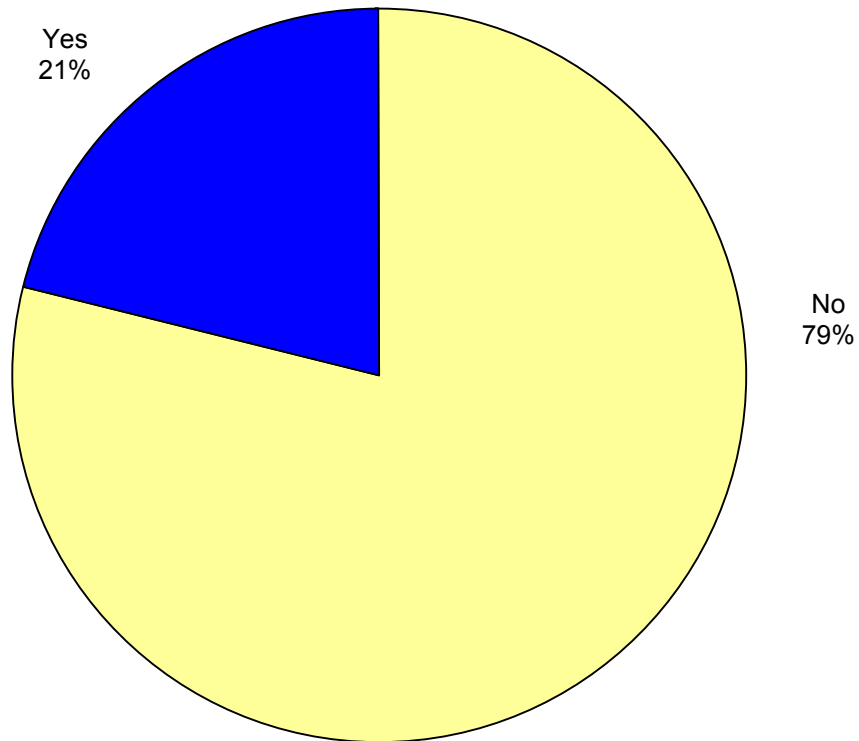
Profitability / Costs

Has the fall in interest rates:



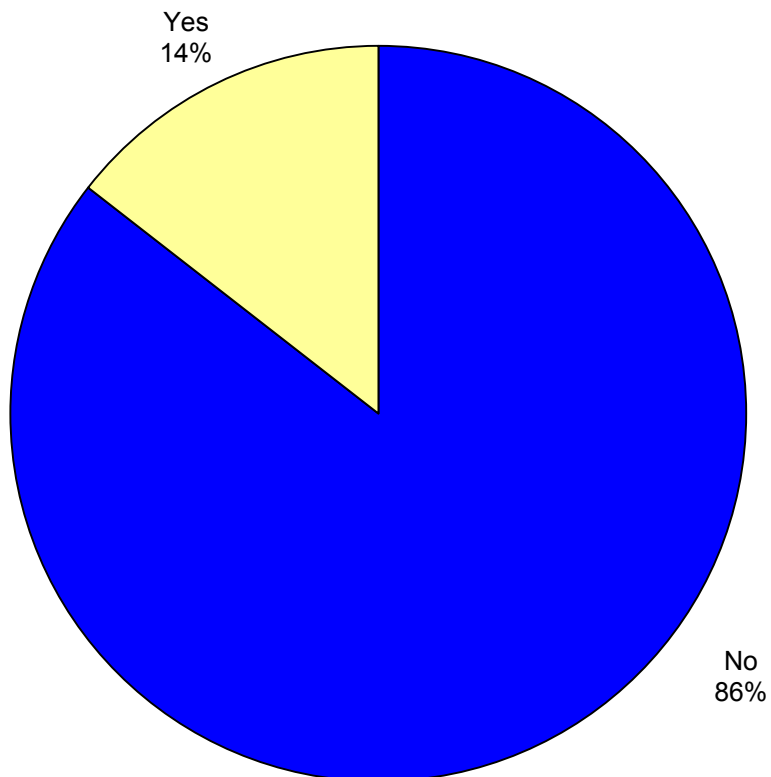
General

Do you consider Gordon Brown to be the right person to lead the country out of recession?

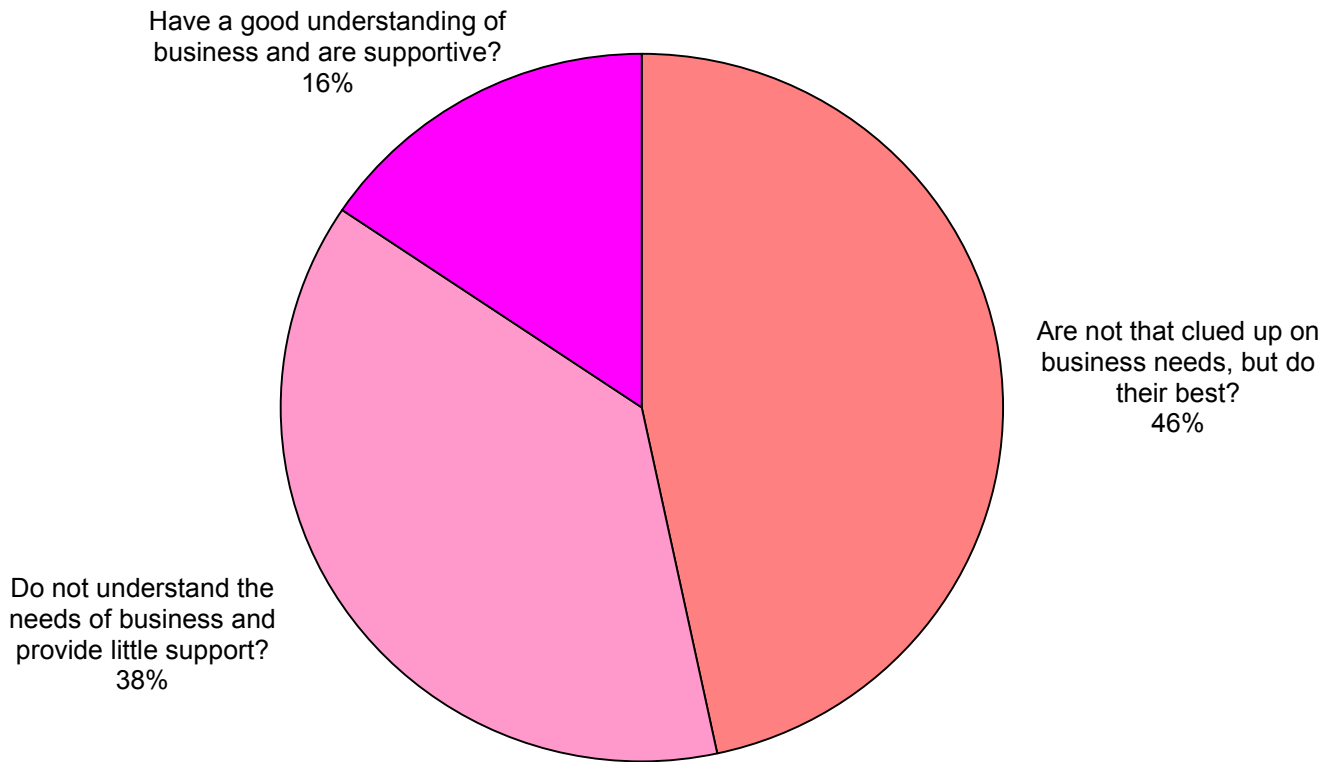


General

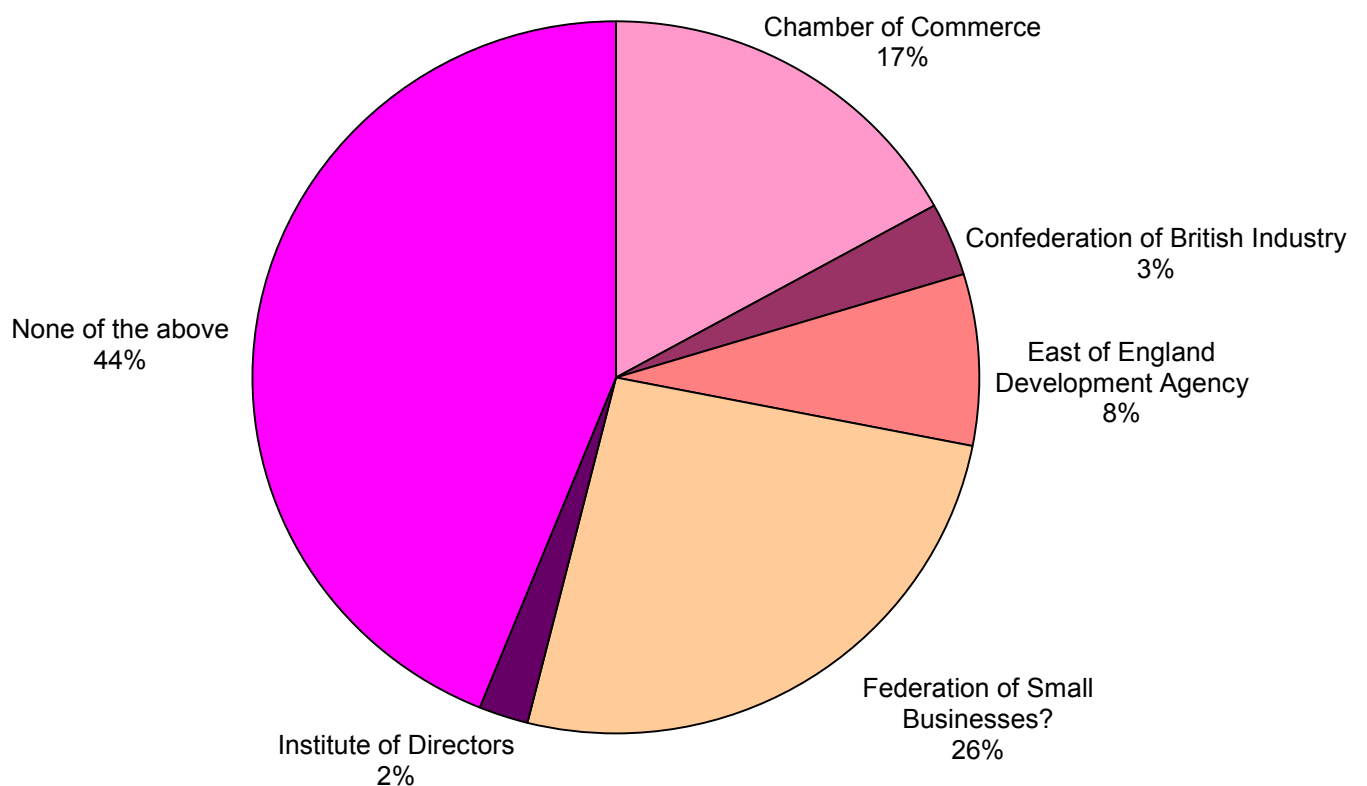
In the last 12 months, do you think the Government has introduced effective measures to help businesses through the recession?



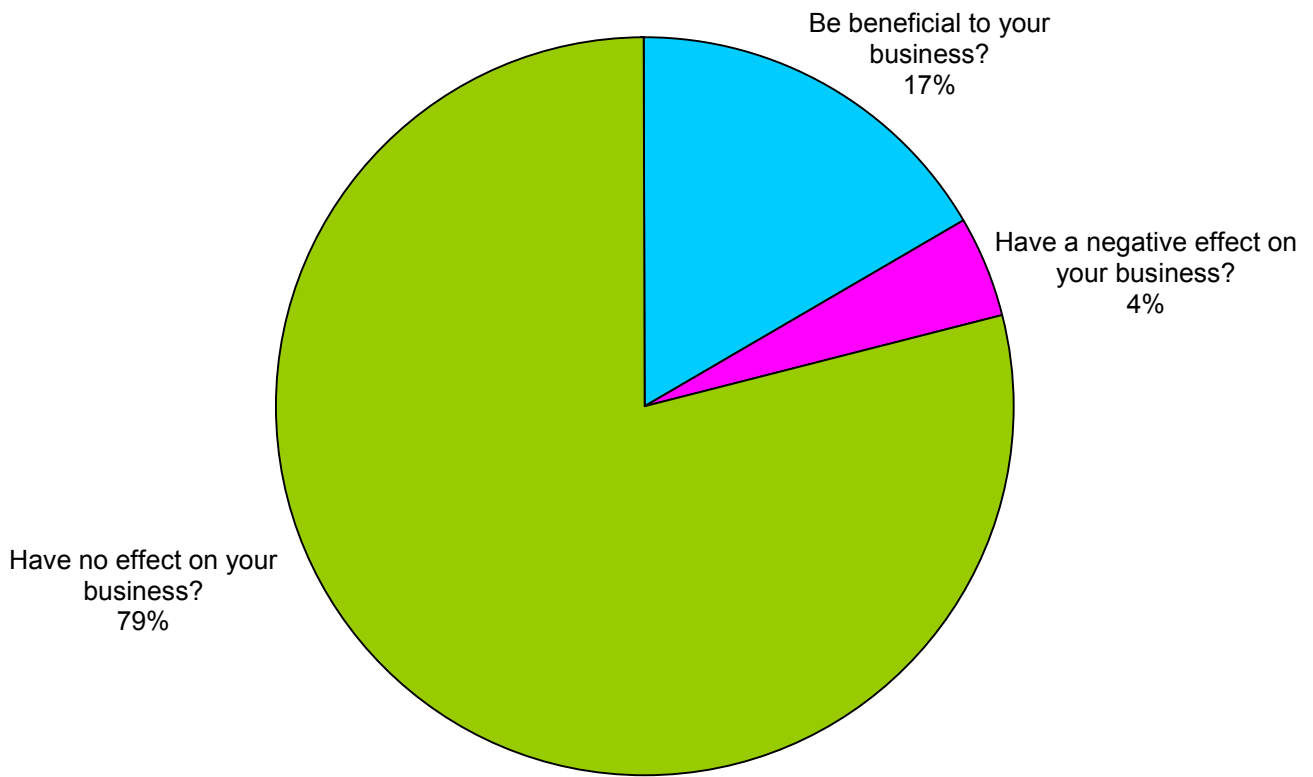
General Do you feel local authorities in Suffolk and Essex generally:



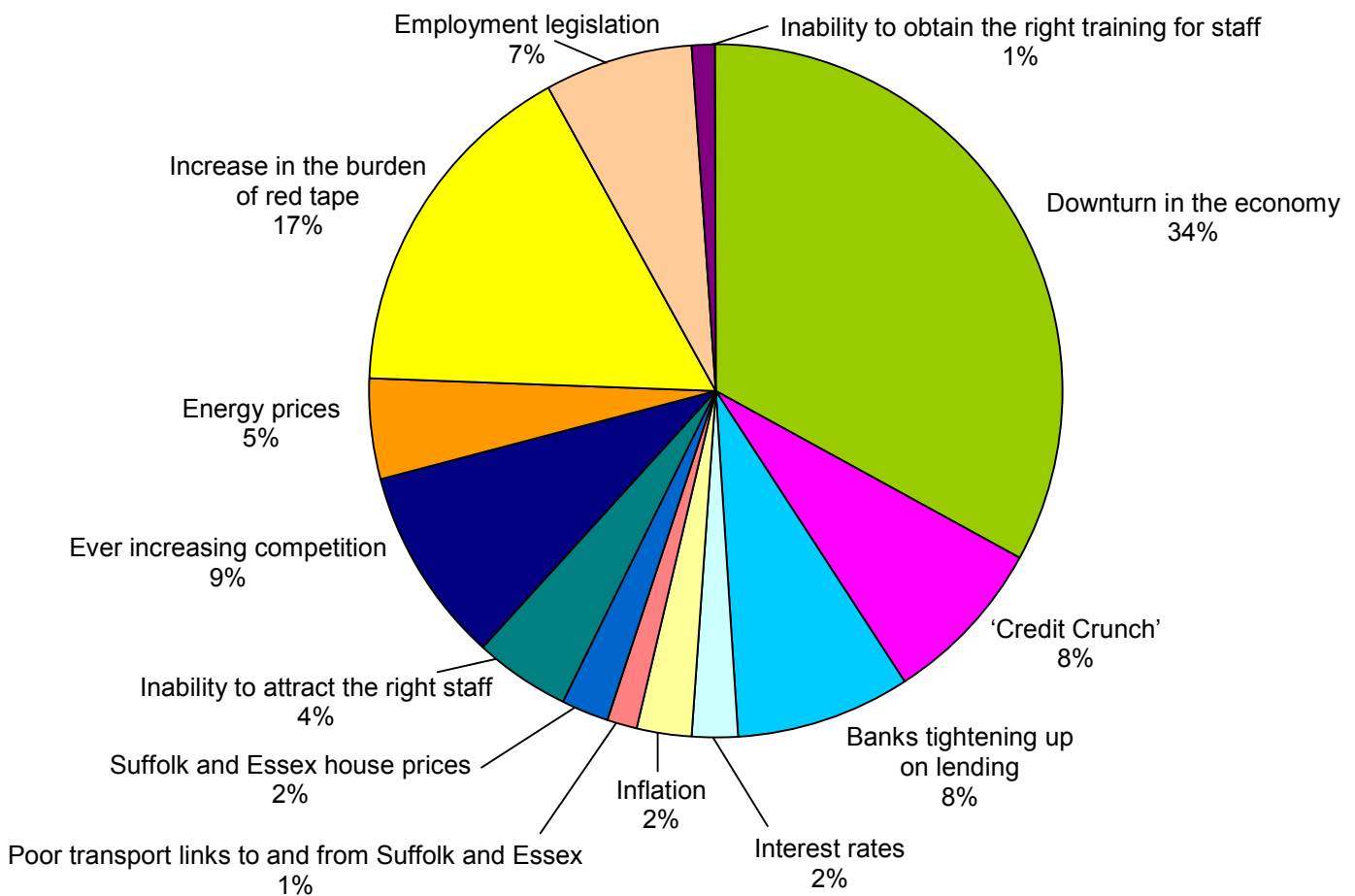
General Which of these organisations do you think best represents the interests of business in Suffolk and Essex?



General Do you anticipate the London 2012 Olympics will:



Threats Which of the following are the first and second most significant threats to your business?



Our services

Our aim is always to provide a first class accountancy service that is professional and gives you a personal relationship of trust and reliability.

Established for over 120 years, we are a major regional independent partnership and one of the UK's top 50 accountancy firms.

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- Audit
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- Taxation compliance including VAT and PAYE
- Buying and selling businesses
- Raising finance
- Strategic business planning and consultancy
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- Sage services
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- Voluntary arrangements
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- Refinancing of debt

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- Capital gains tax
- Trusts and estates
- Inheritance tax planning
- Retirement planning
- Tax planning, compliance and mitigation
- Personal financial planning
- Structuring divorce settlements

We have a number of specialist services including personal and corporate tax, corporate finance, VAT, business consultancy, business recovery and turnaround, growth & development, sage and forensic accounting. We have also developed excellent sector knowledge in Agriculture, Charities, Construction, Independent Schools, Legal, Medical and Tourism & Hospitality

If you would like more information or to take advantage of our initial **FREE** consultations please contact one of the following partners



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