

Zone

business owners

caused by FSB chief

is the 'state of the economy, the state of the eurozone and the state of the world'.

He adds: 'There is so much uncertainty out there it is very difficult for businesses.'

'However, our latest quarterly trends survey will show confidence among small and medium-sized firms has improved, which is good news. It is important now that governments don't damage this by putting unnecessary burdens on business.'

With the Budget fast approaching, Walker, and the FSB, are clear they would like to see the Chancellor improve access to finance, simplify the tax system and make business rate relief permanent.

For Walker, a key step would be addressing the recurring problem of motoring taxation by cancelling the 3p fuel duty rise due in September and scrapping the legislation behind it.

He says: 'Rather than having to keep postponing planned increases the Chancellor should cancel the legislation. With world oil prices rising and pound and

dollar rates fluctuating, the price of oil will go up in sterling terms anyway creating even more pressure at the pumps. This needs to be addressed.'

The FSB also wants the National Insurance contributions holiday extended to all small firms across the UK with fewer than four staff. Walker estimates this could create 45,000 new jobs and add £1.3 billion to the economy.

Finally, the Government must continue to tackle the issue of late payment, says Walker.

'Late payments are a huge issue for small firms. It is unacceptable for public sector main contractors to be paid and then not pay their sub-contractors promptly. Government can enforce this by making prompt payment a clause of all contracts,' he says.

However, Walker argues a cultural change is needed, saying: 'In practice if a small firm tries to claim interest on late payments then big firms will usually pay, but not renew the contract.'



BITTER-SWEET: Amelia Rope has big contracts – but no loan

Even such delicious chocolates couldn't tempt the lenders

BANK lending is still falling with smaller firms finding it ever harder to access finance, despite the Funding for Lending scheme.

Even though banks have been able to access 'cheap money' from the summer, figures from the Bank of England show net lending to business fell by £4.5 billion in the final quarter of 2012.

Bank Governor Sir Mervyn King even suggested last week that one small firm try Sweden's Handelsbanken, which operates in Britain, after being turned down by the big high street banks.

The dire situation is no surprise to Amelia Rope, 42, who set up her luxury chocolate business Amelia Rope Chocolate in 2007. At the time she specialised in making ornate truffles but despite winning awards she struggled to expand, as she was repeatedly turned down by the banks for cash.

In 2010 Amelia reached a 'turning point'. She says: 'My mentor Pat Reeves, who founded Sofa.com and meal delivery service

Deliverance, asked me to produce 1,000 bars in just six weeks to form part of a promotion. It really focused my mind on what would work in terms of the recipe, cost and packaging.'

Having fulfilled the order, Amelia, of Pimlico, Central London, visited delis. Many agreed to stock her bars.

She then secured an order from Selfridges and at Christmas recorded her biggest order – 10,500 bars to a Middle Eastern client.

Next month, the chocolates, which include flavours such as sea salt and pale rose, will be sold in Fortnum & Mason. She says: 'I set up the firm with £7,000 investment from family and friends because the banks didn't want to know. Nothing has changed despite the contracts I now have. How can I grow and take on staff when I am unable to get finance?'

Amelia is now looking for an investor and mentor.

She says: 'My head is full of ideas, I just need help to take this to the next stage.'

■ Helen Loveless

Loans for sole traders – and big firms too

LENDING giant Hitachi Capital has set up a £25 million fund to provide asset-based loans to micro firms and sole traders.

There are three million sole traders in the UK, many of whom, like small firms, struggle to access bank finance.

Hitachi will offer loans of £2,500 to £15,000 to sole traders, including plumbers, builders, and independent cafes and bars looking to buy equipment, vehicles or tools.

Firms will be able to apply at hitachicapital.co.uk/tradeloan.

Meanwhile, businesses have just ten days left to apply for funding of £350 million through the Regional Growth Fund.

The Government is inviting bids from private companies looking to fund projects which will stimulate economic growth and lead to job creation.

The fund has allocated £2.4 billion to firms in the medical, automotive and engineering sectors.

The minimum bid must be £1 million. The deadline for applications is noon on March 20.

Go to gov.uk/understanding-the-regional-growth-fund.

■ Helen Loveless

one gear



PICTURE: DARREN JACK

Taiwan using a £30,000 letter of credit from their bank HSBC and have applied for a loan via the Enterprise Finance Guarantee scheme.

Jezz says: 'We are taking orders from all over Europe, we have sold to the US, even Australia. We are about to start marketing to Holland.'

Gadfly

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Gold Cup may be Osborne's best bet to cut deficit



BOOKIES are rubbing their hands at the prospect of this week's Cheltenham Festival, now the country's biggest revenue-earning sporting event.

William Hill alone predicts its punters will wager £50 million over the four days, of which £10 million will be over their smartphones, with 2,000 bets a minute taken before Friday's Gold Cup.

If the favourite Bob's Worth wins, it will cost the bookmakers millions.

However, City traders who fancy a flutter, but must be at their desks for big economic news, will be relieved to learn that unlike in past years Cheltenham does not clash with that other great national gamble, the Budget, which is the next week.

If the helmet fits...

WHAT would you pay for a cycling helmet signed by David Cameron and Boris Johnson?

Well, it raised £250 in an auction at the 'ultimate news quiz' at Quaglino's restaurant in Central London last week – one of the lower bids in a night in which top newshounds competed with each other and raised £75,000 for charities Action for Children and Restless Development.

The helmet was won by Andrew Dunnett, chief executive of event sponsor the Vodafone Foundation. We're sure he looked lovely in it.

A SENIOR tax partner was chatting recently to a fellow accountant, one from a Big Four practice, and abandoned marketing-speak and spin for the plain truth about the state of business: 'Things are flat for us just now.' The other stared at him in disbelief. 'Flat? We would kill for "flat".'

Virtual ethics

HERE'S a bold solution to the endless pressure on higher education budgets – set up a hedge fund.

Nottingham Trent University has done it, and instantly found itself £33 million to play with. True, this is a virtual fund with only virtual money, but such jiggery-pokery seems to work for the Bank of England.

Students will learn 'multi-strategy trading', 'dealing' in futures, equities, currencies and bonds. So far, so familiar. But hang on – there will also be 'a focus on regulation and ethics'.

Truly, times have changed.

THE latest Ladbrokes advertising campaign, in which excitable Italian football commentator Tiziano Crudeli, left, repeatedly shouts 'Ladbrokes! Game On!' is reaching an audience, if not the intended one.



Punters were recently startled by the arrival of an underage boy in school uniform in a shop. He shouted 'Ladbrokes! Game On!' and left. Precision advertising, eh?