



Dealing with Insolvency

Expert advice in difficult times

— ADVERTISING FEATURE —



BACKING BUSINESS: New Business Secretary Lord Mandelson inside the cabin of a digger during a recent trade mission

CASH-STRAPPED and struggling businesses have just been thrown a number of Government lifelines in response to the current global financial downturn.

In October, a number of measures aimed at helping small and medium-sized enterprises (SMEs) in particular were announced by newly-appointed Secretary of State for Business, Peter Mandelson.

These measures will focus in particular on cash flow, access to finance, free business support and staff training in a bid to keep businesses ticking over during the predicted tougher times ahead.

Central to the cross-Government aid package was a vow from ministers to build on the

by **GEORGE DRYDEN**

Government's commitment to pay any firms working with public bodies such as NHS trusts and local authorities within 10 days – in a bid to improve cash flow – often a major cause of businesses folding during slow economic periods.

This also included Regional Development Agencies, which spend an estimated £750m every year with local suppliers.

The Government also said it would provide companies with more financial information from the Institute of Credit Management to help businesses maintain cash flow, such as by helping to limit problems caused by late or non-payment.

The availability of free, personalised business health checks – available through regional Business Link support services across the UK – was also reiterated.

These free-of-charge coaching sessions aim to help SMEs to identify problems in their businesses at an early enough stage to solve them without causing serious financial damage to their survival chances. Also included are pointers on how to weather the current financial storm, specifically tips on marketing, maximising cash flow and business planning.

By helping businesses to draw up their own action plans, Business Link empowers enterprises to stand strong during hard times. All participating

businesses in the East Midlands will also be offered a follow-on and monitoring service to make sure the plan is working.

Ever wondered what the most effective ways to chase debts are? Again, Business Link can help with this.

The nationwide Train to Gain initiative will also now be offered to SMEs as a matter of priority, ensuring staff have the know-how and requisite business acumen to succeed.

Peter Mandelson said: "We are on the side of small and medium-sized businesses and understand that they are facing tough times. The Government has taken steps to ensure that banks can start lending to them again.

"But we're determined to do more. Businesses tell us they



SOLID ADVICE: Free business information from Business Link

need access to cash flow. That's why central Government has committed to paying businesses within 10 days, and we're urgently speaking to the wider public sector to extend this commitment.

"We want everyone in the supply chain to pay their bills more quickly. Big businesses have accountants and business advisers. Small businesses, with fewer employees and limited resources, often lack such professional help and advice. These measures we've announced offer them new support. They are not on their own.

"We want to help smaller businesses to plan for the difficult times ahead. We want to ensure that they are healthy enough to survive and come out strongly

at the other side.

Stephen Smith, on behalf of East Midlands Business Link, said: "Any initiative which helps more businesses to access appropriate information and support, particularly in such a difficult economic climate, is welcome".

"Businesses that access such support through organisations like Business Link do increase their chances of survival and success. We want to encourage as many as possible to contact us."

Take advantage of some solid, free advice from Business Link today by calling 0845 058 6644, or email: info@businesslinkem.co.uk, or go to:

www.businesslink.gov.uk/eastmidlands/creditcrunch