

Laying groundwork for an athletic win

A SUSSEX firm will help keep the world's fastest man on track.

Event Floor Ltd, based in Scaynes Hill, has developed a revolutionary flooring system which will transform a city centre road into a running track for a 150-metre street race. The event in Manchester will feature double Olympic gold medal winner Usain Bolt

and will be broadcast live by the BBC on May 17.

Organisers Nova International asked Event Floor to supply the track, which needs to be laid in 24 hours and dismantled in just 12, ready for the Monday morning rush hour.

Event Floor director Rob Page said: "Our system is almost as quick to get in and out as Usain Bolt himself. We are delighted to be

able to play such an important role in such a prestigious event.

"With 2012 in the offing we hope to be able to provide similar facilities other athletic promotions in the years to come."

IN THE RUNNING: Olympic medal-winner Usain Bolt, right, will run on the temporary Event Floor surface



Managers start up on their own after factory closure

Building a future on past reputation

by **SAM THOMSON**
Business Editor

PICTURE: SAM STEPHENSON

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ON THE LINE: Tri-Fab's Mark Scott, Mike Liddicoat and Kenny Walker have invested all their savings

THREE men have put their life savings on the line to form a new company after their former employer closed down.

Kenny Walker, Mark Scott and Mike Liddicoat were managers at building suppliers Interlink, in Lancing, until parent company Kingspan shut the manufacturing plant in August with the loss of 58 jobs.

The men managed to raise £400,000 through their own money and finance from RBS and have opened Tri-Fab, a sheet metal manufacturer, on the same industrial park they used to work.

They have re-employed 11 former staff and given work to nearby suppliers which feared for the future after the Interlink plant closed down.

Mr Walker said: "We felt it was a risk worth taking. We did it to help ourselves and the other guys, who are very loyal and have significant skills. I don't want to comment too much on the previous company but the closure was a preventative measure and they did what they needed to do to protect their core business.

"Despite what people are saying about the state of the construction market we felt our relationship with customers and suppliers meant it was still a good opportunity."

Tri-Fab is about a third of the size of Interlink but all being well Mr Walker hopes to expand over the next few years. He said: "We have sensible plans for sustainable growth. Over a five-year period we hope to have up to 35 people working here. After that we could look to new markets to grow further."

Mr Walker admits their future could be decided by Government plans to invest in capital pro-

grammes in health and education, because they specialise in supplying large building developments.

He added: "If that does not happen then our growth potential is very limited."

The firm's initial success led to a visit last week from Business Minis-

ter Pat McFadden, who praised the management team for creating new job opportunities in the recession.

Mr McFadden said: "There are new businesses like Tri-Fab that are opening their doors - not closing them.

"These businessmen have seized

the opportunity to set up a new company that can build on the established relationships, reputation and supply chains that exist locally."

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Battered by Base Rates? Are you a suffering saver?

Over the last year interest rates have been cut savagely and those investing for income have seen enormous falls in the amount of income they can expect.

A year ago, somebody with £100,000 could have expected to earn £6,000 per year before tax from a deposit account paying monthly interest. Now, the best rate from a UK regulated bank or building society for the same type of account is only 2.4% so the same investor would only receive £2,400 per year before tax. This is the equivalent of a pay cut of 60%!

The first thing to do to combat this problem is to ensure that you are obtaining the best return on your cash deposits, whilst taking an acceptable level of risk (to what extent should you invest with foreign banks paying a higher rate of interest?). It is also essential to make the most of all of the tax breaks available to you, and, of course, we at Spofforths will be delighted to help with this.

But, if this doesn't solve the problem, you are faced with the following choices:-

- Topping up the income by drawing down on capital.
- Investing in riskier assets which pay a higher level of income.
- Cutting down on expenditure.

None of these are simple choices and the first two have a knock on effect, requiring additional financial advice:-

- If you are to spend capital, how long will your capital last and from which assets should the capital be drawn?
- If you are to take more risk, what types of risk are you prepared to take and to what extent will you tolerate a fall in the value of your assets, even if this is temporary?

Whilst the fall in interest rates has grabbed the headlines, the rise in the potential income return from riskier assets has been no less striking. The following table sets down the potential income levels from various types of assets (please take note of the assumptions below):

Asset Type	Income Payable		
	Tax Free	After 20% tax	After 40% tax
Gilts	3.81%	2.6%	2.3%
High Yield Bonds	12.5%	10.0%	7.5%
Commercial Property	5.6%	4.5%	3.4%
Residential Property	4.9%	3.9%	2.9%
UK Shares	7.6%	7.6%	5.9%

Of course these income levels are attractive and it is essential to appreciate that there are risks to both the income and the capital values.

However our view is that income from risky assets appears relatively cheap at present and whilst the next few years may continue to be worrying, investors who buy income yielding assets now may well be rewarded handsomely over the next 5-7 years. There are certainly signs that the value of assets has been pushed down artificially as hedge funds and pension funds have been forced into sales which they would otherwise not have made, thus increasing the supply of assets at the same time as demand has reduced.

At Spofforths Financial Planning we have specialised in income planning for all our clients for many years. Our approach to financial planning ensures that we work with you to achieve the best outcome for you and we are not tempted, like the banks are, to persuade you to buy unsuitable investments to earn a commission.

If you would like to talk through any of these issues please contact Philip
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- Cash return is the highest monthly income paying account, with a link to bank base rate, and a bonus rate lasting no less than 12 months. ICICI Bank 14th April 2009.
- Gilts - Yield on FTSE All Stocks Gilt Index, 9th April 2009
- High Yield Fixed Interest - yield on Threadneedle High Yield Bond fund. Underlying yield 11.3%, figures as at 28th February 2009.
- Commercial Property. Yield on IPD All Property Index, 31st December 2008
- Residential Property. ARLA Survey, First Quarter 2009
- UK Shares. Yield on M&G Dividend Fund, 9th April 2009, source M&G.
- All Interest and Income figures correct on dates stated, cannot be guaranteed, and for guidance only.

Chance to network

HUNDREDS of small business owners are gathering for a huge networking event.

The event is the biggest ever organised by the Federation of Small Businesses (FSB) in Sussex and will see more than 600 people book stands and sign up for seminars.

The seminars have been chosen to give positive messages, guidance and advice appropriate to the current period of economic downturn. All business owners, FSB members or non-members alike, are welcome to attend the event at the East Sussex National Golf Resort Hotel near Uckfield tomorrow, from 10am to 5pm. Entry is free. For more information, visit www.fsb.org.uk/eastsussex.

Learn how to keep your staff

EMPLOYERS can learn how to keep hold of their best staff at a seminar.

The Brighton and Hove LEADER Group (Local Employers Acting on Diversity, Equality and Race) has organised the event titled Motivation And Retention Of A Diverse Workforce.

It is an opportunity to discuss best practice in staff motivation and retention.

The seminar will feature a case study from Brighton and Hove City Council, which is currently rated 3rd in the Stonewall Workplace Equality Index of lesbian, gay and bi-friendly employers.

This event is free to LEADER members. It costs £15 for businesses employing more than ten staff or £5 for those with less than ten. It takes place on Thursday from 3.45pm to 6pm at the University of Brighton in Grand Parade, Brighton.

For more details visit www.leaderbrighton-hove.org.