

SMALL BUSINESS FOCUS

North couple wish they'd started business sooner

Each week, we ask small firms in the area some key questions. This time, we speak to Margaret Hudson, who with husband Lewis operates Dunroamin Caravan and Camping Park and the Crofters Restaurant, at Lairg, in Sutherland

How and why did you start in business?

After more than 30 years in the building trade with the civil service in Germany, Lewis took early retirement in 1993. Being too young to sit back and do nothing, we decided that a change of pace and vocation was required. We had both been deeply involved in the Scouts and Guides for over 30 years and loved camping, so we turned our hobby into a business and bought a fairly run-down caravan park and a restaurant that had been closed for a year. Although we never expected to live so far north, everything just seemed to fall into place at Lairg and today we have a successful VisitScotland four-star holiday park, a good restaurant and an outside-catering service for events such as weddings and meetings.

How did you get where you are today?

I had a secretarial background and was used to business. It made sense for me to handle the administration and the Crofters Restaurant while Lewis operates the holiday park. We got where we are today thanks to hard work and long hours. We start work at 7.30am and finish at midnight after cleaning the

toilets and checking the park. We also have good staff and have made sure that we have experienced every job in the business so that we know exactly what we are asking them to do.

Who helped you?

Our son, Alasdair, and daughter, Carol, have always been on hand to help and we are immensely grateful for the support of our staff and regular customers. The Federation of Small Businesses is always available for help and advice if needed and we both sit on the Caithness and Sutherland branch's regional committee.

What has been your biggest mistake?

We don't seem to have made any big mistakes,

though if we had started in our own business earlier we might well have developed things further.

What was your greatest achievement?

"In winter, we make sure that we have a good break before we prepare to re-open in March"

Both marrying the right partner and raising a wonderful family together. **If you were in power in government, what would you change?**

We would lower VAT and stop the large bonuses

being awarded to bankers and their like.

What do you still hope to achieve?

We have a very happy marriage and a comfortable life and hope to have many more years of both together. Dunroamin and the Crofters are part of our lives; we have done with roaming.

What do you do to relax?

During summer we are working flat out and have very little time for hobbies or rest and relaxation, though we do like to fit in the odd barbecue. In winter, we make sure that we have a good break before we prepare to re-open in March.

What are you reading, listening to or glued to

the TV? Nothing - there is simply no time.

What do you waste your money on?

We worked too hard to earn it to waste it on frivolities.

How would your friends describe you?

We don't know; we've never asked them.

How would your enemies describe you?

We don't know what they'd say, or who they are or whether we have any for that matter.

What do you drive and dream of driving?

I drive a Berlingo, which is perfect for the outside-catering business, while Lewis drives a Peugeot 408 estate, though he also has an old Jaguar which he always dreamed of owning.

Gateway to help bosses brush up their skills

BY IAN FORSYTH

BUSINESS Gateway has announced details of its autumn/winter workshop programme in Aberdeen.

Designed to allow entrepreneurs to refresh their skills, gather information and pick up invaluable tips, the events are said to focus on the issues most relevant to local firms.

In recent months, business owners in the city are reported to have approached their Business Gateway office for help and advice on topics including networking, funding and employment law.

Andrew Burnett, operations director with Business Gateway, said: "The workshops allow entrepreneurs to learn or refresh certain skills, seek advice on a specific area and receive support on how to take their company forward."

The workshops, from 6.30-9.30pm in the Business Centre, Admiral Court, Poyrnook Road, Aberdeen, will include:

- Getting the most from networking: Tuesday, October 4. Participants will create a strategy for establishing and maintaining stable business relationships, resulting in an increased profile and leading to new potential customers and suppliers.

- Funding: Monday, October 24. This workshop will help identify sources of funding available through both public and private sectors while navigating through the processes involved in accessing this.

- Employment law and regulations: Monday, November 7. People employed by a successful business are often described as its best asset. Being known as a great employer can develop loyalty, a firm's products and services, promotion and market reputation.



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Mortgage affordability concerns holding me back

BY IAN FORSYTH

YOUNG Aberdeen man James Matheson wants to get on the property ladder, but is concerned about the state of the economy.

The 25-year-old public relations account executive said: "For the last five years, I have rented the property that I've lived in, both throughout university and also as a working professional. I am now getting to the stage where I am really keen to own my own home.

"I am interested in finding out how the global recession and subsequent financial woe has impacted my chances of obtaining an affordable mortgage.

"I am struggling to find attractive rates and offers. With a double-dip recession being predicted, how will this affect mortgage rates and is this likely to continue to get worse before it gets better?"

"Also, how much of a margin should I take into account for probable rises in interest rates in the near future?"

Tim Twiddy, a chartered financial planner with Atlantic Investors, said: "The recent global economic problems have presented two main issues from a borrowing perspective.

"The first is that lending criteria are much stricter than they were before 2008

and the level of deposit banks require to obtain the most competitive mortgage rates is much larger. This has made it harder for some people, particularly those with a poor credit history, to find a competitive deal.

"The second consequence is that interest rates have reduced significantly to try and boost the economy and the Bank of England base rate remains at a low of 0.5%.

"With the base rate this low, there are deals out there that are below 2% but you will need to have a sizeable deposit to qualify for them. Having said that, even with a smaller deposit, rates are still very low in historical terms.

"If we do see a double-dip recession, this would suggest that there will be little impetus for interest rates to rise so we could see very low rates for some considerable time.

"If you are concerned that rates may rise in the future, then the traditional way of dealing with this is to take out a fixed-rate mortgage. You can now get a five-year fixed rate at less than 3.5%. This is a bit more expensive than a tracker rate, but it provides you with a cushion against the possibility of rate increases."

● If you have a financial problem, then let our team of experts help you. Just e-mail your query to pjyourmoney@ajl.co.uk



ASPIRING HOMEOWNER: James Matheson... For the last five years, I have rented the property that I've lived in, both throughout university and also as a working professional

Q I read recently about hidden costs in investment funds. How widespread are these? - W.L., Turriff.

A Barry O'Neill, investment director at Carbon Financial Partners in Aberdeen, said: Legal fees, custodian fees and auditor's fees normally add about 0.2% to the annual management charge (AMC) quoted on fund factsheets. The resultant figure is unhelpfully referred to as the "total expense ratio" (TER). A typical TER for a fund investing in shares would be 1.7% a year, however, this does not include the costs of trading, which can be equivalent to the TER in funds where the manager buys and sells frequently. The real costs in many equity funds are above 3% a year, meaning they have to outperform less-risky assets by at least this margin before you get a return commensurate with the level of risk you are taking on. Always get this information before you invest.

Q Can you tell me more about the UK Government's plans to introduce Isas for children? - J.E., Fyvie.

A Mr O'Neill said: Junior individual savings accounts (Isas) will be available from November 1. The annual savings limit has been set at £3,600. The account must be opened by a parent, but after that parents, grandparents and other family members can contribute on behalf of any child under 18 not eligible for a child trust fund. There will be no access to the funds before age 18, when the account will roll over into an ordinary Isa and be available to the account holder.

Regional variation in age of FTBs

FIRST-TIME buyers are four years younger on average in the north of England, Wales and Scotland than in London, a new report has shown.

The average age for a first time-buyer (FTB) is 28 in these areas, compared with 32 in London, with almost a decade's difference between Harrow (34) at the top and bottom-placed Selby (25) in Yorkshire, according to mortgage lender Halifax.

Also near the bottom of the list, with an average age between 26 and 27, were Redcar and Cleveland, Hartlepool and Stockton-on-Tees, in north-east England; Barrow-in-Furness and South Ribblesdale, in the north-west; Bolsover,

in the East Midlands, and Bridgend, Wales.

Halifax said the age of FTBs reflected both lower house prices but also a low ratio of earnings to property prices in some areas. Nitesh Patel, housing economist at Halifax added: "Most of these areas are in northern England, where house prices are typically lower both in absolute terms and in relation to earnings, helping to limit the size of the deposit needed."

In the south of England, Swale, in Kent, and south Gloucestershire also had an average FTB age of 27, with south Gloucestershire also the only place where younger first timers paid above the UK

average house price of £135,100. An average property in Selby costs £114,113 or the equivalent of 2.9 times salary while someone buying in Harrow would need £262,634 and pay an average 6.5 times their income.

The average age overall that someone buys their first property is 29, a figure that has only risen by one year since 1983 despite the upward surge in property prices, although Halifax said there had been a sharp rise in parental support to help buy a first property. The Council of Mortgage Lenders estimates 84% of first timers received help with their deposit in 2010 against 34% in 2005.



Elaine Stephen: excited

Walkodile continuing its march into new markets

BY IAN FORSYTH

WALKODILE, the brainchild of Peterhead primary school teacher Elaine Stephen, has now moved into markets in Poland, the Czech Republic and Slovakia.

The invention, which resembles a crocodile, is a large harness that fits up to six children, allowing them to

walk freely but means they cannot wander off.

The product is sold in the UK, North American and other western European markets, but this latest development marks further progress for the company on the international scene. Exclusivity agreements have been signed with Krakow-based GDM for the Polish

market, and Aimon, of Prague, for the Czech and Slovakian markets.

Mrs Stephen said: "We're excited about the product entering these new markets in eastern Europe. Although we've been marketing Walkodile in the UK for some time, it's still early stages for the product in terms of its international reach. The

domestic educational market is experiencing slightly weaker demand due to the economic downturn, so broadening our overseas distributor base helps to offset this."

Magdalena Indyk, owner of GDM, one of Poland's most innovative education suppliers, said: "We really like Walkodile and think it will do well here. As well as making

Polish children safer, it will mean better learning and more fun on their outings."

Mrs Stephen - made an MBE at the end of 2010 - and husband John remortgaged their home to fund Walkodile production. The inventor has won several accolades for Walkodile, but said the honour from the Queen had been the icing on the cake.

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