



Lord of aisles

The standard bearer for independent food stores in Scotland

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Citybriefing

Resurgent securitisation market boosts law firms

A REVIVAL in the collapsed securitisation market that sparked the credit crunch is giving a boost to the Scottish legal sector, writes **Simon Bain**.

The stirrings in the market have come as a relief to the likes of Edinburgh-based Tods Murray, which had expanded in London and did all the Scottish securitisation work for Lehman Brothers until the crash.

The firm has in recent weeks handled fundraising deals worth around £2.7 billion for UK financial institutions and says the end of the Government's special liquidity scheme (SLS) next January is driving banks back to the market in search of replacement capital.

There were 46 deals worth €16.1bn (£14.5bn) done in the European ABS (asset-backed securitisation) market in the first quarter of the year, according to figures from Markit. Scottish advisers were involved in all the UK deals, which featured four institutions, including RBS and

Northern Rock, and accounted for €9.5bn (£8.5bn) of the fundraising. The UK bonds were all backed by residential mortgages, with the rest made up of mortgage and auto-loan securities from Dutch, German, French and Italian lenders.

The biggest deal by far raised €5.1bn (£4.5bn) for RBS, while Tods Murray was involved in issuances for Northern Rock, Skipton Building Society and Santander worth some €3bn (£2.7bn) in total.

Rod Macleod, associate at Tods Murray, said: "There seems to be an emphasis from the Government and the Bank of England that the banks should start to go back to the capital markets and to securitisation as a source of liquidity. A lot of it is to do with the SLS coming to an end."

Hamish Patrick, finance partner at the firm, commented: "It is early days but we have certainly seen a pick-up."

Tods, which saw partner profits crash by 53% last year, says its profits are 45% up on last year.

Banks under fire over lending to small firms

Institutions accused of stifling new start-ups

EXCLUSIVE

MARK WILLIAMSON

LENDERS' claims to be playing fair by small firms have been undermined by a veteran banker who said he had been inundated with requests for help from people who are struggling to raise funding.

Bill Christie, who spent 25 years at Royal Bank of Scotland, said he had seen a marked rise in the number of inquiries from firms who have had difficulties dealing with banks in recent months.

Mr Christie's CER Business Finance operation in Glasgow has been approached by more than 60 businesses in the year to date. He took on 50 clients last year.

The approaches come from existing businesses and people who want to start up firms in a range of sectors across the UK.

Leading lenders have been repeatedly accused of starving firms of affordable finance.

Weeks after lenders mounted their latest attempt to quell anger among firms about the perceived lack of support for small business by launching the Better Business Finance scheme, Mr Christie said there appeared to be no sign of any let-up in the problems faced by minnows.

"I think it's very tough for small firms out there," said Mr Christie, who warned that those firms reporting problems may only represent the tip of the iceberg. "It's bigger than we realise."

Mr Christie has worked with a range of people who have had applications for funding rejected



WARNING: Bill Christie says many people eager to start new businesses are being thwarted by banks' lending reluctance. Picture: Stewart Attwood

on apparently debatable grounds. Others have been shocked by the price that they were expected to pay for any support.

His dealings with banks show some are pursuing a policy of such extreme risk aversion they have effectively stopped lending to certain types of business.

Mr Christie said he was told by Clydesdale Bank that it declined a

request for funding for a coffee shop in the Central Belt mainly because the business operated in a sector that depends on discretionary spending by consumers.

The applicant was seeking to borrow less than half the value of the building concerned but was turned down by four banks. The applicant told The Herald that despite being a senior sales execu-

tive he was told he lacked the necessary business experience.

"I've worked in sales with blue chips for 25 years and run operations around the world and I can't run a small coffee house? Give us a break, guys," said the applicant.

Acting for another client, who was declined funding for a coffee shop and a guest house in North-

ern Scotland, Mr Christie was told by HSBC that it would only consider people with long-term retail catering sector experience.

Mr Christie said Santander made it clear they are only looking at businesses that have been trading for more than two years.

Amid challenging economic conditions banks may argue that

Continued on Page 21

Interest rate pressured by rising eurozone inflation

EUROZONE inflation rose further above the European Central Bank's target in April, increasing the chances of an interest rate rise in June, despite a weakening of economic sentiment and household demand.

Inflation in the 17 euro member countries rose to 2.8% year-on-year this month from 2.7% a month earlier, the highest level since October 2010.

Consensus expectations had been for a flat reading compared to March ahead of next Thursday's ECB meeting on interest rates.

"Although we expect a rate increase at the July meeting, the balance of risks is tilted towards an earlier move," said Aline Schuiling, senior economist at ABN AMRO.

The ECB raised its main interest rate from record lows of 1% to 1.25% in April, concerned about the effect on consumer prices.

"The upside surprise relative to our forecast may

be due to a stronger-than-expected impact of the late Easter, meaning that core inflation probably was a touch firmer than we had thought," said Marco Valli, economist at Unicredit.

"We see inflation hovering around the current level for some time, with a further acceleration to 3% likely towards the end of the summer."

Other data this month, however, suggested growth in both Germany and the eurozone is peaking and figures from Spain, the biggest economy under threat in Europe's debt crisis, showed unemployment soaring and retail sales sinking.

An EC survey found economic sentiment sinking in the eurozone for a second month in a row.

"The combination of high oil prices, a strong euro and fiscal and monetary tightening has started to dent the mood in the eurozone," said Martin van Vliet at ING.

MoD cuts and cost hikes push circuit maker into red

IAN MCCONNELL
BUSINESS EDITOR

BUTE circuits manufacturer Flexible Technology has slipped into the red in its current financial year as it faces up to higher fuel oil, electricity, and water costs, and defence spending cuts.

Owner Peter Timms told The Herald that Flexible Technology, which supplies circuits which are used in Typhoon fighter jets, in management of automated car assembly lines, and in patient-controlled drug dispensers, faced a £100,000 increase in the cost of achieving the same output in its current financial year to July because of fuel oil, electricity, and water bills.

Mr Timms meanwhile highlighted the impact of defence cuts on Flexible Technology, which is a key employer on Bute.

Citing one example, he noted production of Typhoon fighter jets has been reduced.

Mr Timms said his business would make a loss this financial year, after a retained profit of £4081 for the 12 months to last July was revealed in accounts which have just become available from Companies House.

He is hopeful of a return to profit, in spite of what he describes as a "pretty gloomy" economic outlook, with a focus on efficiencies in the production process to maximise yield and output.

He emphasised staff numbers are stable at around 54. They have risen from 46 in the depths of the economic crisis in March

2009, having fallen from 68 in August 2008 ahead of the collapse of US investment bank Lehman Brothers.

Mr Timms, who started Flexible Technology in 1981, sold it in 1986, and bought it back in 1992, said the business had achieved turnover of about £2.3 million in the year to last July.

He emphasised the order book was in much better shape than in 2008 and 2009, with the company able to look ahead for a few months.

Mr Timms also noted demand from a major customer, which had accounted for about 20% of the company's business and had topped orders for a 12-month period in 2009, was now back up to "pre-crisis volumes".

He emphasised Flexible Technology had no borrowings and had cash on its balance sheet.

Asked about his view on the economic outlook, Mr Timms said it was "pretty gloomy".

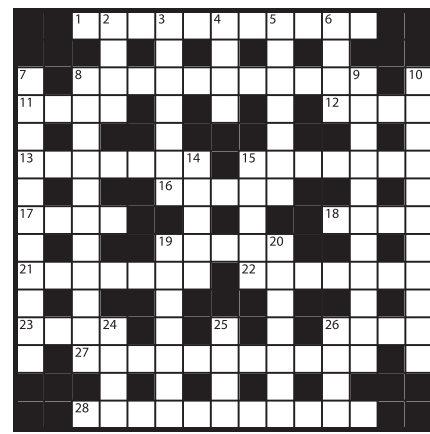
He added: "It is good to see that manufacturing is still holding up but, for those who have to secure finance, it is very difficult and some of our customers are in that difficult area where they are trying to grow and access to capital is much more difficult and more expensive."

Mr Timms, an ex-board member of Highlands & Islands Enterprise and former chairman of Argyll & the Islands Enterprise, meanwhile expressed disappointment the SNP Government at Holyrood had cut the enterprise budget.

www.lenlothian.com

LEN LOTHIAN STORE
HILLINGTON & KINNING PARK

CROSSWORDS



No. 12,492 by Myops

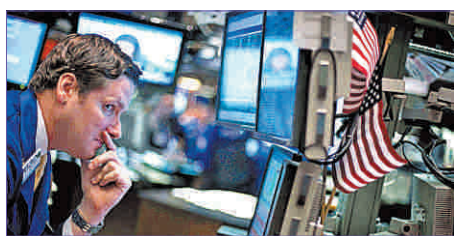
*Today's clue supplied by Ian Jones of Seamill. Email a clue to crosswords@theherald.co.uk and each week one will be used by Myops. Sender will receive a copy of the Good Word Guide, published by A&C Black.

ACROSS

- *1 A perfect match for a clue poorly compiled... (5,6)
- 8 ...invited guests here. For men it's tews (11)
- 11 Where cake was baked by old archdeacon (4)
- 12 Late changes - refer to web (4)
- 13 The old man is in morning style... (7)
- 15 ...like this DJ. Tiles will be worn (2,5)
- 16 Where outfits are bought for less - a possibility (5)
- 17 Number educated in north-east (4)
- 18 Bride's initial weight (4)
- 19 See grandma, royals, and some political leaders (5)
- 21 River route reflected it, day we danced (7)
- 22 Shared shelter for graduates to shape (Forget Agra!) (7)
- 23 Turns, yes changes, after university (4)
- 26 Society has record bash (4)
- 27 Tears pretty freely spread (6,5)
- 28 Green toga is draped around national hero (5,6)

DOWN

- 2 Archbishop enters. Admission's free (4)
- 3 Maybe Dame Judi stares vaguely round about (7)
- 4 Key for students: first college, then wife (4)
- 5 Pseud is struggling at this level (7)
- 6 General on the first list (4)
- 7 Ground not so shaky for strong duo on reflexion (11)
- 8 We'd sad, dingy spells? Occasions to rejoice! (7,4)
- 9 How vows should be made and kept? (11)
- 10 Churchill? Liberal or Labour in HMG reshuffle (11)
- 14 Certainly, mate (5)
- 15 Believer edits reels (5)
- 19 Service on legal vessel (7)
- 20 Child's game is revealing (7)
- 24 Wild oats in philosopher's school (4)
- 25 Party for best man and groom originally (4)
- 26 Horse gets up (4)



Dow's best month in 2011

US stocks rose yesterday on strength from Caterpillar and other industrials, lifting the Dow and Nasdaq to their best monthly performance since December.

Heavy machinery manufacturer Caterpillar led the way after reporting a five-fold increase in profit and raising its full-year forecast. April's gains were limited by slides in Micro-

soft, the Nasdaq's most heavily traded stock, and BlackBerry maker Research in Motion.

The Dow Jones industrial average gained 47.23 points, or 0.37%, to 12,810.54. The Standard & Poor's 500 rose 3.13 points, or 0.23%, to 1363.61. The Nasdaq Composite Index edged up 1.01 points, or 0.04%, to 2873.54.

TOURIST EXCHANGE RATES

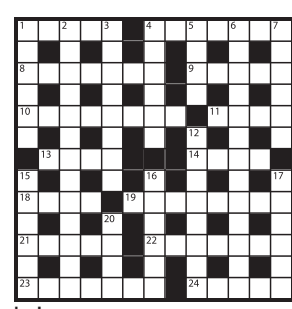
(£)	Buy	Sell	(£)	Buy	Sell
United States	1.5898	1.6825	India	65.41	81.39
Eurozone	1.0688	1.1340	Japan	129.95	139.76
Australia	1.4439	1.5547	New Zealand	1.9452	2.1452
Canada	1.4918	1.5947	Norway	8.3863	8.9313
Croatia	7.4692	8.4276	Poland	3.9024	4.5469
Czech Rep	24.57	27.85	Singapore	1.9138	2.1111
Denmark	7.9869	8.5320	South Africa	10.23	11.68
Hong Kong	12.30	13.14	Sweden	9.6150	10.23
Iceland	164.96	-	Switzerland	1.3831	1.4718
Israel	5.1392	5.8555	Turkey	2.3390	2.5617

Source: Travellex (for indicative purpose only)

TAILPIECE

CPI Inflation (Mar)	+4.00%	Base Rate: (07/04/11)	0.50 %
RPI Inflation (Mar)	+5.30%	Fin House Rate (Apr)	1.00 %
Retail Price Index (Mar)	232.5	Source: The Press Association	

MORE PUZZLES ON PAGE 19



by Locum

ACROSS

- 1 Ham city of Italy (5)
- 4 Enigma (7)
- 8 Holiday camp attendant (7)
- 9 see 16dn
- 10 Deceitful (3-5)
- 11 Gen (4)
- 13 Cab (4)
- 14 Bone dry (4)
- 18 Reserve (4)
- 19 Flat grassland of tropical regions (8)
- 21 South American country (5)
- 22 Little toe? (7)
- 23 Be uncomfortably hot (7)
- 24 Wide (5)

DOWN

- 1 Buccaneer (6)
- 2 1dn+24ac+16dn (5,8)
- 3 Strongly but pleasantly flavoured (8)
- 4 Mumble (6)
- 5 Cumberbund (4)
- 6 Dramatist, exponent of Theatre of the Absurd (6,7)
- 7 Milfoil (6)
- 12 Underground burial tunnel (8)
- 15 Counting-frame (6)
- 16,9ac Finely ground sweetener (6,5)
- 17 Buckler (6)
- 20 Strap (4)

YESTERDAY'S SOLUTIONS

A	S	P	I	R	E	T	A	L	K	S	H	O	P
P	A	A	P	E	O	R							
P	O	S	T	I	O	P	E	R	E	T	T	A	
L	T	D	S	R	B	E	D	I					
A	G	O	G	E	T	H	O	S	T	O	G	S	
U	R	S	O	P	N	G	E						
S	C	A	T	T	E	R	B	R	A	I	N		
E	L	A	Y	I	C	S	A						
O	N	E	T	R	A	C	K	M	I	N	D		
T	S	D	E	T	S	N	H						
I	T	C	H	B	L	U	E	S	O	G	R	E	
P	A	H	L	S	I	U	R						
T	E	R	R	A	C	E	S	C	O	L	L	I	E
O	C	U	R	S	W	A	N						
P	E	E	R	L	E	I	S	C	A	R	R	O	T

Across: 1 Teal, 4 Heaves, 7 Ego, 9 Spit, 10 Slightly, 11 Tot, 12 Ecur, 13 Apoplexy, 16 Eavesdropping, 19 Ping-pong, 23 Ever, 24 Rot, 25 Infinite, 26 Zeta, 27 Age, 28 Hermit, 29 Leak.
Down: 2 Expectations, 3 Lettuce, 4 Hosta, 5 Amigo, 6 Ethel, 8 Alexander The, 14 Peron, 15 Pip, 17 Sap, 18 Pretzel, 20 Gripe, 21 Opium, 22 Great.

Sands is upbeat despite shift in market

Owner insists independent food store chain not for sale



SIMON BAIN

AS the last standard-bearer for independent food stores in Scotland, David Sands is passionate in defence of his eponymous chain which has almost 30 convenience stores across Fife, Perthshire and Kinross.

"We are not for sale," he says. "We are busy focusing on growing our business profitably. It has been a long, challenging road to get where we are, but that's life running a business."

On the swallowing up of so many smaller beasts by the hungry predators of the convenience store jungle – led by Tesco, Sainsbury and the Co-op/Scotmid – Mr Sands is diplomatic. "Yes there are fewer independent companies, but a lot of these were started by entrepreneurs who over a lifetime have built them and made a lot of money – you can say that has been a success, and the big boys have built on the work done by the early pioneers."

But he adds quickly: "That's not to say that every hour of

each day I'm not constantly thinking about how we can differentiate ourselves from the multiple stores."

When Mr Sands joined his entrepreneurial father in the business in 1989, after taking a business and law degree at Edinburgh and working for Sainsbury, it was a fifth-generation business which though solid had never outgrown its single shop in Kinross.

"We bought a second store, and at the time we saw the future as operating medium-sized supermarkets," he recalls. "But in the early 1990s a multiple store opened in Kinross – that was a big shock, and a big worry. It was a very difficult moment, we discovered at that point that banks are fair-weather friends."

Inspired by his first visit to the US, under the aegis of the Scottish Grocers Federation, Mr Sands saw that small could be beautiful. "We realised that smaller stores were a less-risky proposition, you didn't need to have so much capital tied up, and they could trade alongside supermarkets. At that point there was a rather bleak view that supermarkets were going



TARGET: David Sands is eager to differentiate his independent chain of food shops from the multiple stores it competes with across Scotland.

to take everything and we were all doomed – but actually over the last 20 years, we have grown our business to 29 stores."

The muscling of the supermarket giants into the corner-shop market has been good for the shopper, Mr Sands says. "Convenience stores have evolved and become, I think, great places to shop. I do think the UK boasts amongst the best supermarkets and convenience stores in the world – though it does make it very competitive and very tough, everyone has had to raise their game."

But it is a growing, not a static, market. "It is allied to the change in lifestyles, with more single households in the population," he says.

The David Sands chain has reinvented itself with a "local" branding based on meticulous customer research, culmi-

nating in the creation of its own "David's Kitchen" range of exclusive in-store fresh foods and ready meals.

"We are very much a small regional chain, a family business," the boss says. "We are very much focused on the areas we trade in and we have no aspi-



We have never really had a lot of debt, our gearing ratios are well under 20%, and we own all our own properties

rations to open stores in London – or even Glasgow for that matter." Sands runs as many as 300 special offer promotions every three weeks – easily

matching its bigger rivals – but research shows its customers rate friendly service as more important than value. "We do huge amounts to recognise customer service, we do a lot of mystery shopping ... whenever anyone scores well on a mystery shop either myself or my dad will seek out that person, thank them for doing a great job, and give them something as well. We have been doing it for five years, trying to create that culture."

Sampling and micromarketing is aimed at encouraging customers to widen their purchasing. "We are talking about a business where people buy on average less than five items. If we can get them to buy one more item, that is worth about £5000 a week to us."

The stores turn over an average £27,000 a week, equating to a £41 million turnover, up 14%

since 2008, with the last pre-tax profit figure up 5% at £1.4m.

The big step forward for Sands came in 2005 when it built a new head office and distribution depot in Kinross, capable of supporting a much bigger chain, at a cost of £1.5m. "We have never really had a lot of debt, our gearing ratios are well under 20%, and we own all our own properties," Mr Sands says. "It was probably the only time in my life I had sleepless nights – it's all very well investing in a store which you know will pay, but a head office is a cost and a different kind of risk."

In 2008 Sands brought in two external executives, a non-executive director, and a new banking partner in the Clydesdale. Soon after came the opportunity to develop what became David's Kitchen. "A sandwich firm went bust in Cowdenbeath, and we

had the opportunity to buy the whole thing for £5000, it was a real bargain," Mr Sands says. "We started off saying we wanted to make really good sandwiches, then we ended up with about 60 different products which are shipped from our central kitchen to our stores every day."

Where other chains fly the Saltire, Sands walks the walk.

Mr Sands says: "We have invested heavily in building up relationships with local and Scottish suppliers which now account for 22% of our total turnover." The Stephens bakery in Dunfermline supplies the chain with bakery goods, cakes and savouries, and accounts for some 8% of turnover.

He avows: "Going forward, our aspiration is for these suppliers to account for 30% of all our sales."

Lenders defensive about giving to small businesses

Continued from Back Page

they need to be very prudent about lending, especially those that have received big bailouts from the Government.

But Mr Christie said the lending policies could make it extremely difficult for start-ups at a time when Scotland is trying to boost its business birth rate.

Many skilled people who might start businesses after being made redundant could be prevented from doing so.

Mr Christie complained that some banks also appeared to have been hiking rates.

When acting for a client who applied for a loan that would qualify for the Enterprise Finance Guarantee scheme, which covers 75% of a lender's losses, Mr Christie said he was told by Lloyds Banking Group-owned Bank of Scotland: "We have put it through the mincing machine and it (the interest rate payable) is coming out at 14%."

He said he was told by Clydesdale Bank that in order to meet the requirements of the Basel 3 capital reform it would be charging some business customers base rate plus 8% rather than base plus 4% previously. Clydesdale Bank denied the claim that its loan pricing had anything to do with Basel 3.

The Bank of England held base rates at 0.5% last month. Banks continue to insist that they are doing right by their business customers.

Last month Royal Bank of Scotland said it approved 85% of the applications it receives. It claims to charge an average 3.4% interest rate on loans.

A spokesman for RBS told The Herald: "We want to hear from any businesses who feel their borrowing requests haven't been handled fairly. Last year we launched a hotline which gives businesses that are unhappy with our credit decisions the opportunity to challenge those decisions."

Asked to comment on Mr Christie's claims, a Lloyds banking Group spokesman said: "Lloyds Banking Group is committed to support-

ing the Scottish economy and last year provided £500 million of lending to Scottish small and medium sized businesses. These lending taps remain open while the absolute cost of borrowing is around half that in 2007. We are giving real support to businesses."

A Clydesdale Bank spokeswoman said: "We do not comment on individual lending decisions due to customer confidentiality but no one factor determines our position. We approve loans every day for companies who are either wholly or partly dependent on discretionary spend."

"Decisions are based on the business' individual circumstances which is a responsible and sensible lending practice for both the business involved and the bank. Cash flow, the size of a loan, ability to repay a loan, the sustainability of a business, security and income are all factors which influence the lending decision."

"Our pricing is not based on



Our approach is to treat every single case on its merits and to take into account all of the circumstances

Bill Christie



Basel 3 requirements. As is standard practice across the industry we operate customer specific pricing for business customers based upon a number of elements including the relationship, loan size, security, term, cost of funds and the risk profile. As a consequence, pricing varies across our customer base. If a customer has seen a change in price it is likely to be as a result of a change to one or a number of the factors."

John Rendall, who heads HSBC's operations in Scotland said: "Our approach is to treat every single case on its merits and to take into account all the circumstances."

He said the length of an applicant's relevant experience would be one of the factors involved when considering applications concerning coffee shops given such businesses' exposure to shifts in consumer spending. However, while relevant experience would be a huge advantage, it was not a necessity.

Noting that HSBC wanted to grow its business in Scotland, Mr Rendall said the value of loans outstanding to SMEs increased by 15% last year.

A Santander spokeswoman said: "We're proud of our record when it comes to funding UK business. Last year, despite overall bank lending shrinking by 20%, our lending to SMEs increased by 26%. In 2011, we want to continue to grow the SME part of our business which is why we have taken a leading role in the Business Bankers' Association Business Finance Taskforce and have committed to increase lending to SME's by a further 25%, providing £4bn of new lending to the SME sector as part of Project Merlin."

Mr Christie's career at Royal Bank included spells managing a branch in Cumbernauld and administering the lending department at the Glasgow Chief Office. He left in 1988 to become group development manager at James Finlay Bank.



ALERT: Land managers have been reminded to be extra vigilant during the bank holiday weekend.

Moorland wildfires warning

WITH large numbers of people expected to take a trip to the countryside this bank holiday weekend, land managers have been warned that large areas of Scotland currently have a high risk of wildfires.

There have been several fires recently, especially in the Highlands and Islands area. The Scottish Rural Property Business Association's (SRPBA) Moorland Group is subsequently asking land managers to make sure that they have made preparations in case a wildfire occurs in their area and that they are ready to assist the fire and rescue services.

The combination of little rain, frosts at night and sunny conditions in the daytime has made dead plant matter left over from winter very dry and combustible, while the heather is also very dry.

With the weather expected to be dry and sunny until the middle of May, the high fire risk situation will not change

FARMING ROG WOOD

until there is significant rain, or at least until the plants "green-up" with this year's growth.

Land managers are also advised to check they have insurance for helicopter support and appropriate delegated authority to staff and the fire and rescue services. All-terrain vehicles with fogging units could also be crucial equipment which will need to be in working order should a fire occur.

The Moorland Group is also suggesting that this might be a good time to telephone neighbours, check mobile phone numbers and start to develop a local wildfire group.

Market round-up
UNITED Auctions sold 74 prime lambs at Stirling on Thursday to a top of £136/head and 307p/kg to average

284.8p (+14.8p on the week). There were also 2459 prime hogs that peaked at £135/head and 302p/kg to level at 243.6p (+10p).

The 727 cast sheep to go under the auctioneer's hammer saw ewes sell to £139.50 for Suffolks, £135.50 Texels, £122.50 Charollais, £118.50 BFL, £114.50 Beltex, £98.50 X, £96.50 Cheviots and £91.50 for Blackfaces.

The Cumberland and Dumfriesshire Farmers Mart had another massive show of 5418 prime hogs forward in Longtown on Thursday that averaged 238.1p/kg. Top prices on the day were £128.50/head and 286p/kg.

There were also 3391 cast sheep forward with ewes £5 dearer on the week. Heavy ewes sold to £164.50 for Texels and averaged £110.17, while light ewes peaked at £103.50 for Lleys and levelled at £65.57. Cast rams sold to £156.50 for Leicesters and averaged £104.70.

Gilliland makes double addition

MARK SMITH

GILLILAND & Company, the mid-tier Glasgow accounting firm, has recruited two new partners from bigger firms as part of an ambitious plan to expand its business by 40% over the next three years.

Company founder and managing partner Richard Gilliland said he had brought in Simon Murrison from Baker Tilly, and tax specialist Bruce Wilson from Campbell Dallas.

Mr Gilliland said the recruitment will significantly increase the company's offering and that he was now targeting a 40% growth in fee income over the next three years.

The company has chalked up fee income of around £1 million but following its recruitment move it has ambitions to increase that to £1.4m by 2014.

He said: "Since starting the business 23 years ago, I've been very careful to ensure we don't lose sight of our founding principles – providing a partner-led service, ensuring our clients understand their business and are given the benefits of our time and advice."

"At the moment we have 16 staff, but Simon and Bruce bring with them a wealth of experience and their appointments will act as a catalyst to allow us to expand our team to around 25 members within three years."

"Any growth will be organic, solely through an increase in fee income. We expect our fee income to grow by around 40% over the next three years."

Mr Gilliland also said Mr Murrison's focus would be on strategy, development and growth, and that he would be looking to build relationships with firms from a start-up position through to those with a turnover of around £4m per annum. The two new appointments also increase the partner headcount at the company from three to five.