

IS THE BIG BEAST BACK?

It was in the 1970s when the spectre of inflation stalked the UK economy like a big beast in the long grass when the rate of inflation was as high as 25%.

But what exactly is inflation? We mostly associate inflation with Latin American countries like Argentina and Nicaragua. In simplistic terms if demand for goods outstrips supplies, then prices increase as demonstrated by Alfred Marshall's supply and demand curve, for those economists among you.

In the UK, inflation is measured by the Office for National Statistics ("ONS") and they report to the Government to look at the Consumer Price Index ("CPI") when deciding which levers to press in order to control inflation, albeit the control of monetary policy now lies with the Bank of England ("BoE") who sets interest rates.

The CPI is a measurement of the weighted average of goods and services which we consume in the UK which then translates into the cost of living, as the CPI measurement includes housing, food, transport and utilities.

It was reported by the ONS that in the last 12 months to April 2021 the CPI has increased by 0.7% to 1.5%. This increase was more likely than not helped by the rise in fuel prices from the 12-month low this time last year as a result of the first lockdown when most people will recall that there were no cars on the road.

According to the BoE, this rise in inflation should settle down later in the year and then fall back to 2% in 2022 and 2023. However, it is not a settled view of all economists that this overshoot in the

inflation target will only be temporary. Though do not get me wrong, some inflation is a good thing, as when you look at economies such as the UK, which are consumer-based, inflation will help to boost consumer demand. On the other hand, as with most things, too much of something, including inflation, will have negative effects. Inflation will start to reduce the value of money and savings so you are not able to buy as much with your pound as you did in the prior year.

When you translate inflation on to a global platform, the issue becomes more acute as inflationary pressures will determine the value of countries' currency. This means that without higher interest rates to counteract inflation, a country's currency will start to devalue and imports will become more costly and so the cycle continues. This all then starts to have the negative effect

with regards to investment and so productivity, which will ultimately affect GDP and in practical terms, companies will use their free cash to plug cash flow strains.

So it is a question of waiting to see whether or not the inflationary beast is going to bring an end to a decade of low interest rates.



Colin Rodrigues of Hawkins Hatton

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NEON SHINES BRIGHTER THAN EVER

The world of powered access lifts is a very small one and you have to be very good at what you do in order to be one of the best. Neon Hire Services ("Neon") is regarded as one of the best in that it is an independent company which has grown through supplying quality equipment at competitive hire rates to a varied range of customers in the construction, maintenance, industrial and exhibition markets.

Neon shines brightly from its five strategically placed depots in Luton, Peterborough, London, Brentwood and at the NEC in Birmingham giving them capabilities to supply a range of powered access machines.

That is why GTAccess, another nationally renowned company in the same sector, run by Jonathan Till (MD) who created his business based on five key values of "knowledge", "capability", "coverage", "delivery" with a sprinkle of "passion", found Neon to be a perfect fit for GTAccess going forward and led to the acquisition by GTAccess of Neon.

Jonathan Till has always been passionate about GTAccess. With over forty years' experience in the sector, there is nothing that can phase him and he

said "knowing the expertise of GTAccess through its staff, fleet and service, we will be able to create an even more formidable business with the addition of Neon. The combination of the two businesses bring economies of scale and a larger geographical footprint will mean that we can service more customers adopting our five values at all times."

Colin Rodrigues, our Corporate Partner who assisted GTAccess in their acquisition of Neon, said that "knowing GTAccess and its up-to-date hire fleets, it was always a force to be reckoned with within the sector of powered access platforms. Now with the acquisition of Neon it will be the brightest star in the sky that is powered access."

Hadleigh Burns, corporate partner of Charles Lovell & Co accountants, continues to assist and support GTAccess in respect of its financial and accountancy needs. Hadleigh said that "GTAccess with its fleet of over 2700 access platforms with over 70 different models means that GTAccess is of a size that can absorb Neon in order to ensure that the service values of GTAccess are now offered to new customers to give them a better choice in new geographical areas."



CARING AND SHARING

Nizam Bata, the Managing Director of IBC Healthcare Limited is passionate about what IBC has achieved within the healthcare market and the fact it is one of the premier Health & Social care providers in the Midlands, providing support to hundreds of individuals with learning disabilities, complex needs, autism and mental health issues. IBC also holds contracts with over 20 Local Authorities and Clinical Commissioning Groups.

To continue with its ethos of delivering care in a way which makes a difference to all who receive it, IBC has expanded by taking over Lester Hall Apartments based in Leicester.

Lester Hall Apartments is an existing care home which provides accommodation for people with a range of complex needs including learning disabilities, autism, physical, mental health and alcohol and drug dependency.

Nizam was assisted by our firm in terms of legal advice. Nizam commented that, *"this transaction was one of the more difficult deals I*

have done in recent years as I realised it is not just a question of sharing my expertise with an existing health care provider but ensuring all aspects of what we do here at IBC can be properly transferred into Lester Hall Apartments such that the identity of Lester Hall will continue and be strengthened by IBC."

Colin Rodrigues, our Corporate Partner said, *"healthcare is a sector we as a firm have a lot of experience in and what made the transaction enjoyable was the refreshing approach taken by Nizam in trying to ensure that no hurdle was too high to overcome and that with care and diligence and a degree of understanding, the transaction gave an outcome which suited all parties."*

Akbarali Bata, accountant to the IBC group said, *"with any healthcare business, sustainability is always key and looking at Lester Hall Apartments, it was clear to see that it was a well-established business which did not have a lot of historical baggage which would need to be cleared out."*



Andrew Cox of Hawkins Hatton and Nizam Bata, Managing Director of IBC Healthcare Limited

WHAT IS ALWAYS CLEAN AND SHINY BUT NOW IS GLEAMING

Fidelis has long been known as one of the regional key players within the commercial and industrial cleaning sector. Covid aside, we all know how important having a clean working environment is for both employees and potential customers and clients.

Fidelis was set up by Lloyd Ansermoz over 10 years ago. Lloyd has had a lot of experience within the sector and with his guidance, he continued to grow Fidelis into an established name and market leader in its sector so no wonder React Group decided that Fidelis would be its perfect partner.

The React Group who has its routes within the industrial cleaning sector, has very high expertise in dealing with hotels, prisons, crime scenes, cruise ships, public spaces and private hospitals.

Mark Braund, Managing Director of React Group said that *"Every growth strategy takes part in stages, and we're delighted to unveil the next phase of ours being the acquisition of Fidelis. Given that this has been our first real acquisition, we are pleased to find that it has already delivered a significant increase in the scale of our commercial cleaning and hygiene services offering."*

Lloyd Ansermoz, Managing Director of Fidelis said, *"Just like React Group, who go beyond everyday*

expectations in business, I have always done the same as this demonstrates that you can meet the challenges that are put in front of you. That is why I have always believed that the very best training creates the opportunity for everyone to learn and develop, both in their current roles and in their ongoing careers and this merger with React Group will deliver just that. The strength and combination of what we both have will be a force to be reckoned with within our sector".

Lloyd Ansermoz used our firm to assist him in this transaction from a legal perspective and MDP Accountants on the financial side.

Colin Rodrigues our Corporate Partner said that, *"just like every deal, there are always unseen complexities and problems which need to be overcome but where there is a strong desire to do a deal, you tend to find that an accord can be reached. Knowing Lloyd and how he does business, I know that Fidelis will be a jewel in the crown of React Group."*

Arran Jones from MDP Accountants said that, *"Lloyd and the team at Fidelis set out a strategy for growth and worked tirelessly to meet their goals. This transaction reaps the rewards for the team and it was a pleasure to assist during the whole process."*



Lloyd Ansermoz, Managing Director of Fidelis

GETTING TO KNOW YOU

This is a feature where we ask clients of HH a range of obscure questions in order to get a better appreciation of their life and interests.

This edition features **Glenn Rowland, Managing Director of Rowland Door Services Limited.**

1. **Where were you born?** *Birmingham*
2. **Can you summarise your education in a few words.** *It will be, didn't enjoy school except for sports, metalwork, tech drawing and woodwork but got on well with everyone except where exams were concerned didn't take any.*
3. **Can you summarise your business career in a few words.** *Left school in 78, did an apprenticeship with the company my family worked in which was the only way I got in with no exams, formed a sole trader business in 1983 doing what we do now, became a limited company in 1992 and here we are now and the rest is history so they say.*
4. **Where would you like to be in 5 years?** *Alive is always a good start and hopefully enjoying some warm sunshine abroad.*
5. **What do you enjoy most about being in business?** *The people I have met along the way have contributed to our success and still do in many ways*
6. **What one piece of advice would you give to aspiring entrepreneurs?** *When the going gets tough (Billy Ocean) you just brush yourself down and step up it can also be fun.*
7. **What is your most memorable event in your life?** *On a positive note my family and friends being there always.*
8. **Who has influenced you the most in your life whether business or not?** *Alan Sugar*
9. **What is your favourite book?** *Business for Dummies*
10. **What fictional character would you most like to be?** *James Bond*
11. **If you were a superhero what would your superpower be?** *Avoiding a pandemic*
12. **If you could be an animal, what would it be and why?** *A Maltese Terrier (My Daughters dog) he is the most pampered pooch ever.*
13. **What was the biggest challenge you faced in your business and how did you overcome it?** *I started the business on a shoestring financially so funds were always tight for a long time but soon realised that cashflow was becoming more important so had to work harder and spend less until the business became more financially supported.*
14. **If you could travel in time, where would you go first?** *Back to 1978, leaving school year it was great.*
15. **What's your favourite ice-cream flavour (real or invented)?** *Salted caramel anything.*
16. **What is your favourite food?** *Indian Food generally.*
17. **If you had one wish what would it be?** *For everyone to get through life especially at the moment.*
18. **What are you currently listening to?** *Podcasts,*

Comedians, sports people etc

19. **What was the last film you watched.** *I have watched hundreds in the last year but SENNA I watched again recently awesome.*

20. **What country would you most like to visit?** *India and the islands, or Asia generally.*

21. **What is the highlight of your career to date?** *Surviving 38 years in business.*

22. **What makes your approach to business unique/different/special?** *I have always been open minded and flexible, I have always supported my clients in the best way possible and probably the main aspect is treat everyone with respect work or otherwise its unique.*

23. **What did you wish you knew this time last year?** *That this pandemic was going to last as long as it is.*

24. **What would your ideal Sunday be?** *Early game of golf then time with the family and in the real world a summer BBQ.*

25. **If you could invite anyone for dinner (living or deceased, real or fictional), who would it be and why?** *Sean Connery.*

26. **What three words would you use to describe your business and why?** *Trustworthy, dedicated and professional. Our clients expect absolute deliverance in all ways, we aim to deliver.*

27. **What is your biggest regret and why?** *Not becoming a profesional golfer.*

28. **What motivates you to work hard?** *We are a family business with family values, pulling together motivates me to motivate others.*

29. **What is your favorite thing about your career?** *Seeing the business grow from strength to strength.*

30. **What did you want to be when you grew up?** *A chef or a motor mechanic but after visiting dentists and lawyers recently their pay is much better.*

31. **Who would you want to play you in a movie about your life?** *Daniel Craig.*

32. **Who was your biggest influence when pursuing your career?** *My Mom and Dad and my family.*

33. **If you could change one thing about yourself what would it be?** *Nothing – perfection comes in all shapes and sizes.*



Glenn Rowland, Managing Director of Rowland Door Services Limited.