



Award winner Rob believes in giving back to community

The winner of the Lifetime Achievement Award at last year's WMN Business Awards explains why giving back to the community is so important to him.
Liz Parks reports

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Brittany Ferries

After 35 years of running a handful of successful businesses as well as long-standing roles in the Cornish community, Rob Harris' next goal is, quite deservedly, to take things a little bit easier in the future.

The self-confessed workaholic owner of the Ann's Cottage surfwear and lifestyle brand was the winner of the Lifetime Achievement Award at the Western Morning News' Business Awards last year.

It was a triumphant night for the Cornish businessman, with Ann's Cottage winning the Employer of the Year Award and shortlisted in the prestigious Business of the Year category.

In addition to running the £15 million surfwear firm, Rob also owns and operates the campsites Southwinds and Tristram Cliff, in Polzeath, as well as the family leisure business Coronation Gardens.

He owns the Wadebridge-based media firm Wise Monkey.

As if that wasn't enough, he has also been a station officer in the coastguard service for the last 40 years and is chairman of St Miniver Parish Council.

"I have lots of little irons in the fire," he says modestly.

Owned and operated by Rob and his daughters, Ann's Cottage was established in 1978. It began from a hire van and outlet shop located in part of a petrol station in Polzeath and in the 35 years since, has branched out across Cornwall with nine stores in Fistril, Bude, Falmouth, Padstow and Wadebridge. The business employs 150 full-time staff and 50 part-

time or seasonal workers. Accompanying these is its Cornwall Surf Centre and Clearance Warehouse in St Columb, a stone's throw from surf central, Newquay.

Rob's parents came to Cornwall in the 1960s, leaving behind careers in retail in order to run the South Winds touring park, in Polzeath, that he later bought and ran with his wife Beverly.

Rob's oldest and youngest daughters work at Ann's Cottage and he helps to care for his middle daughter, Sophie, who was badly injured in a car crash in 2003. She was in a coma for nearly seven months and in hospital in Truro for more than 10 months.

"I spent time at Truro Hospital with Sophie and I saw so much despair and death and misery and I thought at that time that whatever I could do to help people I would do," he said.

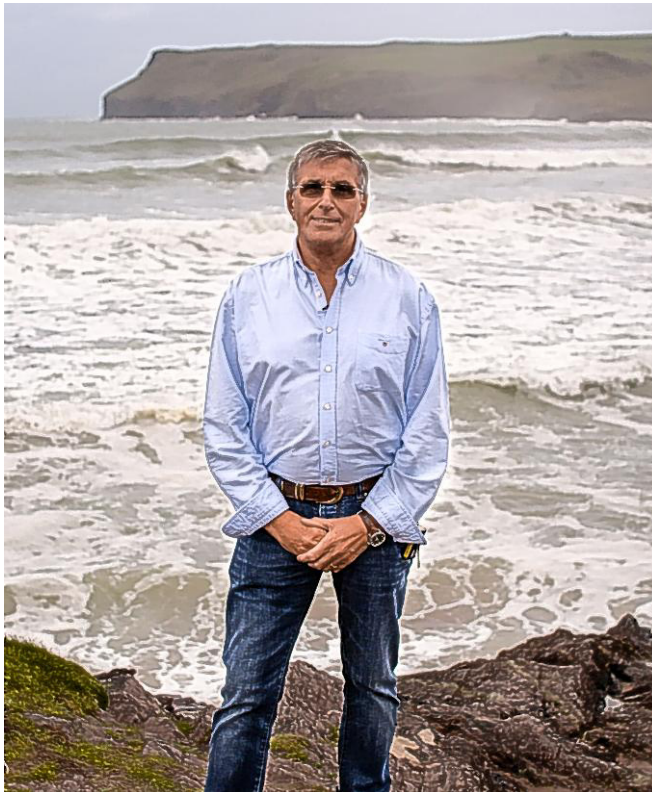
"I try to put back. I've worked hard and I've done well. I think that if you take out of a community and give nothing back then people don't support you but if you give something back to the community then they do.

"If someone is in trouble any time I will help them out. I'm here to support staff and the community. That's what life is all about."

After Beverly died of cancer, seven years ago at the age of 61, the businesses became even more of a focus for Rob.

"I threw myself into it all," he said.

"I enjoy the pressure of it. My parents were hard workers in retail in the Midlands and when they moved to Cornwall they were always



Rob Harris, above, and top with the Ann's Cottage team

involved in different things."

The Lifetime Achievement was the only one of the WMN's Business Awards that was presented without a shortlist, with Rob having no idea that he had won until a film of friends and family was shown on the night.

Made in secret by Rob's own media firm, Wise Monkey, the film provided one of the most emotional moments on the night when Rob's daughters, grandchildren, long-serving staff members and colleagues in the coastguards explained why they felt he was a worthy winner of the award.

"Everyone had kept it a secret - I could not believe it when they showed the film," he said. "It's a shame my wife was not there to see it because in the early days we worked so

hard on the businesses. I could not have done it without her - she ran the campsite and brought three girls up.

"As we've grown over the years we have had a lot of employees that have worked for me and it's also down to them and their support."

Having worked hard for most of the last four decades, Rob is now planning to take things a little easier.

"I've been a workaholic for 35 years now, working 18-hour days and I want to ease off a bit now," he said.

As well as wanting to spend more time with his daughters and grandchildren, Rob is also planning to spend time with his new partner.

But he is clear about one thing: "I'm not going to retire," he said.

Limited companies and personal guarantees

BUSINESS MATTERS

Lisa Thomas, an insolvency practitioner at Plymouth-based Neville & Co, advises would-be company directors to seek legal advice to prevent unwittingly signing papers that may turn out to be a personal guarantee



When a company is facing financial problems and the directors first come to me for advice, one of the questions they understandably want answered is how they will personally be affected if the company is placed into liquidation or administration.

One of the questions I will ask is whether or not they have given a personal guarantee to any suppliers or lenders in connection with the company's liabilities. If the company is unable to pay its debts that supplier or lender can pursue the directors personally for repayment of the debt. In some cases this may result in bankruptcy proceedings being brought against the directors so it can be serious.

When I ask directors if they have given any guarantees quite often they will look at me blankly and ask us what a personal guarantee is. Those that have the vacant look when guarantees are mentioned will usually claim they have not given any and I will recommend they check this, particularly with the bank. This can result in a panicked call from the director telling us it turns out they have given a guarantee and now have an added problem to deal with.

The usual suspects who will obtain personal guarantees from directors are its bankers, landlords and some trade suppliers.

More often than not the company's bank will have obtained security over the company's assets by way of a fixed or floating charge, like a mortgage. If there are insufficient assets to cover its indebtedness then the bank will often ask the directors for a personal guarantee for added comfort that it will be able to recover its debt if things go wrong.

Sometimes it makes sense to give a guarantee as it might be all that is needed for the bank to be able to say, increase the overdraft facility, and give the company enough time to sort out its affairs.

On the other hand I have seen how guarantees can cause major difficulties for

directors when things go wrong and a company becomes insolvent. First of all they have a conflict as they owe a duty of care to the company and its creditors in their capacity as directors but will put off instructing me to put the company into liquidation or administration because they do not want their guarantee being called in by the creditor.

Other times directors will use the company's money to pay back the bank or third party to extinguish the debt and prevent their guarantee from being called in but the Insolvency Act 1986 specifically calls for this to be investigated as a possible issue. If the company was insolvent at the time the repayment was made it could amount to a preference and the director will have to pay the money back to the company, which is not what they want to hear.

A Cautionary Tale

We dealt with a liquidation last year where the director was sure he had not given any guarantees to any parties but it subsequently transpired he had guaranteed a trade account the company had with a supplier. He has signed new account opening forms some years earlier and was not aware that part of what he had signed was a guarantee. The supplier then pursued the director personally for over £45,000. Often, but not always, the type of supplier who asks for a guarantee is a builders merchants.

We would recommend directors consider taking legal advice before signing any guarantees. If your company has financial problems and you are worried about what guarantees you have signed then please get in touch to arrange a free initial meeting to discuss your options.

If you, or someone you know, needs advice or guidance, contact Lisa Thomas on 01752 786800

NEVILLE & CO

Manufacturing event will focus on growth-orientated businesses

Manufacturers will be able to find expert advice on how to get their products in front of customers at a workshop in Exeter.

Brand specialists Alder and Alder have teamed up with the South West Manufacturing Advisory Service for the event on February 13.

SWMAS advisor Paul Gilbert said: "This is a great opportunity for manufacturers to get practical support for developing and launching new

products. We know there are great ideas out there. This event will help companies turn them into products and get them in front of customers. It's an opportunity for us too lead companies through that process, and help them develop an action plan for their business."

The UK manufacturing sector is predicted to grow by 2.7% this year. For more details, email jonathan@alderandalder.co.uk.