



## NORTHERN ENGLAND

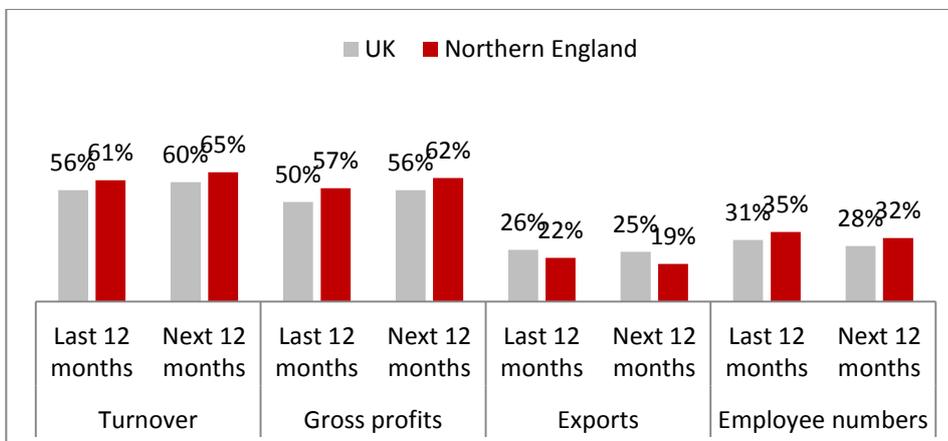
### Background

1,010 members in UK businesses were interviewed by phone for the *ICAEW UK Enterprise Survey 2011* between June and Sept 2011 by Kudos Research; 69 of them in the Northern region. The survey forms our 15<sup>th</sup> annual UK Enterprise Report which, along with our Global Enterprise report, can be seen at [icaew.com/SMEResearch](http://icaew.com/SMEResearch). The 2011 survey was sponsored by SAP.

### Summary

Northern based businesses are strongly focussed on increasing profitability in the coming year. Growth expectations are slightly above the UK average, but this is not likely to be driven by exports.

### Growth – % reporting growth in last 12 months and expecting in next 12 months



Growth in turnover and profits may be more widespread in Northern England than the UK average, but exports growth less so.

About two thirds of Northern businesses expect growth in the next year – higher than proportions seeing growth over the last 12 months. A third expect to increase headcount.

### Challenges and opportunities

- The greatest anticipated business opportunities for Northern businesses is seen to be finding new customers / markets and product development.
- Competitive pressure is expected by about three in ten to become more of a challenge in the coming 12 months.
- Northern businesses have a more pronounced focus than other areas on increasing profitability - the single main objective for 40%.
- The majority of Northern businesses feel the UK tax and regulatory environment is not business-friendly (58%) .

### Globalisation

- Increasing globalisation is expected to have a positive impact for 40% of Northern businesses – somewhat lower than the UK average - while 40% believe it does not affect them, in line with the UK average.
- Half of the region's businesses have international activities; 43% in North England export (average 44%) and 40% import.
- Those interested in exporting would benefit from country and sector intelligence, and information on commercial and product regulations.