

Thames Valley Asset Finance

Specialists in Asset Finance and Business Banking Solutions



Newsletter

Periodic Newsletter - September 2008

Welcome to the latest edition of our periodic newsletter. The spring and summer of 2008 has been a particularly busy period for TVAF, primarily down to the "credit crunch" which has seen many of the high street banks (and therefore their "in-house" asset finance divisions) exiting the market or downsizing their operations. Indeed, as TVAF reaches the end of its second year of trading, we have seen a dramatic 50% growth rate on our first years trading and a significant number of new clients though the doors in 2008. High profile casualties of the uncertain economic and financial climates include Bank of Ireland Asset Finance and HBoS Asset Finance, the former closing it's doors closing and the latter down sizing only last month. They are just two of the larger finance houses to fall away in 2008 (and there are others), leaving clients and their professional advisers frustrated as funding lines are cut or withdrawn.

At TVAF, our partner program continues to expand and has gathered pace in quarter two of 2008 as Banks, Invoice Discounters, Professional practices and IFA's throughout the Thames Valley turn to us for assistance. We remain focussed on becoming the region's leading asset, equipment and motor finance brokerage of choice. Our independent status, 15 years industry experience and growing panel of lenders (now over twenty funding partners are affiliated to us), means that we are well placed to assist local businesses, whatever their requirements.

In this newsletter we take our usual look at some recent TVAF case studies. The purpose of these is to highlight the unique way in which we work with our clients and introducers using a consultative approach. To compliment this we also focus on two of our program partners, Inksmoor Credit Management, who provide out sourced credit control and Venture Finance PLC, who offer asset based lending solutions for SME's

We trust you find our latest newsletter informative and look forward to working with you all in the months ahead.



Andy Wise

Andy Wise
Managing Director

TVAF – Recent Case Studies



Doosan Lynx CNC lathe

TVAF were recently referred into an Oxfordshire based engineering company who manufactured parts for the motorsport industry (to include a number of F1 teams). The company had recently acquired a competitor and needed to acquire three new machines to cope with increased production. The incumbent funder (HBoS asset finance) was happy to organise the finance but at higher rates due to exposure levels. TVAF arranged for Clydesdale Bank to attend a joint meeting with the client and a facility was agreed on the required terms within a week. The client has since taken delivery of the first two machines and the final machine is due for installation imminently. TVAF's understanding of the sector, assets being purchased and the client's cash flow requirement, enabled us to place the business with a suitable lender quickly and without undue delay to the client.



Trailer mounted fork lift trucks

A Berkshire based haulage and distribution company have been using TVAF for their fleet funding requirements for some two years. When the Directors needed to move quickly recently to acquire two fork lift trucks, TVAF was able to react quickly with delivery and payment to the supplier taking place with inside 5 days. TVAF was able to do this as we had both prior experience of the client and had also established pre-approved credit lines for the client with several lenders. This meant that time was not wasted seeking credit approval and we could act "same day" to draw the finance down for the client.



Lamborghini Gallardo LP560

When a client needed to finance a £175,000 supercar it was suggested that he approach Thames Valley Asset Finance. The transaction was complicated for a number of reasons, to include protracted negotiations with various possible suppliers. The client passed the negotiating to TVAF and we handled the dialogue between the supplier, the funder and the clients' accountants. TVAF are vastly experienced in this area, with a range of flexible funding solutions on offer. Contact us to find out more.

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FEATURE ARTICLE – Inksmoor Credit Management Limited

Inksmoor Credit Management Ltd are credit control and sales ledger specialists with over 25 years experience in accountancy, business finance and customer service but specialise in credit control and sales ledger management to include:

- Out-Sourced Credit Control (Disclosed or Confidential)
- Credit Control Training
- Audit and Risk Analysis
- Funding Solutions

Inksmoor are committed to offering clients a dedicated, professional and cost effective solution to their credit control and/or sales ledger issues, whilst sustaining customer relationships. Inksmoors clients have the freedom to choose when they use their services, and do not use contracts.

Inksmoor are focused on providing a reliable, tailor made solution to produce tangible results.

Inksmoor are very unique and they are building a reputation as proving customer service as their number one cultural aim.

Inksmoor's aim is to improve client cash flow and they have a proven model.

Below are just a few comments from some of Inksmoors clients on the service they provide

"Thank you all for the excellent job you've done and continue to do for my company. Credit Management was previously a weakness for us and our cash flow suffered accordingly prior to working with the Inksmoor team"

"What I noticed within 2 days after we started working with you is that cash coming into the business speeded up dramatically and I subsequently enjoyed the unique experience of receiving customer payments every single day for 26 days in a row!"

"Cash flow is the best it has ever been in my 17 years in business and we are now free to concentrate on the areas we do best. I'm delighted with the service and very happy to recommend you to my business associates."

For further details please visit their website for further details www.inksmoor.co.uk.

Industry News

HBoS

Announced in July 2008 a number of redundancies as it intends to merge two areas of their retail and corporate divisions.

TVAF has seen the impact of this first hand with many HBoS clients seeking new funding lines for vehicle and equipment acquisitions. If you have clients seeking additional funding lines we are well placed to assist.

Armada Finance

Thames Valley Asset Finance has further developed its funder program, adding Armada to it's panel of lenders.

Armada specialise in short term funding solutions for capital purchases and corporate restructuring activity. They are able to finance many types of capital assets to include plant, equipment, fixtures and fittings (i.e restaurants, public houses etc.etc.). Please contact us if you have a client requiring funding in this area.



Fast Car Finance

Watch this space

Thames Valley Asset Finance will shortly be launching its new web based private client motor finance portal. This will allow employees, family and friends to obtain "online" car finance quotations and apply for finance from the comfort of their office or armchair.....decisions typically 24 hours (Monday – Friday)

www.fast-car-finance.co.uk



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FEATURE ARTICLE - Alternative funding options at Venture Finance

Securing finance is not easy and the current credit crunch does not help. However, businesses should be reassured that alternative funding solutions are available, for those businesses willing to look beyond the traditional high street lenders.

Venture Finance, an independent Invoice and Asset Based Lender with over 19 years' experience in helping thousands of businesses, offers a fantastic range of alternative funding services. Businesses can select Factoring and Invoice Discounting with support from Asset Based Lending (ABL), as well as the Government's Small Firms Loan Guarantee Scheme and Bad Debt Protection for extra peace of mind.

But how do they work and what funds are available?

Invoice finance allows a business to access the value of unpaid invoices for immediate use. There are two basic types., these being **Factoring and Invoice Discounting**. Both services provide ongoing funding and help stabilise cashflow.

With **Factoring**, money is advanced as invoices are issued. At Venture, businesses can access up to 95 per cent of the value of an invoice as soon as it is raised, and the remainder when its customer pays (minus fees). Venture then collects the invoice payments on a business' behalf. The headache of pestering clients for outstanding payments is, therefore, lifted.

Invoice Discounting differs because the business retains ownership of the credit control function. The process can even be made confidential so that its clients remain unaware that it is using an invoice finance facility.

Factoring is suitable for businesses with a minimum annual turnover of £100k, selling goods or services on credit to other businesses. **Invoice Discounting** is more appropriate for companies with a turnover over £500,000.

Venture was also the first to offer its Factoring service online (www.venture-finance.co.uk). This service is available with or without Bad Debt Protection and can save up to 43 per cent compared to traditional Factoring service fees.

Furthermore, increasing in popularity is the Asset Based Lending (ABL) funding option, which should be considered if your business needs a cash injection to support expansion, merger, a management buy-out or buy-in. It works particularly well in conjunction with invoice finance. This facility generates finance against a company's assets, be that stock, plant and machinery or property and sometimes even less tangible elements such as intellectual property or brands.

Finally, with funding in place and cashflow healthy, Venture Finance also offers Bad Deb Protection as part of its Factoring and Invoice Discounting offerings. This service covers a business against potentially crippling bad debts, increasingly important during this time of economic insecurity

For more information on Venture Finance please contact us at Thames Valley Asset Finance and we will be happy to refer you through to Venture's local Business Development Manager.

100% First Year
Capital
Allowances on
"Green" Company
Cars.

Read on
opposite.....



TVAF goes "green" with fleet addition

When we at TVAF needed to acquire an additional company car, we turned to our Accountants **K&H Limited of Theale, Berkshire** to ensure we got best advise in respect of the possible tax savings. A meeting with Andy Scott (Tax Director at K&H), soon revealed an opportunity to acquire a good quality brand of car, yet highly fuel efficient, thus enabling us to make a substantial saving on our Corporation Tax liability for 2008/9

We have in July just taken delivery of a brand new Mini Cooper 1.6D, timed to co-incide with our July tax year end. With company cars now taxed on CO2 emissions, this particular Mini emits only 108 g of CO2 per Kilometre and currently qualifies for 100% capital allowances as a result. With a list price of just over £16,000 this represents a **£3,200 reduction** in our CT liability for the year. *With lease payments of £290 per month, HMRC have effectively given us 12 months FREE leasing of our company car!!* In addition the fuel efficient nature of the car means that the **Road Fund Licence is just £35 per year**. With TVAF also able to offset depreciation and insurance costs against taxable profits, **going green has saved us thousands of pounds**. To find out how to make a tax efficient saving on your next company car purchase call us on 0844 561 7426, we have seen the benefits first hand.

Thames Valley Asset Finance Limited

Our contact numbers have changed with immediate effect, please note our new (low rate) telephone and fax numbers :-

Telephone: 0844 561 7422

Facsimile: 0844 561 7423

If you are an individual or business requiring help on any aspect of business, equipment and motor finance then we look forward to hearing from you. Similarly we welcome enquiries from banks, factors, discounters, suppliers and intermediaries who require advice and support in organising facilities for their clients.

Thank you for reading our newsletter, as ever if you do not wish to be included on future editions please let us know by telephoning us on 0844 561 7422 or e-mailing enquiries@tvaf.co.uk.