

Periodic Newsletter

September 2009

Welcome to the second edition for 2009 of our periodic newsletter. With most of us now suitably refreshed from summer holidays and with September now here, the focus turns back to business as we all return to our desks.

The summer has undoubtedly seen a reduction in both the volume and quality of new enquiries that we have seen coming through our doors at TVAF. This is clearly a reflection of the continued "lack of confidence" that business owners across the Thames Valley are currently experiencing. Against this, there does now appear to be some signs of a recovery, particularly as many businesses now need to start investing in new or replacement plant and machinery (that they have until now put off making). Indeed, many clients are now recognising that vehicle and equipment suppliers have significantly discounted their prices and this, coupled with the low rates of interest available in the market place, makes a compelling argument to invest now for the more positive future hopefully ahead of us.

In this autumn edition of our newsletter, we again review a couple of our recent transaction successes. In addition to this, our feature article highlights the low cost of borrowing that is currently available to businesses presently requiring asset finance. This is something that TVAF feels many clients and their professional advisors can over look when reviewing current or new funding requirements.

We trust you find this latest newsletter informative and look forward to working further with our clients, existing partners and new introducers during the remainder of 2009.



Andy

Andy Wise

Director, Thames Valley Asset Finance Limited

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Case study I — TVAF funds £450,000 of coach purchases

TVAF were approached in late April 2009 by an existing client, "Baileys of Newbury", a local and very well established coach operator.

Baileys wished to replace a number of ageing coaches on their fleet, to include the purchase of two brand new BEULAS 53 and 57 seat luxury coaches.

The Directors of the business had already had indicative

finance quotations and informal offers from a number of lenders but wanted a second opinion.

A conversation with TVAF then followed, with Baileys subsequently delighted to hear that TVAF felt it could improve on the terms already offered to the business, importantly with a much reduced level of security.

With TVAF's expertise in arranging asset finance, a sound rationale for the coach

Purchases from the client and the knowledge and enthusiasm of Clydesdale Bank, a facility was quickly approved and drawdown that matched precisely the clients needs.



News in brief

- Interest rates remain at an all time low. Bank Base rate still resting at 0.5%. One month LIBOR 0.57%
- Singer & Friedlander have re-entered the asset finance market place. Re-branded they will now trade as "Singers Corporate Asset Finance Ltd" with Offices in Dorking and Glasgow
- TVAF about to reveal a new look website

Case study II — TVAF completes £250k Print "refinance"

When an existing TVAF client approached us over the summer to enquire about "sale & leaseback", TVAF were eager to try and assist.

The client operated in the competitive world of commercial print and was looking to raise some additional cash for working capital and a planned expansion.

The sector is one that traditional high street banks are

to increase exposure levels to presently, so raising the monies was proving difficult.

TVAF had asset valuations undertaken on a number of unencumbered printing presses and other assets the business owned. This was done using a lender with a specialist knowledge of both the equipment and the UK printing sector.

Subsequently, an offer was made to "re-finance" the kit

at 85% of its current market value. This resulted in the customer raising over £200,000 on a traditional HP/Lease on a 4 year loan term.



FEATURE ARTICLE—Asset Finance.....Did you know that **LOW** rates of interest are still prevalent?

Despite the apparent lack of available funding for UK businesses presently, customers requiring funding for vehicles, equipment or asset finance can still often secure commercially attractive rates of interest (in cases where they are acquiring new assets).

Thames Valley Asset Finance works with a number of lenders, some of whom are able to offer repayments that are linked to Bank Base rate, LIBOR or on a more traditional fixed interest rate arrangement.

A good example of our ability to raise clients finance at low rates is by suggesting they take advantage of the current LIBOR rate. (Put simply, LIBOR is the rate at which the UK's Banks lend money to each other). One month LIBOR is presently 0.57% and TVAF is able to link loan repayments to this (from rates of 2% above LIBOR on larger loans). This would give an effective APR presently of 2.57% (Variable) and compares favourably with more traditional forms of bank lending such as an Overdraft or Invoice Discounting/Factoring facility. We are increasingly seeing a number of clients (who traditionally have used their own cash), now turn to asset finance enabling them to preserve their cash and improve working capital.

Clearly there is a flip side to these attractive rates and that is the reality that as the economy picks up, LIBOR rates will inevitably rise. However, so will fixed rates of interest! This means that substantial savings can currently be made on new Hire Purchase debt where a business need to invest in plant or machinery. For further information on interest rates or funding packages call us on **0844 561 7426**

Prestige & Sports Car Finance — TVAF puts clients in the driving seat

Frequently dealing with Company Directors and business owner managers, Thames Valley Asset Finance is inevitably often asked to finance high value new and used prestige cars for companies or their Directors. In fact prestige and sports car finance now accounts for over 25% of the business referred to us. So, with access to over twenty different lenders TVAF can offer car buyers the following:-

- **New and used vehicle finance**
- **Loan amounts from £10,000 and above**
- **Balloon/residual value payments**
- **Repayment terms of up to five years/60 months**
- **Highly competitive rates of interest (see below some examples of cars we have recently financed for our clients)**

We have now further expanded our car finance offering and a now also welcome motor finance enquiries from private individuals and company employees. Please visit us at www.fast-car-finance.co.uk for further details about we can help arrange your car finance.

Alternatively, please call us on **0844 561 7426** for further information on our wide range of vehicle finance solutions



RANGE ROVER VOGUE HSE

£38,000 used 4x4 vehicle financed in June 2009 for a Company Director.

APR 8.2%



MASERATI GRAN TURISMO GT

£60,000 new car financed in August 2009 for the Director of a Pharmacy chain.

APR 2.76% Variable rate*



JAGUAR XK

£48,000 used car financed in August 2009 for a private individual.

APR 7.4%

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

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