

UK NEWS

State Securities structures funding for Countryliner Coaches

State Securities has structured an asset based finance package to two directors of Countryliner Coaches Ltd. Directors Robert Hodgetts, and Roger Belcher required funding to purchase an East Sussex based company that they had identified had future growth potential. The company provided UK coach travel and coach maintenance.

Terry Hounsome, Senior Sales Manager at State Securities, worked alongside their finance broker, Phil Betts of Primary Asset Finance, and devised a bespoke asset based lending package. To overcome a shortfall of available funds from other sources, a Small Firms Loan Guarantee ("SFLG") was implemented, along with an HP agreement, providing cash to acquire the assets, and working capital to contribute towards buying stock and freehold premises.

Terry said, "State Securities is one of the few privileged asset finance lenders who are able to offer the SFLG to UK SMEs. The transaction was lengthy and complex, and there were several legal issues, however, because we were able to use the SFLG to boost the shortfall in funding, the deal was able to proceed. This exemplifies our commitment to providing workable, innovative funding solutions, particularly in situations that traditional finance companies cannot."

Robert Hodgetts commented, "By working with Roger and me to ascertain our long term aims for the company, Terry and Phil were able to provide a tailored finance package that enabled us to purchase the business. We were kept up to date with proceedings and felt safe in the knowledge that State Securities would be able to complete the deal on time."

CLOSE LEASING CLOSES SALE AND LEASEBACK

Sarantel Group, maker of filtering antennas for mobile and wireless devices, is reported to have signed a sale and leaseback agreement for its fixed assets with Close Leasing Ltd, thought to be for £500,000, thus providing additional working capital. The 24-month lease comprises plant and machinery, testing, and computer equipment. Sitkow Yeung, Finance Director, is reported as saying, "The proceeds from this transaction, together with sound financial management and a significantly reduced cost base, will assist the company in achieving one of its primary business objectives, which is to attain a cash neutral monthly trading position." The Company added that, excluding the proceeds of this transaction, it had cash balances of £3.3 million, equivalent to 1.7 pence per share, at the end of June.



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