

A Practical Approach to Corporate Finance

Fund-raising and share valuations

Fund-raising

Most businesses require external funding at some stage in their development. This might be to fund the additional working capital requirements of a growing business or it may be project-based, for example to fund new facilities or for investment in long-term R&D. Or the need may simply arise because times are hard.

Spofforths helps companies to develop business plans and financial models, and present them to sources of funding, to maximize the chances of success. We also advise on the optimum structure for new funding, an area in which the experience of our tax consulting team is invaluable.

Share valuations

Our team carries out a large number of share and business valuations for clients. These often arise in connection with the types of transactions already discussed, but might also arise under the Articles of Association of a company or a shareholders' agreement, or in correspondence with HM Revenue & Customs. Common situations with which we can assist include:

- share transfers between family members or shareholders
- the re-purchase of its own shares by a company
- the establishment of employee share incentive schemes
- the resolution of matrimonial or shareholder disputes.

In the latter case, our team is experienced in acting as an expert appointed by the Court and is fully familiar with Part 35 of the Civil Procedures Rules.

Taxation advice



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Spofforths Corporate Tax

Consultancy is highly experienced in advising on structuring and other tax issues. It often works alongside legal advisors when drafting tax warranties and the tax deed. Our corporate finance team also provides valuable input on the commercial aspects of legal documentation.

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Leading by example



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Selecting an adviser to handle their corporate finance objectives is a critical step for company owners and directors. The ultimate success of an acquisition, flotation or disposal can be determined by the diversity and quality of expertise of the team that guides you through the process.

It is critical for advisers to understand fully their clients' objectives, and to walk alongside owners and directors as they engage in each stage of the process. Spofforths is one of the leading firms of chartered accountants in the South. We are strongly placed to advise owner-managed and small to medium-sized businesses seeking the full range of corporate finance advice.

Spofforths enjoys an outstanding reputation for the quality of its client relationships. These are distinguished by:

- a practical and straightforward approach
- a full appreciation of client business objectives
- a partner-led and delivered project;
- the ability to explain complex financial concepts simply
- a highly experienced team
- a commitment to top level yet cost-effective service.

This is backed by rich technical resources developed specifically to address the business and professional issues encountered by our clients.

The Spofforths corporate finance team is well versed in the Alternative Investment Market (AIM) and other market listings, acquisitions, disposals, MBOs and other fundraisings. We deliver financing strategies to a range of clients in multiple market sectors. We are also experienced in preparing accountants' reports, working capital reviews, and share and business valuations. We can also help to identify potential sources of funding.

The corporate finance team works alongside an in-house, market-leading tax consultancy. This means that our clients benefit from an integrated service that is tailored to meet the specific demands of each transaction.

Among the corporate finance services we provide are:

- advising on acquisitions, disposals and management buy-outs
- financial due diligence on all types of transactions
- acting as the reporting accountant on prospectuses and other share offers
- acting as the reporting accountant on flotations
- drafting long form reports and working capital reviews
- locating sources of equity and debt funding
- approaching potential providers of funds for acquisitions
- conducting share and business valuations.

Acquisitions, disposals and MBOs

A significant proportion of the corporate finance activity in the UK does not involve the large multinationals in big ticket deals, but instead affects businesses in the owner-managed and small company sector. Typically, the turnover of our clients who are active in this area is about £0.5 - £75 million.

Management buy-outs (MBOs) are prime examples of this. Such transactions can provide an excellent exit route for current shareholders and allow the management team, whose efforts have contributed to the success of a growing enterprise, to move into ownership themselves. Spofforths regularly acts for owners or management teams in these deals. MBOs are high profile examples of the broader acquisitions and disposal work that we conduct for our clients.

The Spofforths corporate finance team also has considerable expertise in:

- researching potential buyers for clients looking to sell
- researching potential targets for clients looking to buy
- approaching potential sources of finance for acquisitions
- the preparation of business plans and financial models
- the provision of financial due diligence (including all aspects of taxation)
- the overall co-ordination of transactions.

Spofforths handles acquisitions and disposals from across the UK, and the scope of these deals can vary profoundly. We also cover a very wide range of market sectors.

IPOs and other Prospectus Work

Flotation is becoming an increasingly popular goal for companies. Many businesses see this route as a logical next stage after a period of consistent growth. It gives greater visibility and access to new finance, and, with that, opportunities for further growth and expansion.

But there are perils and pitfalls as well, and a decision to float needs a great deal of careful thought and planning. The Spofforths approach is holistic. We take clients through their objectives and examine how flotation could work for them.

We explain the technical processes and how the client needs to prepare for flotation. Our corporate finance team has guided many companies through the evaluation and preparation stages of going for a flotation and has then helped them to master the key steps to achieving this critical goal.

The Spofforths team is experienced in advising both listed companies and businesses seeking a listing. Our partners have developed considerable expertise in this market and have helped many clients through successful flotations.

Our team is highly experienced in dealing with the mechanics of a flotation, but our most important work is often done at a very early stage, when we help our clients understand the practical implications for them of a flotation and the new responsibilities that a flotation brings.



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In the field of IPOs and prospectus work, we:

- provide accountants' reports
- prepare long form reports and working capital reviews
- report on illustrative projections
- advise on structuring and taxation issues.

Our team has acted as advisors and/or reporting accountants to a variety of public share offers, both within and exempt from the current Prospectus Rules.

We are also experienced in advising on share offers that are structured to take advantage of Enterprise Investment Scheme reliefs.