



Introduction

MJS specialise in advising small to medium size enterprises (SME's) in all areas concerning Business Funding. We are appointed by a number of accountancy firms to work with and advise their client base. In addition to a comprehensive range of standard corporate finance services, we also provide approaches developed in response to the special requirements of SME's.

We are commercially focussed and our aim is to achieve added value for you and your business. To do this, we take time to understand your business in order to generate creative solutions that are appropriate to you.

We work with a number of partners and can assist with:

- Non-equity finance
- Re-finance
- Equity finance
- Marketing
- IT Consultancy and remote server provider
- Business consultancy network for streamlining businesses, HR, Health and Safety, manufacturing methods and efficiency.



MJS Business Finance Ltd

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Non-Equity Finance

There is a great range of non-equity funding sources and many factors need to be taken into consideration when choosing between them. Through understanding your business and its strategic objectives we aim to ensure you choose the right sources or mix of sources. We take into account the following considerations:

- Use of funds match source of finance
- Lender's experience in this area of finance
- Structure, cost and terms of the finance
- Tax implications of the finance

As we raise capital for many clients we have strong contacts in the UK to many providers of non-equity finance. Contacts such as:

Banks

- Negotiation of overdraft terms and relevant security
- Bank Loan secured by the Small Firm Loan Guarantee
- Factoring/invoice discounting
- Mortgages

Asset Finance

- Loans secured on non-property fixed assets
- Sales and lease back of fixed assets
- Hire purchase/lease purchase of assets

Trade Finance

- Financing stock purchases
- Financing book debt
- Assistance in financing Letter of Credit and overseas transactions

Grant Finance

- It is estimated that there are approximately 3,500 grants currently available through a range of local, national and EU initiatives.



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Re-financing – a 10 Point Guide

Providing re-financing packages for plant and equipment is an area of business we have extensive knowledge of at MJS. Here's a 10 point guide to help the process be as smooth as possible.

- 1. Specify why there is a requirement to raise the funds.**
- 2. Identify the assets to be re-financed and obtain as much information as possible, i.e. make, model, age, condition, any extras, original cost.**
- 3. Are the assets subject to finance with any other finance company?**
- 4. If the assets are financed elsewhere what are the settlement figures and are they on Hire Purchase or Lease (this makes a difference to the VAT position and settlement amounts/procedures).**
- 5. Who are the Debenture Holders?**

A factoring/Invoice Discounter for example will have a fixed charge on book debts and floating charges on other assets which will include plant and equipment. Where relevant a waiver will be required from Debenture Holders.
- 6. Is there a landlord and if so, who is it?**

Landlords Waivers on the equipment are usually required. This ensures the landlord cannot disclaim on the goods in the event of non-payment of rent and will usually allow the funder a period of grace to sell the equipment from site and obtain the best possible sale price.
- 7. Obtain a desktop valuation**

If we have full details on the equipment then a desktop valuation can be obtained quickly to see how much the assets are worth on a loan to value basis.
- 8. Are Personal Guarantees available?**

These are not essential but where available (even on a limited basis) can provide a higher loan to value.
- 9. Directors Warranties – What are they?**

Not Personal Guarantees but warranties from the Directors confirming the goods are free from encumbrances.
- 10. Collating the paperwork**

As can be seen above there can be a lot of issues to be addressed before paying out on a re-financing transaction. Anticipating and addressing the issues is the key to ensuring a smooth drawdown of facilities.



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Equity Finance

Timing when to sell equity and the percentage to be sold is a critical decision. As always in business, there is a balance. Too much delay and growth opportunities can be missed. Too early a sale and you risk not realising the full potential of your equity. We assess all these considerations as well as tax planning and help you identify the ideal time to act.

There are many alternative sources of equity funding which include:

Private Equity Investments

- Business Angels
- Private Investors
- Corporate Venturing
- Enterprise Investment Scheme

Venture Capital

- Venture Capitalists (VC's)
- Venture Capital Trusts
- Bank development capital

Public Flotation

- OFEX market
- AIM market

We have a strong network of investors, advisers and brokers, as well as strong links with venture capitalists and law services. Our goal is to ensure you obtain the most suitable deal on the best terms.



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Contact us

Whether you currently want to move your business on to it's next stage of development, through to a management buy out team planning an acquisition, please give us a call, our contact details are below:

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MJS - Fees

MJS have an open and transparent policy in respect of fees and commission. Below is an indication of how these are received and charged.

Asset Finance	Ranges between 0.5-5% of the advance, dependant on size and nature of the transaction
Re-Finance	2-5% of advance dependant on size and nature of funding required
Commercial Property	50% of fees charged by the lender
Factoring/Invoice Discounting	10-20% of Service Charges Fee
Consultation	£150 Refundable on completion deducted from fees received
Project Funding (e.g. MBO/MBI/Phoenix funding packages etc where a combination of above is applied and facilitated)	0.5-1% fee by direct client invoice or rolled into project cost

The above are for indicative purposes only and may be subject to change

MJS will seek to introduce the most appropriate lenders to a client circumstance and specification. We will generally provide more than one alternative or option wherever possible.

In general the lenders pay commissions, however MJS can invoice direct to the clients if preferred.

MJS skills and expertise comes from knowing the right people within each fund organisation and know of their strengths and weaknesses in particular sectors or size of transaction.

MJS work between the client and the lender in order to provide mutually acceptable terms to both parties. Using MJS does not mean you should be paying anything additional if you were going direct to the lenders.

We have client referrals where fees and margin changes have been considerably reduced because of our involvement.



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