






# Stuart Hodge Corporate Lawyers

## Raising Capital



# What are your options?





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-  Normal bank funding
-  Invoice discounting
-  Asset finance
-  Enterprise Finance Guarantee Scheme
-  Enterprise Investment Scheme



# Traditional methods

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-  Liquidity crunch
-  Less lending available
-  More stringent conditions
-  Higher cost



# Enterprise Finance Guarantee Scheme

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- Loans of up to £1,000,000
- Up to 10 years
- Turnover of up to £25,000,000
- Working capital / refinancing of existing debt
- 75% guaranteed by HM Government – 2% premium payable
- Available until March 2011



# Enterprise Investment Scheme

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- Private investor / business angel
- Up to £500,000 per investor
- Up to to 30% of equity share capital
- Companies with gross assets of less than £8,000,000 after investment



# Enterprise Investment Scheme - continued

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- Income Tax relief – 20% of investment
- Capital Gains Tax relief on investment
- No Capital Gains Tax on sale of shares

