



financial assistance...

Financial assistance is the use of resources of the company in the purchase of its shares. The resources may be in the form a loan; the giving of security over its assets; or the giving of guarantees or indemnities as part of a sale agreement.. Financial assistance is a consideration in transactions such as management buy-outs and acquisitions.

The value of financial assistance should not be under estimated in today's modern business world. Delivering precise, clear financial assistance is extremely valuable to business owners and potential business buyers and this advice should be made available before, during and after a transaction.

The provision of financial assistance was legislated to protect creditors and shareholders; preventing acquisitions occurring using the company's own funds effectively stopping asset-stripping. As a result, lenders require confirmation that the company will remain solvent via a statutory declaration, supported by an auditors report, stating that the net assets of the company will not be reduced by the financial assistance.

The appointment of an experienced adviser is fundamental to ensure that all legal documents are prepared and submitted, particularly the auditors' statutory declaration.

We are able to assist with...

- Liaison with your legal advisers to determine the form of financial assistance being given
- Review of the financial position of the company pre and post funding
- Review of the Directors' statutory declarations and supporting Board Memorandum
- Preparation of statutory audit reports following our findings
- Preparation of non-statutory declarations as requested

Other Lead Advisory Services that are available include...

- Business Acquisitions and Mergers
- Fund raising
- Management Buy-outs or Buy-ins

Other Transaction Support Services that are available include...

- Transaction Tax
- Business Planning and Financial Modelling
- Financial Due Diligence

Services are provided by our dedicated team of professionals who have experience of handling transactions across a wide spectrum of business sectors. Other Lead Advisory and Transaction Support Services are provided by a very experienced team drawn from Dains Corporate Finance and other specialist departments.

For further information or a free initial consultation please contact us on 0845 555 8844 or email us on audit@dains.com.



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www.dains.com