

CASE STUDY



Client: Huntswood CTC Ltd
Project Cost: Total £1.5 million

Huntswood is a leading outsourcing provider to the retail financial services industry. Their clients include six of the top ten mortgage lenders, four of the top six retail banks and eight of the top ten life and pension providers. In October 2003 3i, the leading European venture capital firm, made an £11m private placing in Huntswood

The Project

From their inception in 2000, Huntswood CTC Ltd were initially based in their sister company's office in Windsor. However they soon outgrew the space and took 10,000sq.ft. in serviced offices in Reading. Further growth in meant they needed their own space and secured 27,000sq.ft. in Abbey Gardens in Reading. The 2 floors of this very impressive building overlook both the river and ruins of the castle, and became the base for the head office and project teams.



The offices needed fully fitting out including all the furniture, partitioning, Daikin air conditioning, IT, telephone system, fire alarm and carpeting.

The Finance Package

In order to protect their cash resources, Huntswood chose to finance this major project by making use of a lease facility. In total, £1.5million was financed, the payments on which are 100% allowable against taxable profits. The directors of Huntswood recognised the fact that had they used cash, or a bank facility, they would only have been able to claim capital allowances on a proportion of the fitout works and at only 25% of the value per annum. Leasing was the most cost effective and tax efficient method of financing the project.

Client Comments

"Huntswood is a young fast growing business. Equipping new 30,000 sq.ft. offices was therefore a major investment for the company and leasing has enabled us to spread the capital cost of the office fit-out over a period of time. As we no longer qualify for accelerated capital allowances the tax deductible nature of lease payments is also beneficial. Plus Finance provided us with a very flexible client focused service and when benchmarked against two other leading providers they offered the most responsive and flexible solution as well as being the cheapest. The dynamic nature of the team at Plus Finance means someone who understands our account is always available to help, and the completion of all the paperwork by the Plus Finance team meant the administrative burden of entering into these arrangements was minimised. The success of our initial relationship has meant we have returned to Plus Finance to organise leasing for new technology as we upgrade some of our existing provision, and we would continue to use them for future leasing requirements as and when the need arises.



Richard Stone – Financial Director