

Corporate Finance Deals Review 2019



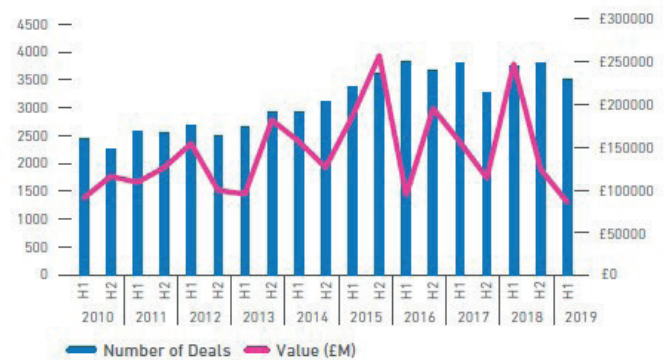
Welcome

The political situation and Brexit continue to occupy most of the headlines in the UK, and will no doubt continue to do so until 31 October at least. However, the development of trade wars, led by USA and China, and slowing global growth is more of a long term threat to deal activity in the UK and beyond.

Against expectation, UK deal volumes increased by 2.3% in 2018 to their highest level since 2009, while deal values increased by 38%. The first half of 2019 has seen a slump as Brexit uncertainty hit in the run up to 31 March.

Anecdotally, the picture since has improved with a number of businesses using the ongoing availability of equity finance and cheap debt, as well as company cash reserves, to seek out acquisitions.

UK deals
2010 – 2019



Bishop Fleming has advised on a range of M&A in the last year, including business sales, acquisitions and MBOs. Our experience and Experian's research show that the UK remains an attractive place to invest. The source of deal financing remains varied; we have advised on transactions funded by private equity and large UK banks. We have also seen large trade buyers (including UK listed PLCs) financing purchases through existing resources and a number of transactions involving overseas buyers wanting to continue their growth in the UK.

We continue to advise clients across a range of sectors. Technology continues to grow in importance, with investors willing to pay multiples for the future earning potential of these companies. However, also continue to see significant M&A activity across a range of sectors, including manufacturing, retail, healthcare and business services.



James Finnegan
Partner and Head of Corporate Finance

Our deals



Edenhall Group

Bishop Fleming provided corporate finance and tax advice on the sale of Edenhall Group to Marshalls Plc, a FTSE 250 listed business, in a £25m deal.



Edenhall is a leading UK supplier of sustainable concrete products for the construction industry and represented a strategic acquisition for Marshalls as part of their expansion into building products related to New Build Housing.

As trusted advisor to Edenhall, Bishop Fleming were able to offer comprehensive advice on a range of technical areas, including earn-outs, share schemes and anti-embarrassment provisions.

 Bishop Fleming have provided me with invaluable advice, both in my corporate and personal affairs, throughout the period of our relationship. They have always been able to provide me with the right expertise for whatever circumstances I have encountered. This has continued right up the sale of the business, where their combined corporate finance and tax advice was vital to us reaching a successful conclusion within a tight deadline. 

**Andy Cotton, former Managing Director
of PD Edenhall Limited group**

Pavey Group

Bishop Fleming has advised on the sale of South West based insurance broker Pavey Group to AJ Gallagher, the US headquartered risk management and insurance giant.



Pavey Group was established in 1971 and provides independent insurance advice, tailored risk solutions and a fully managed claims service to businesses across the South West and beyond, therefore providing a strategic fit for AJ Gallagher's UK business. Bishop Fleming is a long-standing trusted advisor to Pavey Group, having advised on accounting, corporate finance and tax matters for a number of years.

Molson

Bishop Fleming provided financial and tax due diligence advisory services to Molson on their acquisition of Finlay Scotland Limited, a Glasgow based heavy plant & machinery dealer.



Through this acquisition, Molson Group have secured the distribution rights for the complete range of Terex Finlay mobile crushing, screening and conveying equipment across Great Britain.

This acquisition follows on from the recent purchase of Finlay Plant (UK) Ltd in June 2018, a transaction which Bishop Fleming also advised on. Molson is one of the largest suppliers of Korean and Japanese built excavators in Europe and sources a wide range of equipment for the construction industry.

The Delivery Group

Bishop Fleming provided corporate finance and tax advice on a major national deal in the postal sector, which has seen The Delivery Group acquire 100% of the share capital of ONEPOST (Postal Choices Ltd).



The enlarged group, bringing together the two market leaders in the mail and ecommerce sectors, will have a combined annual turnover of £250 million, employ 500 staff across seven locations and manage almost a billion items of mail and packages per annum, both in the UK and internationally.

Bishop Fleming advised on deal structure, working capital targets and related tax issues.

Spotnails Limited

Bishop Fleming advised on the successful completion of a management buy out at Caerphilly based pneumatic fasteners distributor, Spotnails Limited.



Spotnails, based in Bedwas, Caerphilly is a long-standing independent distributor of tools and fastener products to the UK building industry with more than 60 years trading history. It has a national salesforce as well as a manufacturing base with servicing and repair facilities at the Caerphilly headquarters.

Funding for the MBO was provided by Development Bank of Wales, who brought in Bishop Fleming as advisors and due diligence providers.

Voluntas

Bishop Fleming advised Birmingham-based market research and business intelligence service provider, Voluntas, on its acquisition by IFF Research for an undisclosed sum.



Voluntas is a long-established market research group specialising in the regulated social housing sector. The acquisition provides IFF Research with access to this specialist sector expertise and the growth opportunities therein.

London-based IFF Research is one of the largest independent market research companies in the UK, advising numerous public and private sector organisations. The shareholders of Voluntas brought in our Corporate Finance team to advise on the deal.

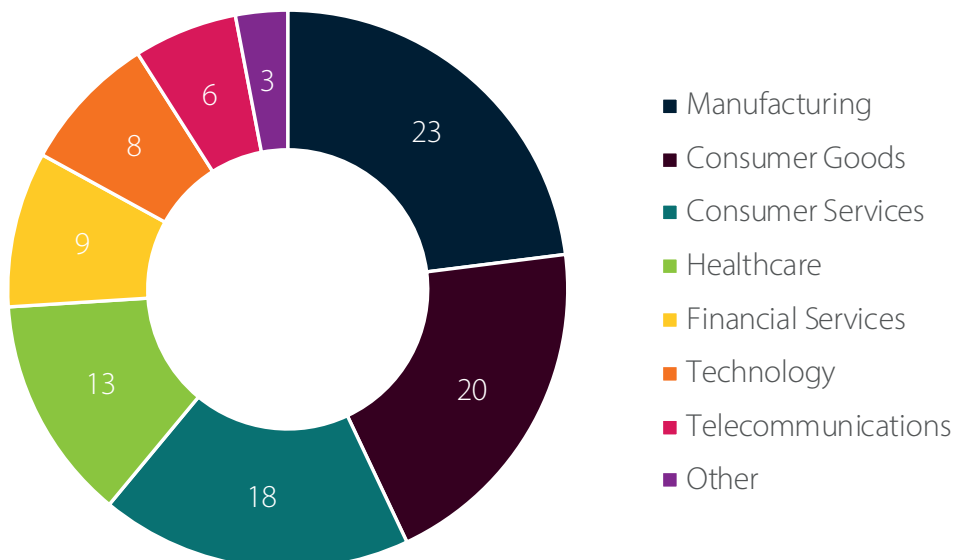
“We’ve taken our time finding the right partner to build on our successes in the social housing market. Charles and the Corporate Finance Team at Bishop Fleming have been central to that, providing pragmatic help up until the last moments of the deal. As we continue into 2019 we’re looking forward to helping IFF create more value for our clients which can only be a good thing for everyone involved.”

Dylan Chipp, Director, Voluntas



Our deals by sector

Bishop Fleming Deals in the last five years



Meet our team



James Finnegan
Partner and Head of Corporate Finance | Exeter

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James leads the Corporate Finance team. He has a wide range of business advisory experience including strategic reviews, supporting growth businesses, succession planning, business sales, acquisitions, MBOs, refinancing & outsourcing. He has spent his career providing first-rate corporate finance advice to a range of owner-managed, private, quoted and public sector clients, having worked in the London and Bristol offices of international accounting firms and boutique M&A advisory firms before joining Bishop Fleming.



Charles Davey
Partner | Worcester

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Charles is an expert in corporate finance, providing dynamic and inspirational leadership to support businesses. He works closely with clients to really understand their business and personal requirements, as the best advice has to be based on detailed knowledge, ensuring clients receive the best possible service built around their long-term needs.



Robert Davey
Partner | Plymouth

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Robert is a Corporate Services partner with a wealth of experience delivering practical, commercial advice to a broad range of sectors and businesses. As a leading member of Bishop Fleming's corporate finance team he delivers strategic support and advice in a wide range of corporate transactions.



Andy Hawkes
Director | Exeter

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Andy is an expert in corporate finance, providing the full range of advisory services to clients across all sectors. He specialises in financial due diligence (having completed more than two hundred buy-side and sell-side due diligence mandates) and in advising clients on their acquisition and disposal strategies.



David Abbott

Director | Bristol

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David is an expert in advising owner-managed and family businesses on strategic, financing and ownership issues. For nearly 30 years he has successfully advised clients across a broad range of sectors (including leisure, rail, financial services and construction) and he has significant experience of dealing with listed companies as well as private ones.



Ross Hardwick

Manager | Exeter

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Ross is a Chartered Accountant with over 7 years of experience in supporting and advising a wide range of small and medium sized businesses and their owners. Having joined the firm in January 2019, Ross specialises in financial due diligence, share valuations, financial modelling and strategic reviews.



Phil Redgate

Manager | Worcester

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Phil is an expert in corporate finance, working closely with clients to gain a deep understanding of their visions and goals. His wide-ranging experience as lead advisory on corporate transactions includes: acquisitions and disposals, transaction support (including cross-border transactions), Management Buy Outs and Buy Ins, due diligence work, fundraising, financial modelling, business valuations and corporate strategy.



Joe Coghlan

Manager | Bristol

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For Joe the most enjoyable part of any project is getting to know a client's business and their objectives, and he believes that this knowledge should be at the centre of all good professional advice. He has wide experience working on corporate transactions and providing strategic advice, including: acquisitions and disposals, financial modelling, strategic reviews, management buy outs and business valuations.



Jamie Pelmeur

Executive | Exeter

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Having joined Bishop Fleming in 2012, Jamie has 7 years of experience providing compliance and advisory services to a broad range of owner managed business. He believes that an understanding relationship is at the core of providing quality professional advice, and the skills learned during his time across Bishop Fleming's key service lines provides include: detailed financial modelling, financial due diligence, business valuations and fundraising.



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