

# FLEXIBLE FINANCE

*In an asset-heavy industry, there will always be a need for accommodating finance providers. Rupert King met with the team at Singers Asset Finance, whose industry knowledge and personal approach is an ideal fit for bus and coach operators*

**L**ike many areas of running a bus or coach operation, finance has undergone much change over the last few recessionary years, so it is reassuring to see familiar faces still heavily involved in the industry.

The team at Singers Corporate Asset Finance, better known as just Singers, is led by MD for the Southern region Malcolm Porter and Business Development Manager Michael Stringer. Together Malcolm and Michael have more than 50 years' experience dealing with firms in the coach and bus industry and are backed up by a sales team located right across the UK. Despite witnessing huge change over two decades, the ethos at Singers remains the same and

all business relationships begin with them getting to know their customers.

"We have to build relationships with people first," explains Malcolm. "Demands on the industry have changed drastically, so operators' needs have changed and we have to pick up on that. At Singers, our industry knowledge means we can appreciate the fact that vehicles are getting more expensive, that fuel is going through the roof and that banks are looking to tighten traditional lending."

The origin of Singers can be traced back to the establishment of a small asset finance company in Glasgow in the 1980s, which was then acquired by the UK merchant bank Singer & Friedlander in 1995. Since 1995 Singers has grown both organically and by



Knowledge of the coach and bus industry helps Singers deliver the right finance package for operators



Malcolm Porter: MD for the south

acquiring other niche finance companies. This has expanded their expertise into becoming a major funder of traditional black taxis, specialist in financing commercial vehicle fleets and a well known name in the recovery and haulage sectors.

## ■ FUNDING OPTIONS

Since the start of the recession and the credit crunch that preceded it, most high street banks have tightened their lending criteria. Overdraft cuts and difficulties securing loan facilities have put a significant squeeze on cash flow. Recognising this, Singers has geared up its product portfolio to support customers and reports that its sale and leaseback product, in particular, is proving popular among coach and bus operators.

Sale and leaseback enables you to sell all or part of your asset to Singers and rent them



Fowler's Travel of Holbeach Drove, Lincolnshire is one of Singers' coach customers

back, immediately freeing up the capital tied up in the asset back into your business. With fixed monthly payments to help with budgeting and with you retaining full use of the assets, it's an option that lends itself to asset heavy operations, such as coach and bus firms.

This and finance leasing, where the assets are sold at the end of the agreement with the operator receiving the major share from the sale, are both advantageous for VAT purposes, as well as freeing up cash flow. A more traditional hire purchase option allows operators to take ownership of an asset at the

end of an agreement.

However, it is not just vehicle financing Singers can offer. Through its offices in Dorking, Glasgow and Wisbech, they provide funding solutions for the purchase of new and used equipment. Wherever a business is located across mainland UK, the Singers team take pride in the traditional approach of visiting customers at their premises to discuss their needs face-to-face. Gaining a deep understanding of the business and building a strong relationship is essential when tailoring the most appropriate funding solution.

"The key for us is to be flexible," says Michael. "We listen to people and pride ourselves on a personal approach, so we're able to see what works best for the customer."

This flexibility is why Singers lends not only for dealer purchases, but, unlike many other finance providers, will lend for purchases from other operators and even from recognised auction houses.

## ■ LEZ SOLUTIONS

As operators begin hunting for ways to comply with London's newest Low Emission Zone (LEZ) rules coming into force in January, the scale of investment required is starting to be realised. Whether an operator goes down the route of buying new vehicles or fitting exhaust filters to the existing fleet, significant sums will be needed and Singers tailor finance for this very purpose.

Even with limited time available, short lines of communication mean Singers can turn deals around quickly and efficiently. "In spite of the high street banks' continued lack of appetite for supporting small to medium sized businesses, there is still a need for firms to secure funding for projects like the LEZ," says Malcolm. "We're not purely balance sheet underwriters, we look at the whole picture. We understand that variables affect bus and coach operators and so there are no fixed, off-the-shelf products at Singers. All products are tailored around needs."

It's an overused line, 'We aim to understand your business', but with more decades of experience in the bus and coach asset finance sector, it's one Singers can use with certainty.

It's also backed up by a number of reputable bus and coach operators, including Fowler's Travel of Holbeach Drove, whose MD Andrew Fowler told route one: "We have known and dealt with Malcolm and Singers for over 20 years. The Singers team understand the products required in our industry and we would not hesitate to recommend their services."

In an industry that requires continual investment in very expensive assets the need for finance is without question, but deciding on which method is not necessarily straightforward. When considering your options, talking to a firm with industry knowledge is invaluable, so the knowledge and the support that Singers Corporate Asset Finance brings to the industry is to be welcomed. ■



Singers can help operators with funding for LEZ solutions ahead of the new phase in January

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