

## **Professional Viewpoint: Fundraising**

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### **Using a professional to access equity investment**

The process of raising funding by selling an equity stake in your business is one of the biggest decisions most entrepreneurs make and its imperative to plan out exactly what it is that you want to achieve. The process can be complicated and time consuming so it is vital that you maintain control by engaging corporate finance professionals with a track record of delivering such transactions to assist.

Investors are subscribing for a share of the expected future profits and value that the business will generate, therefore it is crucial to set out your vision for the future of the business and provide a clear plan to bridge the gap between where the business is now and its medium term outlook and plans. To give your business the best chance of investment, on the most favourable terms, it is necessary to articulate your growth strategy in as much detail as possible. The investors are buying into your vision for the future.

Professional advisors, with experience of presenting to investors, know exactly what it is that investors are looking for when reviewing opportunities. Some of these investors will look at hundreds of companies and go to tens of presentations before they decide to invest in a business. A good advisor will be able to introduce you to appropriate investors and ensure that you are meeting the requirements of the investors, which in turn, gives you the best possible chance of achieving your ideal transaction structure.

Once commercial terms for investment are agreed and in advance of legal completion, a rigorous review of the business by the investor will be undertaken. This is usually quite an arduous process and can put a lot of pressure on your senior management for a sustained period of time. An experienced advisor will take you through this process, highlighting the information that will be required, ensuring that you and your staff are prepared for what will be asked, ensuring a smooth completion to the transaction.