CASE STUDY 03 / PLANT HIRE / ASSET REFINANCE

Cutting £70K a month and releasing £500K+

How a £4.8M fleet refinance transformed a fragmented debt stack into a seasonal, growth-ready funding structure.

£4.8M
FLEET REFINANCED

£70K
MONTHLY REDUCTION

£500K+
CASHFLOW RELEASED

THE SITUATION

A strong fleet under growing cashflow pressure

A well-established North East plant hire business had built a substantial quarrying fleet through hire purchase agreements with several traditional asset finance lenders.

MONTHLY FINANCE COMMITMENTS

~£150,000

BEFORE THE RESTRUCTURE

FIXED REPAYMENTS

Even through quieter winter trading months

The pressure points

- Multiple lenders created a fragmented, inflexible debt structure.
- Tight margins made the rising monthly commitment harder to absorb.
- Seasonal winter dips intensified pressure from fixed repayments.
- Cashflow constraints limited the ability to pursue new contracts.

THE CONTRADICTION

Strong asset base

But increasingly constrained cashflow.

THE APPROACH

Restructure the whole picture, not layer on more debt

The objective was not simply to raise another facility. It was to redesign £4.8M of existing commitments around the way the business actually traded.

01 **Consolidate**

Bring fragmented borrowing into one clear structure.

02 **Unlock**

Release equity already trapped in the plant fleet.

03 **Realign**

Match repayments to genuine seasonal trading cycles.

04 **Create**

Restore capacity for contracts, equipment and growth.

THE STRUCTURAL SHIFT

Before		After
Multiple lenders	→	One facility
Fixed commitments	→	Seasonal payments
Fully utilised lines	→	Tier 1 capacity restored

£4.8M restructured

A FULL REBUILD OF THE EXISTING DEBT STACK

THE SOLUTION

One facility, seasonal payments and fresh liquidity

The entire plant portfolio was refinanced into a single structured facility, simplifying the debt while creating immediate and future financial headroom.

£4.8M

ASSET REFINANCE ACROSS THE FLEET

Multiple lenders consolidated into one facility

SEASONAL

REPAYMENT PROFILE

Aligned to real trading cycles

£500K+ released into cashflow

£300K

EQUITY RELEASED

Cash unlocked through the refinance.

£200K

ASSET SALE

Three underutilised assets unencumbered and sold.

FUTURE FUNDING CAPACITY

Existing Tier 1 credit lines were freed up.
The client could once again fund new equipment quickly and at lower cost when contracts or fleet opportunities arose.

THE RESULT & IMPACT

From heavy commitments to a flexible growth platform

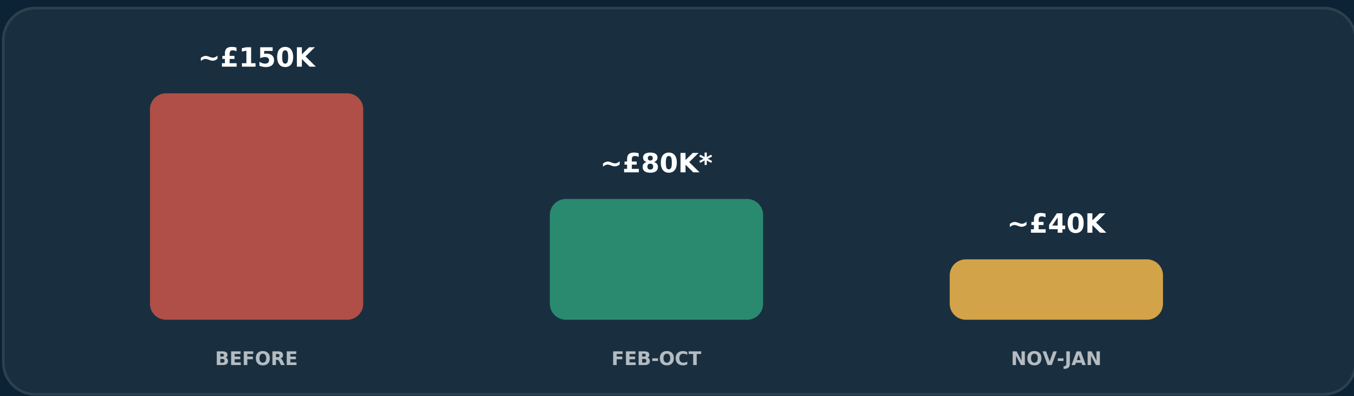
The restructure reduced pressure immediately while preserving the fleet, restoring lender capacity and creating room to pursue better contracts.

£70K
MONTHLY REDUCTION FEB-OCT

~£40K
WINTER PAYMENTS NOV-JAN

£500K
INJECTED INTO CASHFLOW

Monthly repayment profile



*Approximate core-month payment inferred from the stated £150K starting level and £70K reduction.

Operational impact

- ✓ **Lower winter pressure**
- ✓ **More confidence on contracts**
- ✓ **Fast access to new plant**
- ✓ **Fleet refresh without strain**

CLIENT FEEDBACK

“

Our monthly commitments had crept up to a point where it was starting to hold us back. We had the work there, but cashflow was always tight - especially through the winter.

The refinance completely changed that. Dropping our payments by £70K a month was huge, but the real difference is the seasonal structure - paying closer to £40K through the winter just makes it manageable.

Being able to pull cash out and sell off kit we weren't using was a massive bonus - but just as important was freeing up our main lender lines again.

We can now move quickly on new equipment when the right contracts come up, and at much better rates. It's put us back in control and allowed us to grow properly again.

CLIENT / NORTH EAST PLANT HIRE FIRM

WHY THIS MATTERS

Better structure can turn pressure into capacity

The transaction shows how restructuring existing facilities can create more value than simply adding another layer of finance.

01

Commitments

High monthly costs can often be reduced materially.

02

Asset equity

Fleet value can be unlocked without disrupting operations.

03

Seasonality

Repayments should reflect genuine trading cycles.

04

Credit lines

Clearing utilisation restores cheaper growth capital.

High monthly costs?	You may need better structure, not more funding.
Sitting on asset equity?	Unlock it and reinvest it in the business.
Seasonal operation?	Build repayments around the real trading cycle.
Facilities fully utilised?	Free them up to restore cheaper funding.

THE BOTTOM LINE

By rebuilding the debt stack around the fleet, cashflow and trading cycle, a heavily committed balance sheet became a flexible platform for growth.