

ASHRIDGE COMPLETES £11m MBO OF PHOENIX LEARNING & CARE

Ashridge Capital has completed the management buy-out of Phoenix Learning & Care Ltd, the South West of England's leading independent provider of specialist residential care and education to young people with special needs through schools and care homes in Devon and Cornwall.

The MBO involves the exit from Phoenix of Ron Sens, one of the founding directors, with the existing management team of Keith Burley, Managing Director, and Paul Cann, Finance Director, remaining and focused on growing the business.

Ashridge Capital has invested £3.4m for a majority stake in the business, including co-investment from Connection Capital. The Bristol corporate banking centre of The Co-operative Bank provided £5.3m via a cashflow loan and commercial mortgage.

David Sherratt commented: "I am very excited to partner with the management team and The Co-operative Bank to support the business in its next stage of growth. Phoenix is very well positioned in an attractive market in which we have a depth of experience."

Keith Burley added: "These are exciting times for Phoenix and we look forward to being able to help many more children and young adults as a result of working with Ashridge and The Co-operative Bank. We are an ambitious company and with this support we aim over the next couple of years to double our workforce and expand into new territories."

Mark Naughton and Martin Gallacher of Grant Thornton in Bristol advised the shareholders on the transaction. Financial and commercial due diligence were provided by David Main of Hazlewoods and Dr Leonid Shapiro of Candestic. Andrew Masraf of Pinsent Masons acted as legal advisor to Ashridge Capital.

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Notes for editors

Ashridge Capital

Ashridge Capital is owned and run by David Sherratt, the former CEO of Kaupthing Capital Partners, the private equity arm of Kaupthing Bank. It was founded in 2009 and, through its maiden fund and co-investment pool, focuses on £4-20m equity investments in UK companies, with a generalist sector approach and a proactive focus on buy and build and roll-out investments in the healthcare, leisure, retail and outsourcing.

Connection Capital

Connection Capital is a private client investment business launched in 2010 which allows individuals to build a broad portfolio of direct private equity investments. The business provides investors with a fully managed service whereby clients have the ability to invest on a deal by basis as part of an organised syndicate. Since its launch over 600 investors with a net worth of over £3bn have become clients. Connection Capital has £135m of funds under management.