



Transaction Services for Kings Park Capital and Inn Collection Group on the sale to Alchemy Partners



Deal overview:

Wilson Partners Corporate Finance provided vendor financial and tax due diligence services to Kings Park Capital and Inn Collection Group on the sale to a NewCo backed by Alchemy Partners.

Kings Park Capital initially acquired a majority stake in Inn Collection, a portfolio of three inns in the North East of England, in November 2013, and simultaneously supported the acquisition of a fourth site. Over the investment period the Group has grown to seven sites across Northumberland, County Durham and North Yorkshire with an eighth new-build site set to open later this year in Amble.

Under KPC's ownership the Group has become the leading contemporary inns business in the North East of England with both revenues and EBITDA growing at a CAGR in excess of 25%. This was achieved through investment in the existing inns, the acquisition and development of new inns, and significant growth in all key revenue streams through constant innovation and development of the offering, together with the introduction of dynamic yield pricing.

About the parties:

Inn Collection Group was established in 2006 by Keith Liddell and is a contemporary inns business providing accommodation, food and drink to both leisure and business customers in the North East of England. The Group has developed a consistent format integrating differentiated accommodation and casual dining offers supported by proven processes and systems.

The current Group of seven managed inns is led by Managing Director Sean Donkin. The estate has a total of 215 rooms and over 1,500 restaurant covers. Five of its inns are freehold and two are long leasehold. A new long leasehold site in Amble is due to open in 2018.

Kings Park Capital ("KPC") is an independent lower mid-market private equity investment firm dedicated to investing in the European leisure sector and backed by over 60 senior industry participants. Since establishment, the firm has raised approximately £130 million in committed capital. KPC's approach is to work closely with its management teams and using its capital, specialist knowledge and broad network of contacts to help management fulfil their strategic ambitions.

Sean Donkin, MD of Inn Collection said:

"Wilson Partners gained an in depth understanding of our business at an astonishing rate; by taking the time to understand the management's trading principles and site locations before looking at the numbers."

Jamie Tillman, KPC added:

"Wilson Partners have been great to work with. They developed a very strong commercial and financial understanding of the business, and delivered reports in a very timely fashion."