

Background and Problem

The business had a high profile and emerged successfully in terms of presence from the dot.com times, but had accumulated large losses and a ravaged balance sheet, with a negative balance sheet of some £0.9m on a turnover of some £2.6m.

Actions Taken

Creditors of the business were successfully managed and negotiated with, in order to reschedule payments over a period of time to get some breathing space. The cash generation of the business was able to be used to further advance the company, whilst a strategic focus was placed on the core strengths and true revenue drivers, culminating in the appointment of a Managing Director to better define and capitalise on this focus.

The Result

The Company produced an audited profit of £500k on a turnover of £3.3m to March 2004, with the negative asset value on the balance sheet now turned positive. This was without any further investment in the business, and without a need to resort to any insolvency actions.

If you want to find out more about any of the areas covered in this case study and how we can support your business – contact us today.