

Background and Problem

The business had a high profile and emerged successfully in terms of presence from the dot.bomb 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.**