

Background & Problem

The business was losing £250k per annum on sales of £5m. Worse, the company had debts of £1.6m and assets of only £800k.

Action 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. In particular, there were successful negotiations with mortgage companies for a moratorium on all payments for 13 months while we turned the company around, and the bank agreed to increase the overdraft by a further £100k.

The Result

These actions bought the time to work on the business itself and within a year it was making £250k profit on £6m turnover, and went on to bigger and better success. £800k of the debt was settled by a one off payment of £200k.

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.