

Corporate Strategies Case Study

The business provided temporary manpower typically to logistic warehousing functions for high street supermarket chains and other national operators in the distribution sector. It was historically overly reliant on a single customer. A fundamental reorganisation of that customer's business saw 80% of revenues lost over a short period.

As a consequence, the company underwent a major restructure of its own. With our assistance a strategic action plan was agreed which necessitated financial stabilisation and a focus on the delivery of wide ranging sales and marketing initiatives. A number of key senior sales appointments were instigated to facilitate the delivery of the action plans.

Inside six months, the customer base was reshaped completely with no single dominant customer and turnover is now ahead of historic levels.

During this period of transition, significant working capital pressures were placed on the business which required the following actions:

- Restructuring the payment of VAT and PAYE/NI liabilities over a period of 12 months;
- Refinancing the motor fleet which provided a significant capital injection;
- Regular discussions with the company's factors to secure higher advance rates to generate additional cashflow; and Securing finance to facilitate the relocation of the business to new larger premises.

We remain actively involved in advising management and providing assistance in the following areas:

Overseeing the monthly management account functions;

- Preparing rolling forecasts;
- Conducting variance analysis;
- Liaising with key funders; and
- Advising on senior appointments and other strategic matters.

Find out more at www.corporatestrategiesplc.com