

CASE STUDY:

£1m cost savings and stabilised cash flow position for food manufacturer



Overview

The company is a long established, brand-leading ready-mix dessert producer. Due to an unexpected change in leadership, a General Manager was appointed from within to oversee the manufacturing transition and business operations. It became apparent that there was a lack of controls and financial awareness which had the potential to hinder progress.

Challenges

- Incomplete accounting records.
- Lack of internal controls and reporting analysis.
- Lack of cash flow awareness and forecasting.
- No budgetary controls or forecasting of production requirements.
- Finance team had little understanding of the need to manage stakeholders.
- Little to no cost control.

“ Our Headstar Portfolio FD began working with us when the company was in a period of uncertainty. Their calm, structured and process driven approach has created a framework for the team to push the business forward in a positive way. They supported the business technically, and coached and mentored the team too.

General Manager



Our Approach

Initially appointed for a 10-week project to review the finance team structure and business operations, Headstar's Portfolio Finance Director (FD) quickly established a good working relationship with the UK Management Team to develop the following solutions:

- Identified areas of risk to stabilise the financial position.
- Improved financial control through robust systems and processes.
- Created accurate management information and reporting mechanisms.
- Used financial evidence to challenge the original transition plan.
- Worked with the team to strategically plan an 18-month start to end transition project.
- Helped create a finance culture that is streamlined and consistent across all of its operations.

Results

Cost Savings & Cash Flow

Achieved circa £1m cost savings.
Improved the cash flow position from a negative £-2m to £0.5m.

Improved Decision Making

Reliable and accurate financial management information for reporting and strategic forward planning.

Finance Leadership

Leadership team mentored, supported and challenged by an independent and objective senior finance professional.

Expert Advice

Headstar Portfolio Finance Director retained to advise on future cost saving initiatives and investor related matters.

Get in touch to find out how a Headstar Portfolio Finance Director can help to transform your customer's business