

## CASE STUDY:

# £50k grant funding and improved margins for growing logistics business



## Overview

The company provides logistics services to online retail markets. Business growth had exceeded targets due to the boom in online shopping during the pandemic. The business infrastructure was no longer fit for purpose and costs were spiralling out of control.

## Challenges

- Strained management infrastructure.
- Reluctancy to acknowledge the seriousness of the financial position.
- Inadequate financial systems and processes.
- Increasing costs and diminishing margins.
- Lack of senior finance expertise.
- Unhealthy cash flow and poor financial control.
- Need for strategic planning, change management and stabilisation.

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The business was in an attractive position with unprecedented sales, but lacked the expertise to manage its infrastructure, systems and processes. The company now has a robust structure, credible KPIs, accurate financial reporting systems and improved cash flow visibility.

**Headstar Portfolio Finance Director**

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## Our Approach

Our Headstar Portfolio Finance Director (FD) quickly formed a strong working relationship with the company directors to achieve the following solutions:

- Improved analysis of the business' margins and cash flow position.
- Established KPIs to create accurate financial management information.
- Developed a positive working relationship between the business and the lender.
- Improved financial credibility and trust.
- Evidenced robust financial planning to secure increased short-term overdraft facilities.
- Re-focused directors on managing strategic growth and sales.

## Results

### Better cash flow visibility

Implemented a weekly cash flow forecast to provide the business owner with longer term visibility over any cash constraints.

### £50k grant funding

Achieved over £50k of grant funding to support investments and growth in the business.

### Lender relationship

Improved and maintained a good working relationship with the bank through accurate and timely management information, cash flow control and financial planning.

### Improved business focus

Expert senior finance involvement enabled the directors to concentrate on business growth and future sales.

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