

INDEPENDENT BUSINESS REVIEWS



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In the current economic downturn there is an increasing number of businesses experiencing financial difficulties. Lenders now face greater potential of non-payment of some or all of their outstanding loan book.

Our multidisciplinary team of corporate finance and insolvency specialists are able to provide an integrated, practical and deliverable business solution.

What we do

Our team of transaction services professionals work seamlessly together to assist both businesses and lenders in addressing their key concerns, including:

- Short-term liquidity position of the business.
- Reasonableness of the business plan as a basis to make future lending decisions.
- The future market prospects and sustainability of the business.
- Options available to both the business and lenders.
- An assessment of management and its ability to deal with any crisis and deliver a recovery plan.
- Estimated outcome statements (“EOS”) upon insolvency.

How we can help

Our approach is to focus on a review of the short-term cash flow forecast, providing detailed analysis and proposed sensitivities on the business plan, based upon:

- A review of future trends and the positioning of the business.
- Indicative valuation of the business as a whole and of its key component parts.
- Financial review based on detailed historical analysis.
- Practical commentary on the potential options available to the business including refinancing, restructuring and potential insolvency.
- Estimated recovery from various insolvency options.

What is an independent business review?

An independent business review (IBR) is a partner-led professional and independent assessment of the situation a company is in. It provides the management and debt and equity providers with the required transparency and basis to take robust and well-founded decisions.

IBRs often constitute the solution of choice in the following circumstances:

- Planned/forthcoming changes to company/group structure
- Significant upcoming investment decisions
- Capital or loan increases, extensions or changes to financing arrangements
- Existence of significant problem loans and/or justified doubts about the value of existing security in respect of those loans.
- Concerns over the future viability of a company and recoverability of the loan.

Why is it useful?

An IBR provides detailed, unbiased information about the company’s financial situation and delivers realistic, clear and specific recommendations on the best course of action. Based on this, the lender can initiate - in cooperation with the borrower - the appropriate restructuring or recovery strategy.

Who is it for?

An IBR is mostly aimed at corporate lenders, e.g. senior secured lenders (individual banks, bank syndicates, investment, clearing banks and private equity houses) as well as larger companies, in complex situations requiring multiple layers of in-depth analysis.

Our strategy and workflow

In an IBR, we examine and report on the following areas:

- Review and presentation of the existing “as is” financial situation together with a critical appraisal of revenues, assets, liabilities, cash flows and financing arrangements.
- Concise outline of the legal and fiscal framework.
- Assessment of the effects of the situation, market trends and the competition.
- Analysis of the operational structure of the company, including key strengths and weaknesses of the company’s various areas of activity.
- Evaluation of the company’s strategy.
- Assessment of the company’s planning with regard to plausibility of scenarios and performance of a risk/reward assessment by means of a sensitivity analysis.
- Improvement recommendations, and if requested, action and implementation plans.
- EOS upon insolvency and how security is affected by change to HMRC preferential creditor status.
- In all cases, we agree the form and content of our deliverables with our clients at the outset of the assignment within a clearly defined timetable.

Our findings

Typically our work will result in a series of recommendations and action points and we are also able to assist with their implementation. They are designed to preserve and maintain long-term value.

The purpose

Our strategic independent business reviews enable funders or stakeholders in a business to obtain real clarity of the financial and operational status of a business and the range of options available in the short and longer term.

Our ethos is straightforward - we want our clients to be successful. We accomplish this objective if we fully understand the detail of an organisation, its sector and businesses potential. We recognise that the only way to gain this knowledge and to build a trusting relationship is to appoint a dedicated team to personally formulate the required strategy and help implement it.

We specialise in dealing with entrepreneurial business owners who want to work with experienced advisors committed to maximising the opportunities available to smaller and medium sized companies.

Our philosophy is simple; to provide a personal service to clients that want to succeed and using our commercial realism and “can-do” attitude to “deliver positive results”.

SOLUTION PROCESS

Our work schedule for providing positive outcomes:



CORPORATE STRATEGY AND RESTRUCTURING TOOLKIT



MOORE KINGSTON SMITH GROUP SERVICES



RANGE OF PROFESSIONAL SERVICES

- Acquisition search
- Audit
- Internal audit
- Corporate tax compliance work
- Tax planning including VAT
- Sale of businesses
- Fundraising
- Insolvency advice plus formal appointments
- HR support and strategy
- Business strategy and consultancy
- Flotation advice
- Employer services
- Bookkeeping/management accounts
- Company secretarial service
- Preparation of annual statutory accounts

SECTORS

We have spent many years working with businesses on key strategic issues, creating a track record delivering successful outcomes in a number of sectors:

- Healthcare
- Retail
- IT & technology
- Manufacturing
- Professional firms
- Leisure & hospitality
- Media & marketing services
- Real estate and construction
- Retail
- Automotive

CONTACT US

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