

Meet Bev, Old Trafford's high-scoring debt doctor

Bev Budsworth is passionate about helping business owners get back on their financial feet.

Bev spent 17 years specialising in personal and business insolvency for a firm of chartered accountants before setting up on her own.

She rose to become a senior manager at Deloitte but needed more of a challenge.

"I was a little frustrated because it took so long to put initiatives into place and if, for instance, you wanted to do a new brochure it took you seven months to get it off the ground! It was a bit like turning a ship in degrees.

"I've always been quite innovative and I had introduced personal insolvency into Deloitte and we were doing 15 or 20 IVAs (Individual Voluntary Arrangements) a month."

New direction

When a chartered accountancy practice contacted her and asked her to be their insolvency practitioner, an exciting journey began.

"I went to see them and they said, 'We want a five-year business plan and we want you to do it on a standalone basis'. So I just said, 'I'll come back to you.'"

"For the next two months I ate, slept and drank this business plan and priced every single piece of equipment or licence and everything I'd need and I went back and did a presentation to some of the key partners.

"You could tell from their response that they were really, really in on the business proposal and I just thought, 'Do I really need to be part of an organisation or can I do it on my own?'"

Qualified by this stage and inspired by the key partners' obvious interest in her ideas, she took her five-year business plan to an RBS bank manager who encouraged her to do it on her own and promised to support her with the funding.

Within three weeks she had approval for a £100,000 loan and her original business, Budsworth & Co, was

As a debt adviser, Bev Budsworth is at the sharp end of the recession. But though she has had a lot of cases, she sees signs of recovery. Bonnie Yuill reports.

'When somebody's really beleaguered they just want somebody who just cuts through everything'

established in June 2000. Bev had noticed a gap in the market for a service which offered comprehensive advice to businesses and limited companies in relation to business recovery and insolvency issues – and intended to fill it.

The business was initially set up as a partnership, and Bev worked with a colleague whose skills complemented her own.

"We found premises and eventually gave our notice at Deloitte. It was a little scary at first. We started with two of us and we quickly ended up as four of us and it soon gathered momentum and even if we'd tried to throw it into reverse it would have kept on going."

Going it alone

The business made profits from year one but the partnership didn't last more than eight months and Budsworth & Co became a sole proprietorship. "You really need to know the person that you're going into business with," Bev says.

"It was quite a significant breakdown in communication. I asked her to leave and it was probably the best decision I ever made.

"I had to find some pennies to pay her off but at that stage I could guide the ship in the right direction."

With Budsworth & Co, she could do

things her way, including keeping down costs.

"When we were at Deloitte, people did want to refer work to us but the charge-out rates were quite high, so when I went out on my own our charge-out rates were a fraction of what they were at Deloitte and we were more affordable now, aiming at small business markets.

"I was also very switched on with the internet and Google AdWords and generating leads out there so that people could see you.

"I think marketing is so important, especially for a business like this, so we kind of hit the deck running.

"With insolvency you're not going to get recurrent work, but I'd spent many, many years at Deloitte, going out every night meeting accountants and solicitors, so over the years I've developed a lot of contacts."

Turnover doubling

Turnover was doubling year on year, and profitability increasing, but Bev still kept a tight rein on finances, initially asking her accountant for monthly management accounts – but she was able to take a more relaxed approach after a couple of years and request quarterly accounts.

"But every month I had her in doing my accounts and giving me the figures so I knew what my KPIs (key performance indicators) were and I knew what I needed to achieve."

Budsworth & Co had always offered non-lending solutions for businesses and in 2006 it was refocused and rebranded as The Business Debt Advisor.

The business continues to grow in stature, encouraged by Bev having won three separate awards last year: Crain's Manchester Business 2008 Businesswoman of the Year award, and Insolvency Practitioner of the Year and Debt Counsellor of the Year in Credit



Today's Insolvency & Rescue Awards 2008.

Now, with more than 20 years' experience in dealing with debt issues, her approach to some pretty fraught situations is typically business-like.

"When you go into some businesses there's so much to do and so many fires to fight but it's just thinking through the processes.

"I flew down to Haywards Heath recently to help a solicitor's practice that had got into difficulty.

"We had to sell the business because it just couldn't continue in its current format. Although it had been going for over a hundred and something years, it was sold and there are new proprietors in there – that was pretty exhausting.

"But you can't allow yourself to get involved because you come in as a breath of fresh air.

"When somebody's really beleaguered they just want somebody who's going to go in there, who just cuts through everything, comes out with a strategy and gets them where they need to get to."

Perhaps unsurprisingly, business is brisk for The Business Debt Advisor. In April of this year, the business made the move to more prestigious offices in the heart of Old Trafford in Manchester to accommodate its continuing success.

Despite the general economic gloom, Bev is optimistic about current business conditions. "I do see shoots of recovery. I've lived through a number of recessions because I started off in the insolvency industry in 1982 and there was a recession then, and in the early 90s.

"This one has been different in that it has been so systemic – previously in the 90s it was the manufacturing industries and dotcoms and things like that, but this has gone across the board."

'Firms are flying by the seat of their pants'

Where to start if your business is in trouble.

"I guess it's just knowing who to talk to and it depends on the extent of your difficulties," Bev advises.

"A good first port of call is going back to your accountant if you have a good relationship with them, but we find generally that a lot of businesses are flying by the seat of their pants.

"They have absolutely no management accounts, they do not know where they are up to – so my advice to small firms is, if you're struggling you really do need to figure out where your business is up to –

Tips from a debt adviser

and it is quite painful because if you're struggling the last thing you want to do is to be bogged down with detail.

"It's really helpful, then, to perhaps bring somebody like myself in to go through the diagnostics and have somebody just to sit there, quietly and patiently asking: 'What sort of assets have you got? What liabilities have you got? Let's have a look at your cashflow, let's analyse your sales and where they're coming from. What's your cost of sales?

What are your fixed costs? Before you go anywhere and before anybody tries to coerce you into doing anything, you need to understand it yourself."

Bev also believes it's crucial to get everyone in the office participating in the cost-cutting process at this stage, because the entrepreneur shouldn't have to take all the pressure of the situation.

Give the bank a solution as well as a problem.

"Over 90% of small business failure is down to poor management. I had a case recently where an individual's banking