

OCTOBER 2026 EDITION

Turnaround Guide

Early assessment can help directors understand a company's position, preserve options, and decide whether an informal turnaround plan or a formal insolvency process should be considered.

Talk it through with a licensed insolvency practitioner

01257 257035

corporate@focusinsolvency.co.uk · focusinsolvency.co.uk

What turnaround advice is

Turnaround advice is an assessment and planning process for a business facing financial or operational pressure. It aims to identify the causes of difficulty, test whether the underlying business could be viable, and set out practical options for stabilising or restructuring the position.

It is not a formal insolvency procedure and does not itself stop creditor action, change contractual rights, provide new funding, or guarantee that the business can continue. The appropriate response depends on current evidence and the circumstances of the company.

Why early assessment matters

Cashflow pressure, arrears, creditor action, loss of a key customer, rising costs, funding constraints, or operational disruption can reduce the time available to act. Early assessment may preserve a wider range of choices, but it does not make any particular outcome certain.

Directors should continue to consider their duties and obtain case-specific insolvency and legal advice where insolvency is possible, creditor action is threatened, or continued trading is uncertain.

Evidence to assemble

A useful assessment starts with current and complete information, including:

- management accounts, cashflow forecasts, bank information, and tax records;
- aged debtor and creditor positions, liabilities, security, guarantees, and contingent claims;
- contracts, leases, employees, pensions, litigation, and creditor action;
- sales pipeline, margins, costs, stock, assets, operational dependencies, and funding needs.

Assumptions should be identified and tested. Missing, stale, or overly optimistic information can make a plan unreliable and should be raised rather than treated as fact.

What a turnaround plan may consider

Depending on the evidence, a plan may consider measures such as:

- short-term cash controls and realistic cashflow monitoring;
- cost, pricing, margin, stock, purchasing, and working-capital changes;
- credit control and collection of undisputed debts;
- funding or refinancing proposals that are available on acceptable terms;
- operational, management, contract, property, or stakeholder changes;

- contingency steps if performance, funding, or creditor support does not develop as expected.

These are areas for case-specific assessment, not a promise that finance, creditor agreement, cost savings, growth, or recovery will be available or sufficient.

Informal support and formal procedures

An informal turnaround plan may be considered where the company has a credible basis for ongoing trading and the required support can be obtained. It does not bind creditors who have not agreed to it and does not replace any formal process that the circumstances require.

If the company cannot meet liabilities, lacks a credible funding or trading basis, or faces action that cannot be addressed informally, formal options may need to be considered promptly. Administration, a Company Voluntary Arrangement, liquidation, or another route should not be selected from general information alone.

Preparing for next steps

Directors should identify immediate deadlines, protect and preserve records, avoid assuming that additional credit or time will be available, and seek advice before taking actions that could worsen the position or reduce options.

A plan should name responsible actions, evidence, timings, dependencies, and review points. Material changes should trigger reassessment rather than continuation on stale assumptions.

General information

This guide provides general information only. It is not legal, tax, financial, funding, or investment advice and does not determine whether an informal turnaround or formal insolvency process is available, suitable, or likely to succeed. Current case-specific advice should be obtained before action is taken.

Discuss the company's position

Bring current records and explain the immediate pressures, creditor action, funding position, and operational concerns so the available informal and formal options can be considered. Call or email and we will go through the position and the options with you.

01257 257035

corporate@focusinsolvency.co.uk

focusinsolvency.co.uk

This guide reproduces the page at <https://focusinsolvency.co.uk/solutions/turnaround-advice/> as published in October 2026.

Anthony Fisher FIPA, FABRP is licensed to act as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association. Focus Insolvency Group is a trading style of Debtfocus Business Recovery & Insolvency Ltd, registered in England and Wales, company number 06831646.

Debtfocus Business Recovery & Insolvency Ltd maintains professional indemnity insurance with CNA Insurance Company Limited under policy number 10581504. The policy covers England and Wales.