



CASE STUDY

K COOLERS & PUMPS: FORECASTING AND SUPPORT



DETAILED FINANCIAL REPORTING

*We supply detailed
and supporting data
that helps businesses
to make safer, more
informed decisions*

Established as a family business in 1979, K Coolers and Pumps is Britain's largest independent cooler and pump repair specialist for the beverage industry. Originally founded in Garstang, it now operates from a 24,000 sq ft purpose-made facility in Preston.

The company's relationship with Jones Harris goes back more than thirty years and, over this time, it has seen considerable growth as well as a number of significant challenges.

One such challenge occurred a few years ago. A major customer wanted to give the company a significant amount of new work but the existing factory did not have the capacity to handle it. K Coolers therefore made the decision to move to new premises. This required a large financial investment and meant incurring the additional overheads associated with a larger site with more plant and equipment.

By not charging for directors' time, the client incurred no extra costs. At Jones Harris this is a standard approach to client support.

The move inevitably put a strain on cashflow and profitability, and the strain increased when the work promised by the client materialised more slowly than anticipated. The company had a solid base of loyal customers and an excellent reputation, but it faced a financial challenge. Good communication and reliable data were therefore essential in order to ensure the bank's continuing support.

The support:

Jones Harris worked very closely with company directors and the bankers to produce detailed management accounts and forecasts to prove the continued viability of the business. The depth and quality of the data made for a convincing argument and the bank duly agreed to provide the necessary support.

Thereafter, business picked up steadily and K Coolers has since made good use of its extra capacity, winning and





ACCURATE FORECASTING
DEMANDS IN DEPTH
KNOWLEDGE

delivering repair work for many large and discerning customers, including some of the country's best known brewers.

The company has also maintained an excellent relationship with Jones Harris, which provides many forms of ongoing support, including all financial administration, payroll, bookkeeping and quarterly management accounts. Moreover, as K Coolers diversifies its offering - working on a wider range of products such as water and air-conditioning coolers, and now in the process of introducing its own cooler range - so Jones Harris has helped it take advantage of Research and Development tax savings, producing and submitting substantial R&D claims annually.

Client verdict:

"Jones Harris have been our accountants for over 30 years. They have always been totally supportive, shown a great interest in everything we do, and consistently delivered excellent service and given common sense advice.

"We went through a difficult trading period a few years ago but with the help of Jones Harris, who took an active interest in assisting us with monthly management figures and meetings, cash flow forecasts and realistic projections, we were able to provide confidence to our bankers to support us. Since then, the business has flourished. We wouldn't be here today without the skills and expertise of Jones Harris and we are deeply indebted to them. We are now the leading re-manufacturer of coolers to the brewing industry in the country."

Peter Worden, Director, K Coolers.