



Commercial Finance



CASE STUDY

SUPPORTING A RECRUITMENT BUSINESS
THROUGH IR35 AND COVID UNCERTAINTY



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Adam Wagster, CEO

SITUATION & CHALLENGES

In late 2019, Uniting Ambition faced a serious cash pressure on the horizon - the incoming IR35 reforms were expected to remove a large number of contractors from the market as clients reassessed their exposure. For a recruitment business, this meant one thing - a sudden and temporary drop in contractor income and a sharp squeeze on cash.

The leadership team knew this was coming. Their CFO had modelled the impact and identified a funding gap that needed covering to protect day-to-day operations. Traditional routes were explored, but most mainstream lenders struggled to offer something that worked commercially for the business.

That's when Able Commercial Finance was recommended to CEO Adam Wagster. As he puts it, "I'd recommend Able CF to any recruitment business facing funding challenges. Paul understood our business straight away, and because he isn't tied to one lender the advice was honest, and the solution genuinely tailored to us."

Timing was critical. The company needed a fast, flexible option that reflected the realities of a contractor-led recruitment model.



THE SOLUTION

Able CF stepped in at a pivotal moment - because the business needed a solution that was both short-term and tailored, Paul reviewed the full market and built a facility to match the true cash requirement, rather than forcing the company into an unsuitable product.

He secured a short-term cashflow loan designed specifically to bridge the temporary disruption expected from IR35. It covered the anticipated dip in contractor numbers and stabilised the business through what was expected to be a challenging transition.

Just a few months later, COVID hit the UK economy - creating a second wave of pressure that no one had forecast. With funding already in place, Uniting Ambition avoided what could have been a severe compounded cashflow issue.

As Adam adds, "The short-term facility Paul arranged bridged the IR35 impact at exactly the right moment. If we hadn't acted when we did, COVID would have made the situation twice as hard."

BUSINESS BENEFITS

Protected cashflow at a critical time The tailored loan ensured the business could manage the temporary IR35 impact without operational disruption.

Fast, decisive support Able's independent, whole-of-market approach meant funding was sourced quickly - essential with major legislative change approaching.

Stronger than mainstream options After comparing several providers, the bespoke structure Paul created was more commercially sensible than traditional offers.

Resilience through COVID Having the facility in place before the pandemic proved invaluable, removing what would have been an additional layer of financial strain.

Confidence to trade through uncertainty The business continued operating and supporting its contractor network without the fear of a sudden cash shock.



Contact the team to find out more about specialist commercial finance support for recruitment agencies.



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