

# Begbies Traynor hires more staff and warns of more insolvencies as cost-of-living crisis goes on

Restructuring expert Begbies Traynor says it is expanding its team as the growing number of corporate insolvencies is creating more demand for its services.

The Manchester group said its insolvency division was likely to get more business in the months to follow as high inflation continues to take its toll on businesses across the UK.

Begbies said the number of businesses going insolvent in the UK increased by a little over 17% to 24,326 in the year to the end of September. Many of those were small firms entering liquidation, but the number of administrations – which tend to involve larger companies – also increased to close to pre-pandemic levels.

In November, Begbies' Red Flag Alert revealed [almost 50,000 North West companies were operating "on the brink"](#) and are in "significant" financial distress.

Begbies operates across the UK. BusinessLive recently reported that administrators from Begbies Traynor [had brokered a deal to save modular construction company M-Ar](#), also saving 70 jobs.

And in November [Begbies Traynor bought Bristol-based Andrew Forbes Limited](#), which employs 18 staff.

Revenue at Begbies' insolvency division grew by 17% to £35 million. Group-wide revenue rose 13% to £66 million. That helped the company grow revenue by 12.6% to £65.9 million in

the six months to the end of October.

Begbies said it now anticipates “continued increase in insolvency activity” and has expanded its team to deal with the new business.

“We anticipate that activity levels in our largest service line of insolvency will continue to increase in tandem with the indicators of corporate financial stress in the UK, resulting from the current interest rate and inflation environment,” it said in an update to shareholders on Monday.

“This gives the board confidence that the insolvency team will continue to deliver growth through the second half of the current year and thereafter.”

The company said that, as a result of increased demand, it has invested more in its team. The number of full-time equivalent jobs rose 12% over the last year on its fee-earning insolvency team.

Overall the business now employs 1,051 people, an increase of 93 from a year ago.

“As a result of the continuing increase in demand we have continued to invest in growing our team ... ensuring we retain the headroom to handle a further increase in activity levels,” Begbies said.

Ric Traynor, executive chairman of Begbies Traynor Group, said: “I am pleased to report a strong financial performance in the first six months of the financial year. We have continued to execute our strategy to grow the business, reporting double digit revenue and profit growth. The group’s financial performance in the first six months leaves the board confident of delivering current market expectations for the full year, which will extend our strong financial track record of growth.

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“Our insolvency team has maintained its market-leading position (by volume) in a growing marketplace nationally, with an increase in insolvency numbers reflecting the current interest rate and inflation environment; whilst our advisory and transactional services teams had a successful six months, reflecting the breadth of advice we provide to our clients, which continue to provide a solid platform for growth.

“Our broad range of services, diversified client base, organic growth initiatives and pipeline of acquisition opportunities, combined with increasing counter-cyclical activity, leaves us confident of continuing to build upon our strong track record in the current year and beyond.”