
Distressed Business Turnaround, Liquidity Recovery and Debt Restructuring Course

6 – 10 September 2027
Barcelona





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Programme Summary

Distressed business turnaround and debt restructuring is a one-week training course for finance leaders and board members at strategic level, culminating in a restructuring plan outline for a distressed company they own, lead or lend to. When covenants tighten and cash runs short, leaders have weeks to stabilise liquidity, keep lenders engaged and choose between rescheduling, refinancing or a debt-for-equity swap. The approach moves from early warning signs to liquidity control, then to capital structure options and creditor negotiation. Mars Training Centre UK delivers this programme in debt restructuring.

The Business Case

Companies that recognise distress late lose negotiating power, burn cash on the wrong priorities and face creditors acting alone. Leaders who forecast cash weekly, separate viable operations from loss-making ones and present lenders with a credible plan keep control of the process, protect enterprise value and give employees, suppliers and shareholders a realistic route to recovery.

- Liquidity Runway: Extends as weekly cash forecasting, working capital release and spending controls are put in place early.
- Recovery Value for Stakeholders: Rises when a coordinated workout replaces piecemeal creditor action.
- Sustainable Leverage: Returns as debt is rescheduled, refinanced or converted to a level the business can service.

Principles and Evidence Base

- Altman Z-Score and Covenant Headroom Analysis: Frame the early warning diagnostics used in Session 1.
- The 13-Week Cash Flow Forecast: Provides the liquidity control tool built and stress-tested in Session 2.
- INSOL International Statement of Principles for a Global Approach to Multi-Creditor Workouts: Guides the standstill, information sharing and new money approach in Session 4.
- Enterprise Valuation: Underpins the comparison of restructuring options in Session 3.

Intended Participants

- Leaders who report the financial position of a company under pressure to its board and lenders.
- Board members who must decide on rescue funding, asset sales or a change of strategy.
- Treasury heads responsible for liquidity, facility headroom and bank relationships.
- Lender workout and credit teams who assess and negotiate with distressed borrowers.



The programme serves industrial and contracting companies, real estate, retail and banking and investment institutions.

Learning Outcomes

1. Participants will be able to diagnose financial distress from early warning indicators, covenant positions and cash trends.
2. Participants will be able to construct and stress-test a 13-week cash flow forecast.
3. Participants will be able to prioritise operational turnaround levers by cash impact and speed.
4. Participants will be able to evaluate rescheduling, refinancing, haircut and debt-for-equity options against enterprise value.
5. Participants will be able to plan a creditor and lender negotiation, including standstill terms and new money.
6. Participants will be able to justify a restructuring plan to boards, lenders and shareholders.

Programme Structure

Day 1: Recognising Financial Distress

How early can distress be detected, and what triggers the need to act?

- Altman Z-Score and Distress Prediction Ratios
- Covenant Headroom and Default Triggers
- Root Causes of Corporate Decline
- Stakeholder Map of a Distressed Company
- Board Duties in the Zone of Insolvency

Day 2: Liquidity Recovery and Cash Control

How is cash stabilised while the turnaround plan is prepared?

- 13-Week Cash Flow Forecast Construction
- Working Capital Release from Receivables, Inventory and Payables
- Cash Committee and Payment Approval Controls
- Supplier and Customer Confidence Management
- Liquidity Stress Scenarios

Day 3: Turnaround Levers and Debt Restructuring Options

Which operational and financial options restore a viable business?

- Independent Business Review and Viability Assessment
- Cost Reduction, Disposals and Portfolio Exit
- Enterprise Valuation and Capital Structure Waterfall
- Debt Rescheduling, Refinancing and Covenant Reset
- Haircuts and Debt-for-Equity Swaps



Day 4: Creditor and Lender Negotiation

How are creditors brought into one coordinated agreement?

- INSOL Principles for Multi-Creditor Workouts
- Standstill Agreements and Creditor Committees
- New Money, Security and Priority
- Negotiation Positions of Secured and Unsecured Creditors
- Out-of-Court Workout Versus Formal Proceedings

Day 5: Applying the Restructuring Plan

How are diagnosis, liquidity and negotiation combined into one plan the lenders will accept?

- Distress Diagnosis of a Participant Case
- Cash Runway and Turnaround Priorities
- Preferred Restructuring Option and Fallback
- Peer Challenge as a Lender Group
- Restructuring Plan Outline Presentation

Methodology

The programme relies on simulation supported by case analysis. Participants follow a distressed manufacturing group and a property developer through deteriorating results, build their weekly cash forecasts, choose turnaround actions and then negotiate a workout in role as borrower, secured lender and unsecured creditor, with facilitator feedback after each round.

- Suggested activity: Calculating distress ratios and covenant headroom from published accounts.
- Suggested activity: Building a 13-week cash flow forecast from a trial balance and payment ledger.
- Suggested activity: Negotiating a standstill and new money term sheet in a lender simulation.

Capstone Output

Each participant completes a restructuring plan outline for a real or anonymised distressed company. It covers the distress diagnosis, the 13-week liquidity position, operational turnaround actions, the preferred debt restructuring option with its fallback and the negotiation strategy, ready for discussion with a board or lender group.



Frequently Asked Questions

Is debt restructuring training suitable for board members without a treasury background?

Yes. It suits board members and senior finance leaders who must oversee or approve a turnaround. It assumes the ability to read financial statements but no prior restructuring experience.

Which models underpin distressed business turnaround and debt restructuring?

It draws on the Altman Z-score, the 13-week cash flow forecast, enterprise valuation with the capital structure waterfall and the INSOL International principles for multi-creditor workouts.

How is the debt restructuring plan outline used at work?

You use it as the starting document for a board discussion or a first meeting with lenders, setting out the cash position and the terms you will seek.

How does distressed business turnaround differ from a cost reduction programme?

It addresses companies at risk of default, where liquidity, creditor negotiation and capital structure decide survival, rather than margin improvement in a stable business.