

Case study

Recovery
World

Recovery World began in 2001 as a broker, connecting buyers of recovery vehicles with sellers. Today, it builds vehicles to individual buyers' specific requirements. It also hires out recovery vehicles, cars and vans, as well as supplying accessories to the recovery industry.

The challenge



Our fleet doubled in size. After that, Sage 50 just wasn't going to cope at all.

When Recovery World took over another company, its old accounting system just couldn't handle the work. The business – which builds recovery vehicles, as well hiring out a wide range of vehicles through its subsidiary, B&T Vehicle Hire – suddenly had a fleet that was twice its previous size.

The diversity of Recovery World's work, building and hiring recovery vehicles, puts heavy demands on the finance system. "We've got deposits coming in for builds which might be six months away from completion," says Ian Wilson, Accounts Manager. "We generate an invoice for the customer to pay, but we receive one bill for the chassis and another for the build, so we have two or three bills related to that one sales invoice.

"You could have revenue in one month which corresponded with a bill you'd received three months before as well as another you'd receive a month later. Trying to link them all back to the right accounting periods was a nightmare and everything had to be done manually.

"Sage 50 worked, with lots of manual intervention, up until about 2022, when we took over another business that did vehicle rentals and our fleet doubled in size. After that, Sage 50 just wasn't going to cope at all.

"When it came to fixed assets, Sage 50 was atrocious at times, so it was all being done on Excel spreadsheets where we worked out depreciation. It had to change."

Previous system: Sage 50



The solution



An ability to handle projects

Good fixed asset features, easy handling of prepayments and accruals and an ability to handle projects were Recovery World's top requirements from a new finance system.

The company was introduced to iplicit by its accountancy practice, Azets, and arranged demonstrations of both iplicit and Sage 200. "One of Recovery World's key performance indicators was the need to show how much each vehicle was really costing and earning," says Luke Quince, who heads Azets' Digital Delivery Services team. "That's not easy to do in a standard, core accounting platform but we knew iplicit could do it."

Implementation was organised around the company's requirements. "We really liked the fact that people at iplicit wanted to listen to what our business was about and what our needs were," says Ian.

Since then, the company has seen substantial benefits.



The time savings from the move to iplicit are still mounting up.

1 Accurate project accounting.

For Recovery World, a project is an order that normally starts with a build number and acquires a vehicle registration number later. "With iplicit, you can link the two together as a parent project and a child project," says Ian. "The relevant revenue now goes to the individual project, the expenses go to that project and we're seeing the true profit and loss on a vehicle. It's clear to everybody."

2 Easier expenses.

There have been substantial time savings on expenses. Previously, staff would have had to send in receipts or use Sage's data capture system, which was prone to coding them wrongly. "Now they can enter everything themselves, with a copy of the receipt attached, and we can just double-check and correct anything if we need to," says Ian.

3 Automated fixed asset depreciation.

Applying fixed asset depreciation is no longer an error-prone manual process. "It's so easy. You put in an asset, tell iplicit to capitalise it and it does it," says Ian. "Vans and cars depreciate at a different rate from trucks, so there are two different methods for calculating depreciation. But by selecting what kind of asset you're capitalising, you can pick a preset depreciation rate. Then you put in the value of the asset, click the start date and off it goes."

Since chassis and bodies are ordered separately, depreciation is especially complex and was previously handled in spreadsheets. "Now, we look in one place and it's all there. It's 100 times better than Sage and the Excel spreadsheets that we used before," says Ian.



The outcome

Staff freed from spreadsheets

"Instead of being bogged down in everyday tasks, Ian is now able to deliver all the value he could be delivering to the business," says Luke Quince. "He's doing what he's paid to do – making strategic decisions, not checking spreadsheets."

- Complicated process made '100 times easier'
- True profit and loss visibility on each individual vehicle
- Nightmare manual linking across accounting periods eliminated

