

Case Study

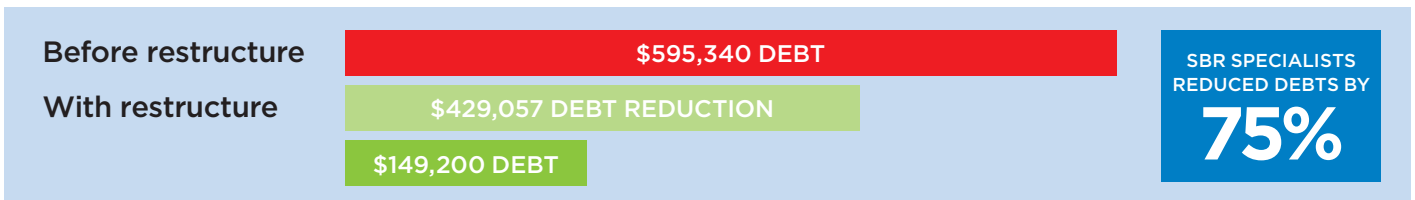
RETAIL AND TRADE SERVICE

THE BUSINESS

A pool supplies business overwhelmed with over \$595,000 of debt, with the director not knowing how to begin to turn the business around. During the COVID period, the Company saw an increase in costs and limited available supplies. This led to an inability to meet increasing ATO and other supplier debt.

THE SOLUTION

SBR Specialists worked with the client to establish the long term viability of the business, and assisted with the creation of a repayment proposal to creditors. Within 7 weeks the approval of the plan saw the business reduce its unsecured debt by 74%, and create repayments that were not only manageable, but allowed the business to return to a point of positive cashflow.



COMPANY FINANCIAL PROFILE PRIOR TO RESTRUCTURE:

- ATO debt \$564,800
- Other debts \$4,457
- Total debt \$569,257

Company and Director had received ATO warnings, Director Penalty Notices and final demands from creditors with 21 days to act to remove potential personal liabilities.

COMPANY FINANCIAL PROFILE AFTER RESTRUCTURE:

- Total debt \$149,200
- Approx monthly debt repayments -
\$3,000 for 24 months
\$4,600 for 12 months
\$25,000 final balloon

All creditor and ATO warnings and demands ceased

OVERALL RESULT FROM RESTRUCTURE:

- TOTAL SAVING \$429,057
- 34 month manageable payment plan
- \$25,000 deferred payment for 35 months
- Business now back on track
- Positive cashflow
- No accruing interest
- ATO approved plan
- Employee job security



Small Business Restructuring Specialists

For further information, please contact the SBR Specialists on 1300 947 465 or scan the qr code for more case study examples.

