

Case Study

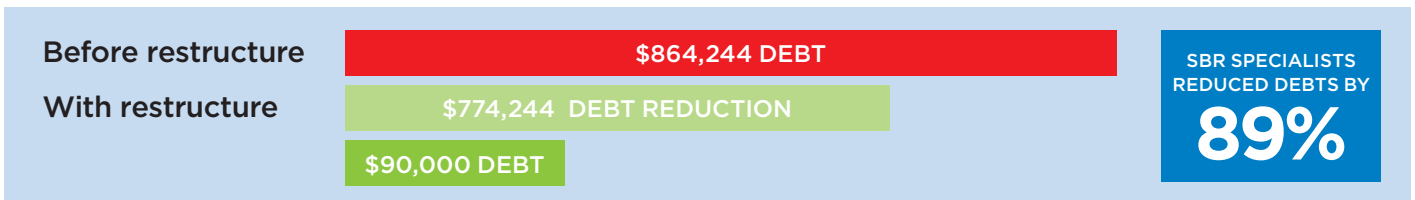
COMMERCIAL SERVICE

THE BUSINESS

Civil contracting business, mainly operating in western Sydney, contracting primarily to local government projects. Extended COVID restrictions for Western Sydney meant the business could not operate successfully, with contracts put on hold or scaled back.

THE SOLUTION

SBR Specialists worked with the client to establish the long term viability of the business, assisted with the creation of a repayment proposal to creditors and allocated all staff entitlements and super contribution obligations were met . Within 7 weeks the approval of the plan saw the business reduce its unsecured debt by 89%, and create repayments that were not only manageable, but put the business in a position to service the returning LOA contracts and projects that were stalled due to lockdowns.



COMPANY FINANCIAL PROFILE PRIOR TO RESTRUCTURE:

- ATO debt \$706,302
 - Other debts \$157,942
 - Total debt \$864,244
- Director had received Director Penalty Notices for unpaid SGC superannuation and PAYG withholding tax with 21 days to act to remove potential personal liabilities.

COMPANY FINANCIAL PROFILE AFTER RESTRUCTURE:

- ATO debt \$73,533
 - Other debts \$16,477
 - Total debt \$90,000
- Company and Director contribution \$45,000 each for up to 6 months

OVERALL RESULT FROM RESTRUCTURE:

- TOTAL SAVING \$774,244
- Approved local government contracts now able to be completed
- Reviews company structure and projects to ensure profitability
- Improved overall psychological well-being of Directors
- 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.

