

# Small Business Restructure Case Study Summaries



## A summary of some of our SBRs

Industry	Details	Outcome *Approx. Figures Only
<b>Architecture</b>	<ul style="list-style-type: none"> <li>Supplier of architectural and design services.</li> <li>Business ceased trading from March 2020 to July 2021.</li> <li>Carried a legacy debt when trading recommenced.</li> </ul>	Debt: \$179,318 SBR: \$40,000 <b>Rate: 20.30c/\$</b>
<b>Bakery</b>	<ul style="list-style-type: none"> <li>A bakery with both retail and wholesale activity.</li> <li>There was a dramatic downturn in sales during the COVID pandemic.</li> <li>Carried a superannuation liability along with a debt to the ATO and unsecured lenders.</li> </ul>	Debt: \$585,333 SBR: \$70,000 <b>Rate: 17.72c/\$</b>
<b>Bakery</b>	<ul style="list-style-type: none"> <li>A bakery with both retail and wholesale activity.</li> <li>There was a dramatic downturn in sales during the COVID pandemic</li> <li>Lost its high-profit business in wedding cakes and the like during lockdowns.</li> </ul>	Debt: \$213,000 SBR: \$53,000 <b>Rate: 25c/\$</b>
<b>Concreting</b>	<ul style="list-style-type: none"> <li>Two related businesses restructured at the same time.</li> <li>Reduced cashflow during the COVID Pandemic with lockdowns affecting the building and construction industry.</li> </ul>	Debt: \$274,274 & \$422,784 SBR: \$55,000 & \$70,000 <b>Rate: 19.06c/\$ &amp; \$23.71c/\$</b>
<b>Construction</b>	<ul style="list-style-type: none"> <li>Earthmoving/excavating services for roads, drainage and pipework.</li> <li>Company was a victim of fraud, which together with the effects of the COVID pandemic, had resulted in reduced cash flow and unmanageable debts.</li> </ul>	Debt: \$420,000 SBR: \$50,000 <b>Rate: 11.9c/\$</b>
<b>Construction</b>	<ul style="list-style-type: none"> <li>Production and installation of steel frames.</li> <li>Increase in the costs of materials and the level of fixed costs.</li> </ul>	Debt: \$380,000 SBR: \$75,000 <b>Rate: 18.95c/\$</b>
<b>Engineering</b>	<ul style="list-style-type: none"> <li>Steel fabrication and general engineering services.</li> <li>Reduction in work from travel restrictions.</li> </ul>	Debt: \$542,000 SBR: \$100,000 <b>Rate: 18.5c/\$</b>
<b>Hospitality – Café</b>	<ul style="list-style-type: none"> <li>Regional Café with 22 employees.</li> <li>Victorian State Government lockdowns impacted sales with little or no reduction in fixed costs.</li> </ul>	Debt: \$260,000 SBR: \$48,250 <b>Rate: 18.54c/\$</b>
<b>Hospitality – Hotel/Pub</b>	<ul style="list-style-type: none"> <li>Hotel/pub with approximately 40 employees.</li> <li>Melbourne-based pub that suffered through lockdowns.</li> <li>Needed to pay its owed superannuation to be eligible.</li> </ul>	Debt: \$323,000 SBR: \$35,000 <b>Rate: 10.82c/\$</b>
<b>Hospitality – Hotel/Pub</b>	<ul style="list-style-type: none"> <li>Hotel/pub with approximately 20 employees.</li> <li>Regional city in NSW.</li> </ul>	Debt: \$425,000 SBR: \$75,000 <b>Rate: 17.62c/\$</b>

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<b>Hospitality – Restaurant</b>	<ul style="list-style-type: none"> <li>Italian restaurant in metropolitan Melbourne.</li> <li>Significant debt to the ATO.</li> <li>Ceased trading 3 months prior to the SBR.</li> </ul>	Debt: \$165,000 SBR: \$35,000 <b>Rate: 20.34c/\$</b>
<b>Interior Design</b>	<ul style="list-style-type: none"> <li>Commercial interior design consultancy.</li> <li>Most of the business's projects were canceled or significantly delayed.</li> </ul>	Debt: \$320,000 SBR: \$71,000 <b>Rate: 22.24c/\$</b>
<b>Retail Property Developer</b>	<ul style="list-style-type: none"> <li>Land was purchased for the development of a supermarket in the outer suburbs of Melbourne.</li> <li>Business suffered a loss on the sale of land after a project was canceled when the lessor fell over.</li> <li>Part of its debt was paid to the Deputy Commissioner of Taxation, but a significant amount remained.</li> </ul>	Debt: \$530,000 SBR: \$280,000 <b>Rate: 49.11c/\$</b>
<b>Retail Property Developer</b>	<ul style="list-style-type: none"> <li>Land was purchased for a retail property development in rural Queensland.</li> <li>Business suffered a loss on the sale of land after a project was canceled due to poor uptake from potential tenants.</li> </ul>	Debt: \$210,000 SBR: \$66,000 <b>Rate: 29.25c/\$</b>
<b>Security Services</b>	<ul style="list-style-type: none"> <li>A security business supplying guard and patrol services and security equipment.</li> <li>There was a dramatic downturn in sales during the COVID pandemic due to business uncertainty.</li> <li>Was not entitled to access Jobkeeper.</li> </ul>	Debt: \$936,000 SBR: \$234,000 <b>Rate: 25c/\$</b>
<b>Transport</b>	<ul style="list-style-type: none"> <li>Provides transport services as a subcontractor.</li> <li>Escalating fuel costs and an inability to change fixed rates.</li> </ul>	Debt: \$450,000 SBR: \$73,000 <b>Rate: 16.18c/\$</b>
<b>Transport</b>	<ul style="list-style-type: none"> <li>Provides transport services as a subcontractor to courier companies.</li> <li>Shortage of work due to restrictions imposed due to COVID whilst fixed costs remained the same.</li> </ul>	Debt: \$150,000 SBR: \$65,000 <b>Rate: 41.94c/\$</b>

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