



Client / Matter

The client, a large fishing company, operated in the Northern Prawn Fishery off the Northern Territory/ Northern Queensland border.

Appointment

We were appointed by the company to assist with meeting the requirements of a Moratorium Deed (MD), including the regular reporting to a Monitoring Agent who had been appointed by the client's bank.

Our appointment included assisting the client to report to the Monitoring Agent in a specified format on a weekly and monthly basis, as well as providing support and advice to the client on rationalising the business and dealing with the bank generally.

Issue

The company owned numerous boats and had recently acquired a publicly-listed fish wholesaler in Queensland and a high profile water-side restaurant in Western Australia. The company had made significant losses and their bank was extremely concerned. The company was seeking to rationalise its financial affairs.

The company's financial reporting system was limited, placing a significant time burden on the CEO in preparing reports for the Monitoring Agent pursuant to the MD. Whilst the CEO had an accounting background and had initially taken it upon himself to attend to the company's reporting, he had recognised that his skills and available time (having regard to also needing to attend to operational and rationalisation issues) were inadequate.

The company continued to incur losses.

Solution/Outcome

Taylor Woodings:

- assisted the company to meet its reporting obligations pursuant to the MD on a timely basis
- acted as a mediator between the bank and the company
- assisted in the company's preparation of a business plan to document the company's intentions to reduce debt to an acceptable level, including detailed Cashflow, Profit and Loss and Balance Sheet forecasts and accompanying ratio analysis (including debt cover)
- ensured that the company's directors and the bank had a clear view of the company's financial position, providing a platform for informed decision making

The assignment was undertaken in an efficient and timely manner resulting in all stakeholders clearly understanding their obligations.