

**Client / Matter**

The client, a national retail bank, was the principal secured lender to a private company that operated retail garden outlets.

**Appointment**

We were appointed as Receivers and Managers.

**Issue**

The bank's customer was in default of its loan agreement. It was also 'related' to a group of companies which were in default of loan agreements and whose accounts receivables were the subject of ATO garnishee orders.

The business had poor accounting systems and, as such, it was not immediately possible to separately determine the viability of each of the outlets. This impacted on the ability to determine the best way forward for our client. It was clear that sales at each outlet were not regularly banked.

**Solution/Outcome**

Taylor Woodings:

- took control of eight outlets
- implemented a fully integrated accounting system, conducted regular stocktakes and prepared regular financial reports
- implemented a full set of internal controls
- traded the outlets for four months, utilising the services of industry experts
- conducted a national advertising campaign for a sale of the outlets
- conducted litigation to confirm ownership of a number of the outlets where there had been an attempt, prior to our appointment, to transfer the business to a related party
- achieved a sale of the business as a going concern at a premium price

We achieved a full recovery of the bank's debt including all interest and costs.



### Client / Matter

The client, a national retail bank, was the principal lender to a small chain of supermarkets.

### Appointment

We were appointed to undertake pre-lending due diligence.

### Issue

An existing customer of the bank had entered into a contract to purchase a number of additional supermarket outlets on vendor finance terms.

The bank was subsequently approached to provide replacement finance of \$20m. As some of the new outlets were loss making and the acquisition represented a rapid expansion of the existing business the bank required due diligence to be conducted.

### Solution/Outcome

Taylor Woodings:

- worked closely with management to gain a thorough understanding of the business plan;
- examined in detail the company's financial models;
- made a number of suggestions to improve the financial model;
- prepared a detailed report to the bank on the company, its management, the industry and the financial models;
- made a number of recommendations in relation to management and reporting requirements, and in relation to pre-conditions and covenants in respect of the proposed funding

Our assistance and advice resulted in the bank gaining sufficient confidence to provide the further funding to its customer. Subsequent to the funding being provided, and with the consent of the bank, we continued to provide accounting and advisory assistance to the bank's customer.

**Client / Matter**

The client, a national retail bank, was the principal secured lender to a privately owned furniture retailing company.

**Appointment**

We were appointed by the bank as Investigating Accountants to report on the company's financial position, in particular stock controls and levels, and management reporting systems and controls. We were subsequently appointed Receivers and Managers.

**Issue**

The company was a major retailer of furniture with six retail outlets. The company had not produced external accounts or internal management accounts for some time and had not adequately managed significant stock levels.

The company was poorly managed with poor systems and controls.

**Solution/Outcome**

Taylor Woodings:

- identified fraudulent activity
- sold properties
- established the extent of the company's financial position
- put in place stock control and information reporting systems
- marketed the business for sale
- in the absence of acceptable offers for the business we initiated a marketing campaign to promptly and efficiently sell the stock
- paid employee entitlements in full and achieved a substantial return to the bank

We achieved significant recoveries for the bank including recovering assets that had been fraudulently transferred.