



svpartners
specialist accountants & advisors

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Agriculture Capability Statement

1800 246 801

The Sector



The Agriculture sectors employs over 320,000 workers (ABS, 2019) with employment growing over the past five years by 3.1%. It is represented by a diverse range of occupations including livestock farmers, crop farmers, farm workers, plant operators, agriculture scientists and more.

In 2019-20, the value of production across the industry sits at \$59 billion. Over 10 years to 2018-19, annual productivity for the sector was at 2.01%, higher than the annual market sector productivity growth which averaged 0.32% over the same period. Although, at a national level, average farm cash incomes for dairy farmers are projected to modestly rise, drought related falls in production have generally reduced farm incomes in affected regions. (ABARES, 2020)

Globally, demands from growing middle class economies for beef and lamb has substantially increased, particularly in Asia. With more than 75% of all Australian exports going to our Asian neighbours, the Agriculture industry is well positioned to capitalise on this trend with the industry forecast to reach \$100 billion by 2030 (USSC, 2018).

However, the industry is facing its fair share of challenges. Increasing production costs due to price rises in consumable and capital inputs is raising the cost of doing business. Additionally, consumers are demanding healthier products from producers with ethical and sustainable business practices and Government reforms along with increased regulation are forcing the industry to invest in technology to reduce costs.



Now, more than ever, it's imperative for businesses to invest in technology to remain competitive and best position themselves for future success.

Our Approach

SV Partners is an expert accounting and specialist advisory firm focused on supporting businesses and individuals in financial stress.

SV Partners has been working with small to medium businesses across industries to help with financial stress for over 17 years. We work hard to ensure the best possible outcome by carefully considering the full circumstances, addressing concerns and providing tailored solutions.

Every situation is different and our team ensures that clients understand all of the options available to them in navigating through financial stress. We deliver superior outcomes by focusing on exceptional service delivery, respecting our clients, exceeding their expectations and working effectively as a team.



National Strength with Regional Capability

SV Partners is a national practice represented across Australia by a team of over 150.

In addition to our metro offices, SV Partners maintains a strong regional focus in QLD and NSW with offices in Mackay, Rockhampton, Sunshine Coast, Toowoomba, Gold Coast, Wollongong, Newcastle, Dubbo and Tamworth.

Our industry experience has allowed us to develop expert skills and apply them across small and large scale matters across the Agriculture; sector.



Our Experience



SV Partners has worked on a broad range of appointments, many of them unique and highly complex, with an appreciation of individual circumstances, attention to detail and decisive responses.

SV Partners has developed an in-depth understanding of specific requirements and business operations having undertaken many appointments of varying difficulties across the Agriculture industry. We recognise that the sector requires specialist knowledge and skills when dealing with businesses that are facing financial difficulties, stress or insolvency.

Free Initial Consultation

SV Partners works collaboratively with the business owners to assess the main concerns and priorities given the current situation.

We take a measured approach in our evaluation, making sure to consider individual circumstances and all contributing factors and discuss options for moving forward.



Our Services

- ▶ Financial Stress Advice
- ▶ Turnaround Management
- ▶ Voluntary Administration
- ▶ Creditor's Voluntary Liquidation
- ▶ Court Liquidation
- ▶ Receiverships

Our team are highly experienced and skilled, equipped to handle even the most complex scenarios in a sensitive manner.

Case Studies

Horse Stud Farm Members Voluntary Liquidation

The Situation

- ▶ The property was a large horse stud in Scone. We were appointed to the matter due to a shareholder dispute. Assets consisted of various plant, equipment and property. The businesses sold off significant amount of livestock on a monthly basis

The Solution

- ▶ We were involved in the trading of the business, the value and sale of livestock as well as the impregnation of the cows
- ▶ The various properties had adjustment rights for the livestock that had to be taken into consideration
- ▶ Property was valued on a land value of approximately \$10 million and had water access licences and coal rights attached to it
- ▶ We worked closely with a mining company on an exploration basis which resulted in a sale of the property for over \$20 million. The mining company established a mine on the land and were able to use the property as their carbon offset property

The Outcome

- ▶ Sold down the assets of the businesses which resulted in the distribution of \$28 million to the shareholders

Winery Voluntary Administration/Deed of Company Arrangement

The Situation

- ▶ SV Partners were appointed administrators of a winery in Mudgee. Effectuated a Deed of Company Arrangement in early 2020.

The Solution

- ▶ Traded the cellar door business whilst marketing the winery/cellar door for sale. As it was during the drought, the business was unable to produce a crop.
- ▶ This matter is currently in the process of a Members Voluntary Liquidation in order to have the company deregistered.

The Outcome

- ▶ Sold the property, machinery and wine stock (both bottle and vats). Creditors were paid a dividend of circa ten cents in the dollar.

Case Studies

Dairy/Cattle Farm Creditors Voluntary Liquidation (CVL)

The Situation

- ▶ We were appointed to a dairy/cattle operation with large rural properties and a large herd of dairy cattle.

The Solution

- ▶ The engagement involved extensive negotiation with primary industry based creditors.

The Outcome

- ▶ Realised extensive herd of cattle and two large rural dairy properties.

Livestock/Rural Property Bankrupt Estate

The Situation

- ▶ We were appointed as a consequence of a Sequestration Order. The bankrupt had significant holdings in major rural property with impaired (diseased) livestock. The matter was a high profile local rural issue with extensive media and government interest.

The Solution

- ▶ We acted on behalf of a bank as secured creditor with respect to both dealing with all livestock issues and realisation of rural properties.

The Outcome

- ▶ Managing creditor claims resulted in a section 153A annulment of the Bankrupt Estate as a result of payment of all debts and costs in full to both secured and unsecured creditors.

Farming Equipment & Manufacturing Consulting

The Situation

- ▶ A family owned business with significant amounts of property and machinery encumbered to a large bank. Cattle was purchased from Stock Co. which was sold with the debt only being partially repaid.

The Solution

- ▶ We were engaged to advise over competing security interest and the rights of the Stock Co. lender in the light of the shortfalls on the remaining debt owed.

The Outcome

- ▶ We successfully negotiated an exit with a structured sale down of associated farming equipment, real estate and other assets to satisfy the debt owing.

Case Studies

Winery Bankruptcy

The Situation

- ▶ A small winery in the Port Stephens area of New South Wales sold wine by mail order and cellar door.
- ▶ The owner passed away, leaving the business to his spouse who was unable to maintain the operations.

The Solution

- ▶ As a result of the business not being able to continue due to the deceased, SV Partners were appointed
- ▶ Sale of real property was required in addition to valuation of the vineyards and related equipment

The Outcome

- ▶ We successfully sold the property to developers who built an over 50's retirement village on the property.

Livestock/Agriculture Consulting

The Situation

- ▶ A third party and the Company applied for an exploration licence. SV Partners were engaged by the New South Wales Department of Planning to prepare an independent assessment of the financial capacity of the parties

The Solution

- ▶ We were required to assess the sale of cattle (bulls v calves/pregnant commercial cows v heifers) and the expected timeframe to raise \$1.445 million over 12 months
- ▶ Assessment of expected income from the exploration licence if approved by Department of Planning.
- ▶ Evaluate the expected rental yield/sale price of the property if it was to be rented/sold to fund the exploration licence
- ▶ Preparation of financial analysis of the trading entities to determine their solvency and financial capacity to fund the exploration licence

The Outcome

- ▶ Upon assessment, parties were able to fund the venture and obtain the exploration licence.

Case Studies

Hay Farm/Processing Plant Receivership

The Situation

- ▶ The company owned and operated a hay farm/processing facility near Griffith, New South Wales. A private lender loaned \$2 million to the company to buy the farm and assets
- ▶ As a result of poor rainfall, the farm yielded no crop and therefore were unable to make sales

The Solution

- ▶ We were appointed to sell the land and assets and are currently fielding offers of \$1.5 - \$2 million

The Outcome

- ▶ This is an ongoing matter. We are currently engaged in selling the property, plant, equipment and export licence.

Our Offices



SV Partners is a specialist accounting and expert advisory firm focused on supporting professionals and their clients.

We provide professional corporate and personal insolvency accounting, turnaround strategy advice, forensic and advisory services to accountants, financial institutions, corporations, financial and legal advisors, and their clients. SV Partners are the professional's proven partner.

Adelaide

Level 4, 12 Pirie Street
Adelaide SA 5000
t 08 7077 2444
e adelaide@svp.com.au

Brisbane

22 Market Street
Brisbane QLD 4000
t 07 3310 2000
f 07 3229 7285
e brisbane@svp.com.au

Caringbah

Suite C-201, 16 Wurrook Circuit
Caringbah NSW 2229
t 02 9531 8365
f 02 9531 8367
e caringbah@svp.com.au

Dubbo

34 Church Street
Dubbo NSW 2830
t 02 6882 8995
f 02 6882 8975
e dubbo@svp.com.au

Gold Coast

Level 3, 12 Short Street, Southport
Gold Coast QLD 4215
t 07 5503 4960
f 07 5503 4961
e goldcoast@svp.com.au

Hobart

27 Elizabeth Street
Hobart TAS 7000
t 03 9669 1100
e hobart@svp.com.au

Mackay

Cnr Sydney and Gordon Street
Mackay QLD 4740
t 07 4953 4060
f 07 3229 7285
e mackay@svp.com.au

Melbourne

Level 17, 200 Queen Street
Melbourne VIC 3000
t 03 9669 1100
f 03 9670 4435
e melbourne@svp.com.au

Newcastle

Suite 2, Level 1, 1 Market Street
Newcastle NSW 2300
t 02 4023 0847
f 02 8986 8999
e newcastle@svp.com.au

Parramatta

Level 4, Suite 405, 55 Phillip Street
Parramatta NSW 2150
t 02 8986 8986
f 02 8986 8999
e parramatta@svp.com.au

Perth

Level 8, 68 St George's Terrace
Perth WA 6000
t 08 6277 0026
e perth@svp.com.au

Rockhampton

222 Quay Street
Rockhampton QLD 4700
t 07 4994 1854
f 07 3229 7285
e rockhampton@svp.com.au

Sunshine Coast

Level 6, La Balsa 45 Brisbane Road,
Mooloolaba QLD 4557
t 07 5414 3000
f 07 5414 3020
e sunshinecoast@svp.com.au

Sydney

Level 7, 151 Castlereagh Street
Sydney NSW 2000
t 02 8986 8986
f 02 8986 8999
e sydney@svp.com.au

Tamworth

Shop 7, 345 Peel Street
Tamworth NSW 2340
t 02 6768 3399
f 02 6768 3300
e tamworth@svp.com.au

Toowoomba

610 Ruthven Street
Toowoomba QLD 4350
t 07 4639 6140
f 07 3229 7285
e toowoomba@svp.com.au

Wollongong

Level 12, 200 Crown Street
Wollongong NSW 2500
t 02 4227 4086
f 02 4227 4068
e wollongong@svp.com.au