

svpartners

specialist accountants & advisors

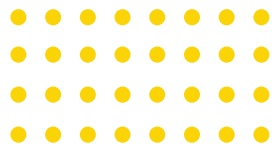


Hospitality, Accommodation & Food Services

Solutions for Every Situation

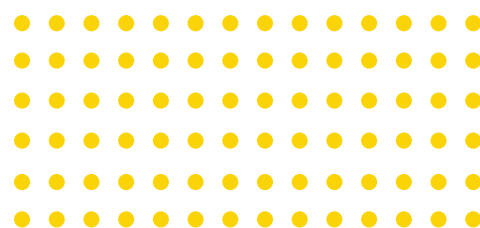
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The Sector



The hospitality, accommodation and food sectors are an integral part of the Australian economy and include a diverse range of businesses including hotels/pubs, licensed bars, restaurants, cafes, leisure clubs and venues employing over 910,000 workers (Jobs and Skills Australia, 2023).

These sectors have been facing significant challenges due to changes in consumer behaviour, spending habits and competition from industry disruptors.

Technology is increasingly challenging the hospitality industry with tech based food delivery services growing exponentially and placing significant demand on the sector to innovate.

Patrons are becoming more discerning with particular focus on service quality, atmosphere, food quality and memorable dining experiences.

Restaurants are being forced to respond with options to address these changes while pubs are striving to differentiate by providing an alternative to other dining experiences.

With the industry facing difficulties including regulatory changes and restrictions, high debt levels and increased competition, business operators can find it hard to remain profitable.

Now, more than ever, it's imperative to understand global food and beverage trends, identify opportunities for growth and implement a strategy to remain competitive.

Our Approach

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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 20 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 140.

In addition to our metro offices, SV Partners maintains a strong regional focus in QLD and NSW with offices in Mackay, Townsville, 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 involving hotels/pubs, licensed bars, restaurants, cafes, leisure clubs and venues.

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 the specific requirements and business operations having undertaken many appointments of varying difficulties across pubs, taverns, restaurants, cafes, food retailers, recreational clubs and hotels. We recognise that dealing with businesses that are facing financial stress in the sector requires specialist knowledge and skills in order to support and provide the best solutions.

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 before discussing options for moving forward.

Our Services

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

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

Case Studies

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Food Retailer/Franchisee Industry - Voluntary Administration

The Situation

- ▶ SV Partners were appointed as Voluntary Administrators for a national food franchise. The business operated a national network of 112 franchised pizza stores with its head office based in Brisbane. The company had the following debts:
 - \$4.37m to a secured creditor
 - Up to \$1.06m for employee entitlements
 - \$4.17m to unsecured creditors

The Solution

- ▶ Upon our appointment, we conducted an immediate review of the business and identified restructuring opportunities that could reduce the operational costs of the business. The restructuring measures were undertaken to maximise the sale price offered from potential buyers.
- ▶ This matter attracted national media attention and it was crucial that we as Administrators remained respectful of all stakeholders.
- ▶ We continued to trade the business whilst conducting an Expressions of Interest style marketing campaign. The intention was to sell the business intact in order to maximise the return to creditors whilst attempting to minimise the impact on other stakeholders such as franchisees.

The Outcome

- ▶ The 'Expression of Interest' marketing campaign provided us with a number of potential buyers, resulting in a successful sale of the business. We were able to provide a solution to this complex franchise scenario by using our knowledge and experience in business recovery.

Case Studies

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Food Retailer/Franchisee Industry - Voluntary Administration

The Situation

- ▶ SV Partners were appointed Voluntary Administrators to a company which owned and operated two cafe franchise stores in Queensland. One in Clifford Gardens and the other in Sherwood. A contract was executed prior to our appointment for the Clifford Gardens store.

The Solution

- ▶ Due to an existing franchisee contract on the Clifford Gardens store, SV Partners continued trading for an extended period of time to allow settlement.
- ▶ In addition, we traded the Sherwood store with a view to selling it as a going concern. There were no purchasers with suitable offers so we co-ordinated with the franchisor to hand the store back. As part of the agreement, the franchisor took on the employees and premises lease.

The Outcome

- ▶ As part of our efforts outlined above, we facilitated significant returns to priority creditors, ensuring the settlement of outstanding superannuation dues and the payment of overdue franchise fees.

Food Retailer/Franchisee Industry - Deed of Company Arrangement

The Situation

- ▶ Due to tram construction projects in the vicinity of the retailer's premises, they experienced substantial declines in revenue, leading to substantial debts owed to both the ATO and the franchisor.

Case Studies

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The Solution

- ▶ We were engaged to assess the situation and, as a result, we facilitated the progression to a Deed of Company Arrangement (DOCA), enabling the company to sustain its operations with the objective of securing a more favorable outcome for all stakeholders involved.

The Outcome

- ▶ After undergoing the DOCA process, which involved various stages and negotiations, control of the company was ultimately returned to the Director, marking a significant milestone in the company's journey toward stability and recovery.

Sports Club/Recreational Club - Voluntary Administration

The Situation

- ▶ As appointed Voluntary Administrators, SV Partners assumed control of the Drummoyne Sports Club from its Board of Directors. This decision came after the club found itself unable to repay a loan it had received, prompting the need for external intervention to address its financial challenges.

The Solution

- ▶ Administrators assessed the situation once appointed. The matter progressed to a Deed of Company Arrangement (DOCA). We were able to list the property for sale and received an offer for purchase.

The Outcome

- ▶ Following the successful sale, we were able to pay out creditors in full, ensuring they received 100 cents on the dollar for their outstanding debts. With surplus funds remaining, we directed these resources back into the Drummoyne Sports Club, leveraging them to invest in the establishment of a brand new sports facility. This reinvestment not only honored our commitment to creditors but also contributed to the revitalisation and expansion of the club's offerings, benefitting its members and the broader community.

Our Offices

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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 businesses, individuals, accountants, financial institutions, corporations, financial and legal advisors, and their clients.

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