

Commercial Risk Outlook Report

August 2017



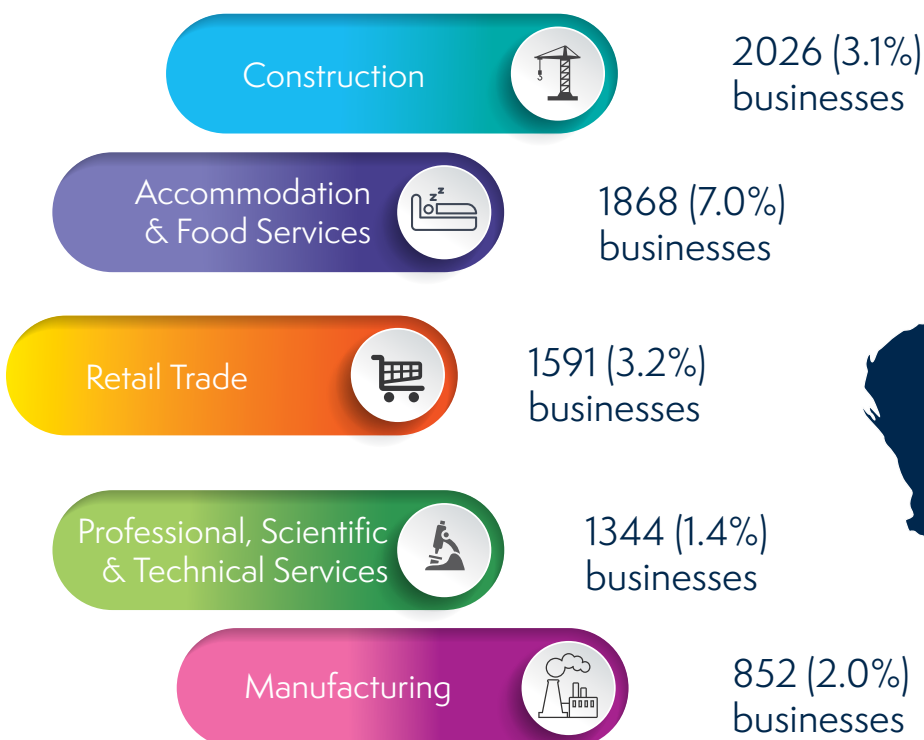
Contents

2	.....	Contents
3	.....	Highlights
4	.....	Executive Summary
5	.....	Operating Environment
6	.....	Insolvency - Australian Securities & Investments Commission
8	.....	About Commercial Risk
12	.....	National Commercial Risk Analysis
13	.....	State Commercial Risk Analysis
17	.....	Queensland Commercial Risk Analysis
40	.....	New South Wales Commercial Risk Analysis
59	.....	Victoria Commercial Risk Analysis
70	.....	Tasmania Commercial Risk Analysis
75	.....	Additional Data Commercial Risk Analysis
78	.....	Conclusion
79	.....	Glossary of Key Terms
80	.....	Your Trusted Partner

Top 5 areas across the Eastern Seaboard where businesses are at high commercial risk



Top 5 industries across Australia where businesses are at high commercial risk



Executive Summary

SV Partners has released the key findings within the Commercial Risk Outlook Report for August 2017. The Report provides an analysis of the current state of Australian businesses from an insolvency and prognostic perspective based on commercial risk data.

This Report analyses industries and regions within Australia where incorporated operating businesses are predicted to face financial distress within the next 12 months. This Report also expands on the drivers behind commercial risk and impacts for business owners, while providing insights from a professional insolvency perspective.

The commercial risk data attempts to predict business financial failure based on the likelihood of adverse events including external administrations, defaults, wind up petitions, Mercantile enquiries, bankruptcies, court writs, default judgements, poor trade payment behavior and seeking legal relief from creditors. The commercial risk data is comprised of the most comprehensive and latest bureau information available.

Key Findings

Nationally, the top 5 industries with businesses at financial risk (in order of number of businesses) are:

1. Construction (2026, 3.1%)
2. Accommodation and Food Services (1868, 7.0%)
3. Retail Trade (1591, 3.2%)
4. Professional Scientific and Technical Services (1344, 1.4%)
5. Manufacturing (852, 2.0%)

The 3 states/territories with the highest proportion of total businesses in Australia that are at risk of financial failure based on percentage are:

1. Tasmania (5.7%, 425)
2. Queensland (3.1%, 2891)
3. New South Wales (2.8%, 5092)

The top 5 regions throughout Queensland, New South Wales and Victoria where businesses are most at risk of financial failure within the next 12 months, according to the number of businesses are:

1. Melbourne Inner (954, 2.4%)
2. Sydney - City and Inner South (861, 2.7%)
3. Parramatta (671, 4.3%)
4. NSW - Inner South West (560, 4.5%)
5. Brisbane Inner City (557, 3.0%)

The top 5 regions where businesses show the largest portion of low to minimal risk of financial failure within the next 12 months, proportionate to areas are:

1. VIC - Bendigo (94.3%, 2716)
2. VIC - Shepperton (85.9%, 2968)
3. VIC - North West (85.8%, 2837)
4. VIC - Warrnambool and South West (85.6%, 2211)
5. VIC - Hume (85.0%, 3211)

Operating Environment

As of June 2016, there are over 2.1 million businesses in Australia. Approximately 16% of these are construction businesses, with the industry also being the highest contributor to new business entries. Between June 2015 and June 2016, there were nearly 12,000 new construction businesses (Australian Bureau of Statistics, 8165.0 – Counts of Australian Businesses, including Entries and Exits, Jun 2015 to Jun 2016).

The Australian Taxation Office's (ATO) Annual Report 2015 – 16, indicates that the small business sector had 72.3% of small business debt being paid on time. Approximately \$12.5 billion of total collectable debt holdings (June 2016), were attributed to small businesses. Although in recent years the ATO have intensified debt collection actions, the Annual Report states that approximately 950,000 payment plans (an increase of 17.2% of the previous year) were implemented to assist individuals and businesses with tax debt.

Our SV Strategic Solutions consultants have outlined steps to manage ATO debt negotiations in a recent publication. Some key insights include:

- Ensure lodgements are up to date and keep in communication with the ATO and your debt
- Seek professional advice (from accountant or business advisor) and proactively engage with the ATO
- Ask the ATO specifically what they need to know or records they need to see
- Further to ATO debt, businesses can often face various financial risks throughout the business life cycle

The SV Strategic Solutions team have identified the various actions that can be taken to mitigate business risk and essentially prosper throughout the business life cycle.

Level of Risk of Possible Failure	Action Required	Explanatory note
High to Severe Risk	Stabilisation	The chances of successfully bringing a businesses out of its distressed position are low, unless there are only one to two specific issues to be addressed and sufficient time frame to execute required stabilisation strategies. These businesses need a rapid assessment of options and only quick win strategies are likely to have any effect. Effecting stabilisation is likely to be much more achievable. These businesses should undergo a full situational analysis and needs assessment to identify and prioritise strategies and associated action plans.
Average to Moderate Risk	Business Improvement	Businesses should be looking to adopt improvement strategies to ensure that they do not slip into lower risk bands and are able to position themselves for future growth. These businesses generally have a few operational inefficiencies, technology or people challenges and could also be missing out on market opportunities. This is the greatest scope to add value to these businesses to bring them into the most effective performers amongst their peers.
Minimal to Low Risk	Efficiency, Growth and Value Enhancement	Businesses need to look at opportunities to further enhance operational efficiencies, generally through technology advancements, and develop strategies to grow into new markets or geographies. The focus of a business in this risk band will generally be external – looking for M&A opportunities to further growth, new markets or products/services to increase revenues and profitability or structuring the business ready for a founder/CEO to exit.

Business assessments need to be broken down to consider five key areas individually, and then prioritised into a sum of their parts to produce effective recommendations for diminishing current and future risk:

1. Market position, market performance and direction
2. Products and services – customer fit
3. Internal operational efficiency
4. Financial performance and working capital
5. Culture and organisational structure/performance

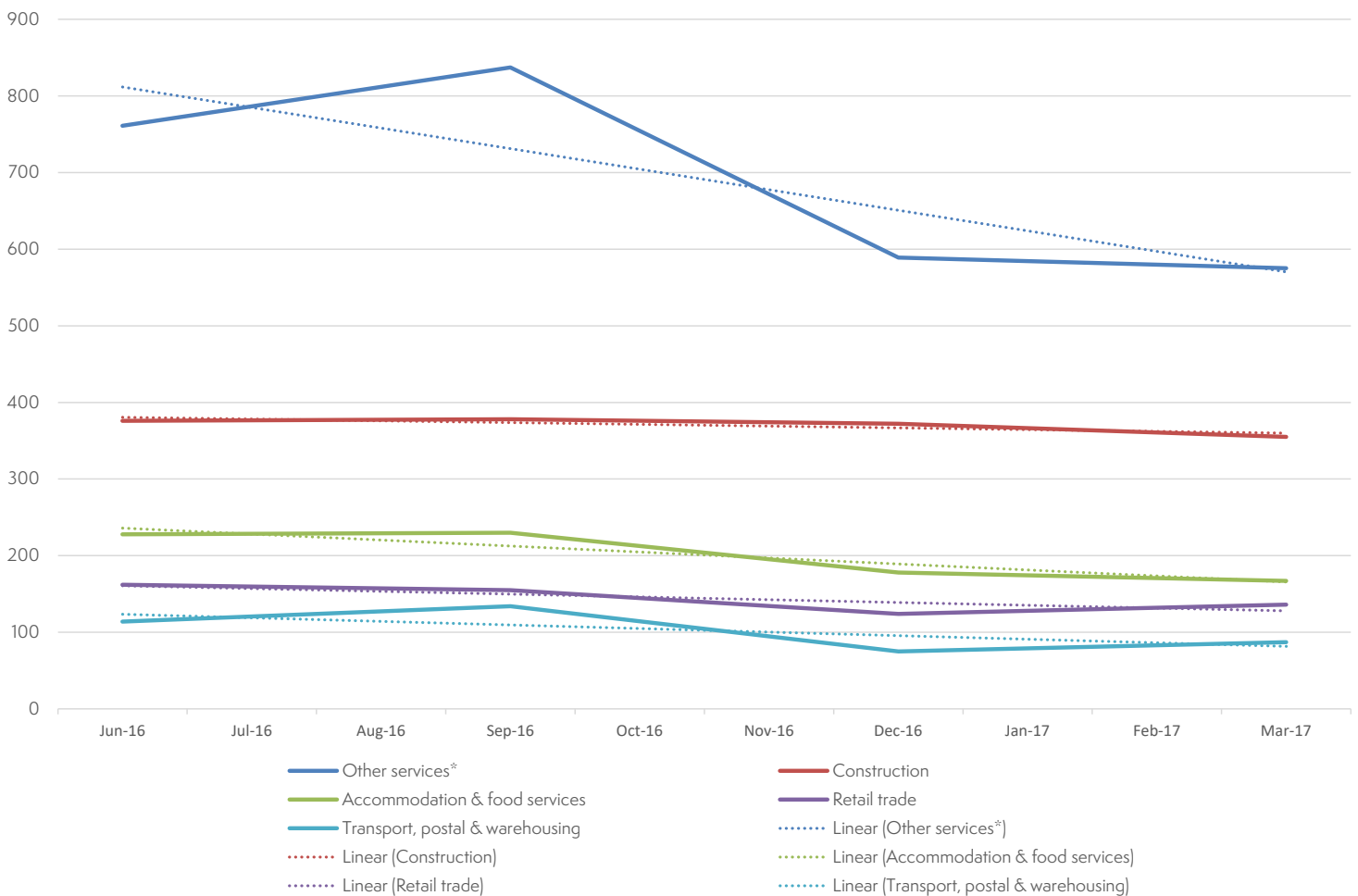
Insolvency Trends and Analysis

The Australian Securities and Investments Commission (ASIC) Insolvency Statistics Series 1A, records the number of external administrations by industry. According to ASIC, the 5 industries with the highest number of recorded external administrations from the June 2016 quarter to the March 2017 quarter are:

1. Other (business and personal) Services*, 2762 (-32.3% since June 16)
2. Construction, 1481 (-5.9% since June 16)
3. Accommodation and Food Services, 803 (-36.5% since June 2016)
4. Retail Trade, 577 (-19.1% since June 2016)
5. Transport, Postal and Warehousing, 410 (-31.0% since June 2016)

The below graph indicates the trend of these top 5 industries according to the records of external administrations per quarter since June 2016.

Graph 1:
Companies Entering External Administration by Industry (Jun 2016 to Mar 2017 Qtr)



*'Other Services' industry as defined by the ANZIC Code includes Repair and Maintenance, Personal and Other Services, Private Households Employing Staff and Undifferentiated Goods and Services - Producing Activities of Households for Own Use.

Table 1:

ASIC Insolvency Statistics Series 1A, Companies Entering External Administration by Industry (Jun 2016 to Mar 2017 Qtr)

Industry	Jun-16	Sep-16	Dec-16	Mar-17	Year to Year Total	% Change since Jun-16
Other Services	761	837	589	575	2762	-32.3%
Construction	376	378	372	355	1481	-5.9%
Accommodation and Food Services	228	230	178	167	803	-36.5%
Retail Trade	162	155	124	136	577	-19.1%
Transport, Postal and Warehousing	114	134	75	87	410	-31.0%
Manufacturing	106	86	69	64	325	-65.6%
Mining	129	54	46	26	255	-396.2%
Rental, Hiring and Real Estate Services	46	76	48	40	210	-15.0%
Electricity, Gas, Water and Waste Services	40	41	40	31	152	-29.0%
Finance	38	39	77	25	179	-52.0%
Professional, Scientific and Technical Services	38	41	23	23	125	-65.2%
Information Media and Telecommunications	42	43	31	43	159	2.3%
Education and Training	23	14	31	32	100	28.1%
Wholesale Trade	36	33	33	26	128	-38.5%
Agriculture, Forestry and Fishing	52	26	21	29	128	-79.3%
Unknown	34	41	26	24	125	-41.7%
Health Care and Social Assistance	24	35	12	12	83	-100%
Arts and Recreation Services	15	19	12	13	59	-15.4%
Administrative and Support Services	12	16	9	8	45	-50.0%
Public Administration and Safety	7	1	1	1	10	-600.0%
Total	2283	2299	1817	1717	8116	-33.0%

About Commercial Risk

The commercial risk data within this Report is based on active trading incorporated entities. These entities are ASIC registered companies. The data also includes significant unincorporated entities such as large law firms which can often be structured as an unincorporated partnership.

By focusing on incorporated entities for this commercial risk data, this Report takes a sharper analysis on the most relevant trends from a broader market.

Although the Australian Bureau of Statistics indicate there are over 2.1 million businesses in Australia as of June 2016, many of these are simply registered businesses (not operating), and could be comprised of part time sole traders, contractors or trust entities. As a result, this August 2017 Report, analyses data that is based on trading incorporated entities that are formed for the purpose of conducting business (buying/selling/trading), they employ staff, generate revenue and are therefore relevant with the macro ability to sway economic commercial risk.

The commercial risk score of a business is contingent on various factors and may be impacted by the behaviour of a business. This behaviour is based on a range of bureau data, including Mercantile enquires, debt amounts, age of debt, financial defaults and trade payment history. This data is designed to predict the likelihood of business failure within the next 12 months.

Types of Risk

There are 3 main types of commercial risk that a business is categorised within this Report. The types of risk are:

1. High to Severe – Businesses that fall within risk bands 1 - 3
2. Average to Moderate – Businesses that fall within risk bands 4 - 5
3. Minimal to Low – Businesses that fall within risk bands 6 – 8

Throughout this Report, businesses within the high to severe risk category, are expected to have minimal life expectancy as they are currently in financial distress. A business within this category is extremely likely to undergo a serious adverse event within the next 12 months of trading. An adverse event may be an external administration, petition to wind up, court judgement, court writ, payment default or mercantile enquiry.

What makes up the risk score?

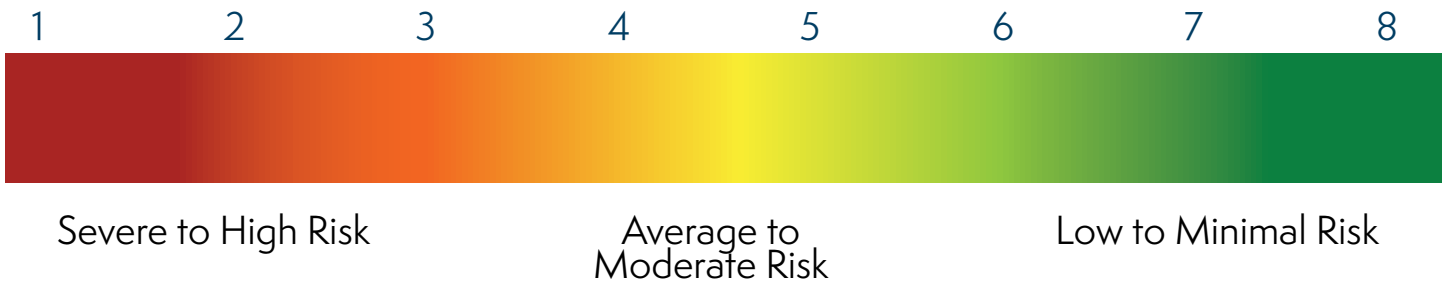
Key contributing factors (not limited to) that frame a risk score are as follows:

- The type and frequency of credit enquiries
- The time since a business/company made or changed its registration
- Credit activities including credit enquiries or adverse information of the business proprietor
- Existence of default information on a company file
- Credit source enquiries that a company makes may impact its trade history
- Serious adverse event information recorded such as a previous external administration or other serious adverse events on file
- Industry based enquiry patterns
- Director information and credit activity of a company director such as credit enquiries or adverse events

About Commercial Risk

Ranking Risk Bands 1-8

The risk bands rank each business on a scale of 1 - 3 (severe to high risk), 4 - 5 (average to moderate risk) and 6 - 8 (low to minimal risk) based upon their likelihood to default within the next 12 months.



Key Causes of Business Failure

ASIC's recorded reasons for business failure are seen throughout 'Figure 3.1.3.1 - Initial external administrators' reports—Nominated causes of failure by industry (1 July 2015–30 June 2016). Referring to this table, the top 3 causes for business failure nationally are:

1. Inadequate cash flow or high cash use (4318, 18.8%)
2. Poor strategic management of business (4315, 18.8%)
3. Poor financial control including lack of records (3183, 13.9%)

Figure 3.1.3.1 - Initial external administrators' reports—Nominated causes of failure by industry (1 July 2015–30 June 2016)

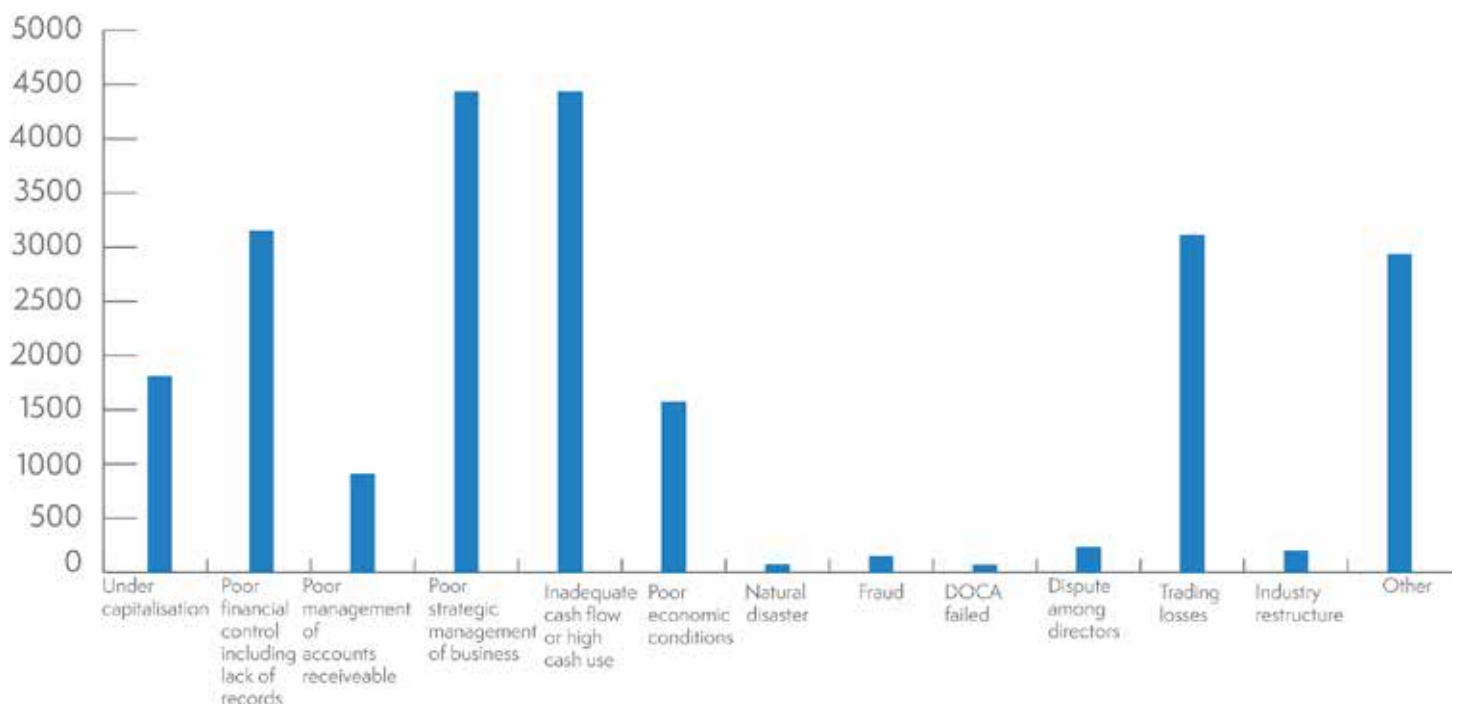


Table 3.1.3.1 - Initial external administrators' reports - Nominated causes of failure by industry (1 July 2015–30 June 2016)

Industry	Under capitalisation	Poor financial control including lack of records	Poor management of accounts receivable	Poor strategic management of business	Inadequate cash flow or high cash use	Poor economic conditions	Natural disaster	Fraud	DOCA failed	Dispute among directors	Trading losses	Industry restructuring	Other	Total Nominated causes of failure
Accommodation & Food services	209	293	30	435	479	171	5	17	1	25	404	13	234	2316
Administrative & Support Services	27	22	11	42	44	9	2	1	1	4	37	2	26	228
Agriculture, Forestry & Fishing	44	54	15	74	61	38	11	5	0	7	57	4	45	415
Arts & Recreation Services	19	36	7	54	44	12	0	5	2	4	43	2	26	254
Construction	389	670	308	894	868	337	5	22	8	52	620	34	660	4867
Education & Training	20	22	21	46	40	7	0	0	0	0	32	13	32	233
Electricity, Gas, Water & Waste Services	47	60	34	87	89	22	1	4	0	0	56	10	43	453
Finance & Insurance Services	47	77	15	96	76	28	0	14	0	10	51	3	91	508
Health Care & Social Assistance	16	35	13	41	52	5	1	2	1	4	28	1	30	229
Information Media & Telecommunications	49	59	36	106	112	30	0	4	2	15	82	11	68	574
Manufacturing	90	83	46	174	189	103	3	1	0	17	163	11	108	988
Mining	54	50	15	108	106	100	3	4	1	10	70	10	56	587
Other Services	462	1112	233	1190	1188	307	6	32	5	52	739	43	979	6348
Professional, Scientific & Technical Services	42	40	16	90	92	39	0	3	0	9	58	5	63	457
Public Administration & Safety	27	10	5	34	36	24	0	0	0	0	33	0	4	173
Rental, Hiring & Real Estate Services	33	59	18	102	96	37	3	14	2	7	57	4	65	497
Retail Trade	163	248	48	362	385	155	3	12	0	26	329	20	194	1945
Transport, Postal & Warehousing	93	191	52	285	267	88	3	11	0	11	187	10	169	1367
Wholesale Trade	37	62	30	95	94	33	3	4	0	7	79	6	67	517
Total	1868	3183	953	4315	4318	1545	49	155	23	260	3125	202	2960	22956

Insolvency Indicators

SV Partners' specialists outline the indicators that are key contributors that may lead to insolvency. These are considered to be warning signs and should be addressed with a professional as soon as possible:

- Lack of control of the business
- Overdue taxes
- Continuing losses
- Poor relationships with financial institutes or lenders and the inability to borrow further funds
- No access to alternative finance
- Inability to raise further equity
- Suppliers stopping accounts, changing to cash on delivery or demanding special payment arrangements before resuming supply:
- Creditors remaining unpaid outside normal or industry trading terms
- Reverting to using post-dated cheques to continue trading
- Dishonoured cheques
- Highly leveraged assets
- Banks requesting additional security
- Legal letters of demand, summons, judgements and warrants issued to recover outstanding debts
- Inability to produce accurate financial information

Dealing with Debt and Impact on Stakeholders

There are several options for an entity dealing with debt. It is vital to seek professional advice as soon as possible if a business is experiencing financial difficulty.

Some options outlined by our specialists on dealing with debt include:

1. Paying the debt in full – continue with current repayment arrangements, investigate refinancing options (with professional advice), lump sum payments through other sources such as family/friends or superannuation through hardship provisions
2. Compromise with creditors – either through informal or formal arrangement (Bankruptcy Act / Corporations Act)
3. Communicate to the Australian Taxation Office (ATO), Creditors and Bankers the status of debt and repayments. Non-communication makes the situation worse and can often impact future negotiations with these stakeholders

There are other immediate avenues on how a business can address financial distress (alongside seeking professional advice):

1. Review significant changes in existing market share, pricing and demand for services/products
2. Retest the assumptions underlying the current business plan
3. Review the arguments for remaining in the existing vs new market sectors
4. Initiate a review of major projects (infrastructure, resources) with respect to timing and funding effects on the market and local economic conditions
5. Determine where the business should be positioning itself in the market
6. Reviewing the business cost structures regarding labour, suppliers and overheads
7. Assessing balance sheet efficiency and allocation of working capital
8. Exploring avenues to find new customers and maintain existing customers

National Commercial Risk Analysis

According to the commercial risk data (Table 3) for August 2017, 2.6% of businesses within the high to severe risk category of possible financial failure within the next 12 months. This is approximately 13,266 businesses across all industries in Australia, an increase of 5% from the previous report released in March 2017.

22.5% of businesses are within the average to moderate category of risk of financial failure, whilst 74.9% are in the minimal to low category of risk.

The commercial risk data (Table 3) indicates that the top 5 industries at highest risk of financial failure proportionate to the number of businesses in each industry are:

1. Accommodation and Food Services (1868, 7.0%)
2. Retail Trade (1591, 3.2%)
3. Construction (2026, 3.1%)
4. Public Administration and Safety (29, 3.1%)
5. Arts and Recreation Services (260, 2.8%)

However, nationally the 5 most at risk industries by number of businesses in each industry are:

1. Construction (2026, 3.1%)
2. Accommodation and Food Services (1868, 7.0%)
3. Retail Trade (1591, 3.2%)
4. Professional, Scientific and Technical Services (1344, 1.4%)
5. Manufacturing (852, 2.0%)

Overall, Tasmania has the highest portion of businesses (5.7%) within the high to severe risk category. This is 2.9% above the national average across all states and territories (2.8%).

New South Wales has highest number of businesses (5092, 208%) within the high to severe risk category of financial failure. However this is consequently due to the state contributing to the largest economy in terms of operating businesses.

Queensland ranks the second highest state of concern nationally with 3.1% of businesses in the state falling within the high to severe risk of financial failure. This is a total of 2891 number of businesses.

The least at risk area is South Australia proportionate to number of businesses with just 1.4% of businesses in the high to severe risk category, or 82.9% of businesses falling within the minimal to lowest risk category.

National Commercial Risk Analysis

Table 2:
State/Territory - State/Territory vs Commercial Risk

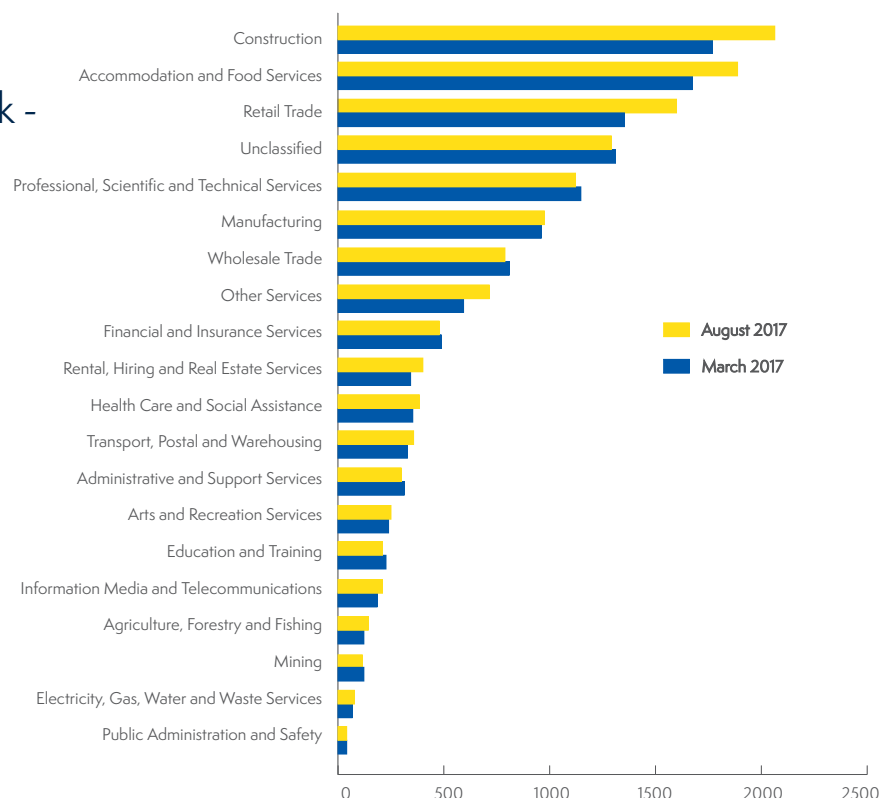
State	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	← Severe to High →			Moderate to Average		← Low to Minimal →							
NSW	820	2048	2224	14200	27738	62632	37259	34109	181030	5092	2.8%	23.2%	74.0%
VIC	506	1233	1331	8841	20733	50610	32181	31223	146658	3070	2.1%	20.2%	77.7%
QLD	416	1067	1408	8886	17275	39795	15448	8561	92856	2891	3.1%	28.2%	68.7%
WA	186	489	425	1929	7203	11201	12050	14351	47834	1100	2.3%	19.1%	78.6%
TAS	26	146	253	720	1712	2589	1203	803	7452	425	5.7%	32.6%	61.7%
SA	66	184	161	1090	3673	7069	8716	9382	30341	411	1.4%	15.7%	82.9%
ACT	25	82	87	575	1125	2444	1391	1182	6911	194	2.8%	24.6%	72.6%
NT	10	26	45	237	566	1229	883	868	3864	81	2.1%	20.8%	77.1%
Unknown	0	2	0	3	5	5	3	4	22	2	9.1%	36.4%	54.5%
Total	2055	5277	5934	36481	80030	177574	109134	100483	516968	13266	2.6%	22.5%	74.9%

Since March 2017, overall there has been an increase in the number of businesses at risk throughout the various industries as seen in Graph 2. These main increases can be seen throughout the construction (increased by 172 businesses), accommodation and food services (increased by 187 businesses) and retail trade (increased by 179 businesses) industries.

Further to this, Table 5, indicates that nationally, there are 21 retailers that turnover more than \$50 million or more that are within the high to severe risk of financial failure category. This is an increase of 11 retailers since the previous March 2017 report. This is concerning for the retail industry nationally with potential further flow on affects to other industries from slower consumer spending behaviour.

Nationally, there are ten \$1 billion turnover companies across all industries at risk of possible financial failure within the next 12 months.

Graph 2 :
National -
Industry vs Commercial Risk -
High to Severe Risk



National Commercial Risk Analysis

Table 3:
National - Industry vs Commercial Risk

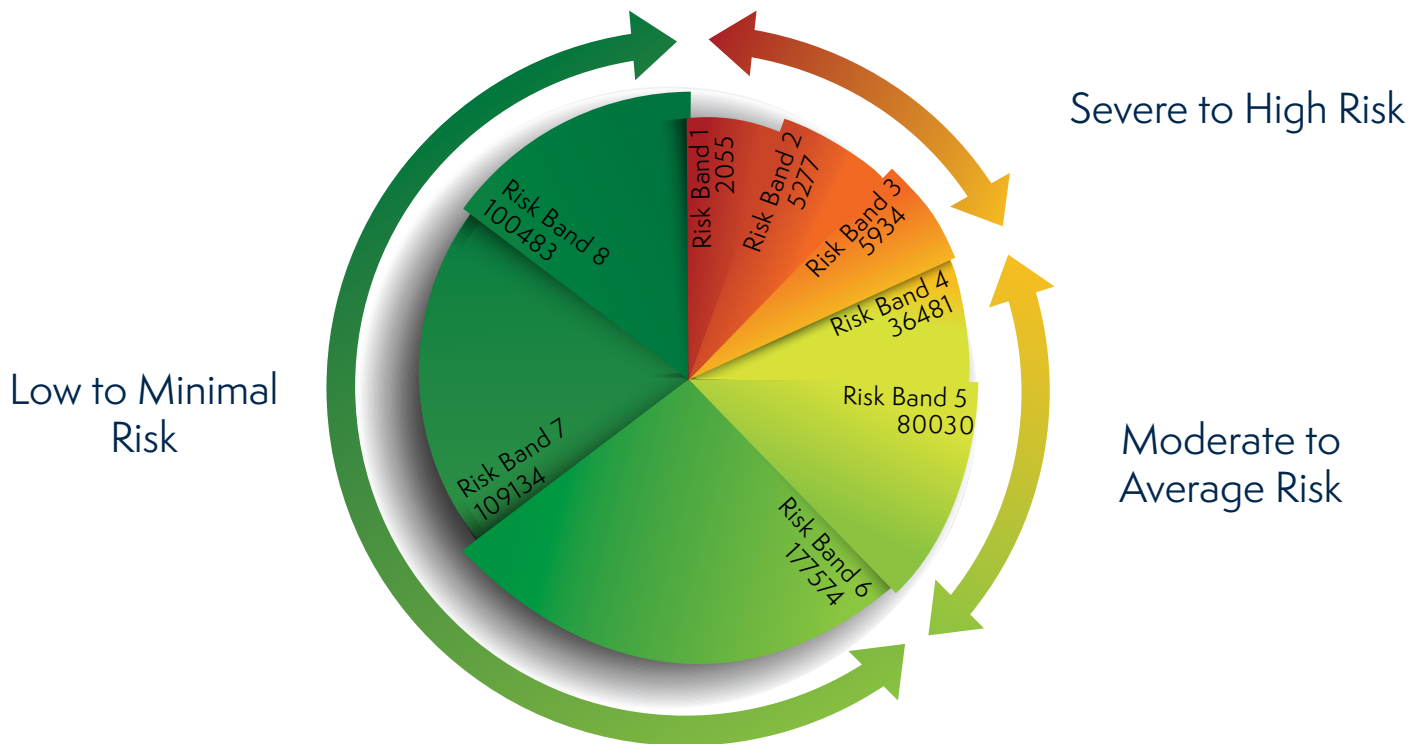
Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High ----->			Moderate to Average		←----- Low to Minimal ----->							
Construction	327	848	851	4982	10053	20818	14802	12025	64706	2026	3.1%	23.2%	73.6%
Accommodation and Food Services	381	808	679	3092	6235	7603	4158	3819	26775	1868	7.0%	34.8%	58.2%
Retail Trade	252	653	686	3894	8248	16060	9873	9732	49398	1591	3.2%	24.6%	72.2%
Unclassified	188	455	758	3108	4106	1313	502	336	10766	1401	13.0%	67.0%	20.0%
Professional, Scientific and Technical Services	153	530	661	6074	13524	38617	19837	13784	93180	1344	1.4%	21.0%	77.5%
Manufacturing	150	349	353	2153	5734	13082	9507	12125	43453	852	2.0%	18.2%	79.9%
Wholesale Trade	108	298	302	1797	5038	11230	8026	9374	36173	708	2.0%	18.9%	79.1%
Other Services	107	260	300	1837	3824	9335	6099	5279	27041	667	2.5%	20.9%	76.6%
Financial and Insurance Services	67	192	286	2030	6138	19702	13356	12421	54192	545	1.0%	15.1%	83.9%
Rental, Hiring and Real Estate Services	67	223	226	1460	3464	7641	4437	3935	21453	516	2.4%	23.0%	74.6%
Health Care and Social Assistance	43	141	210	1946	4189	11800	6365	4573	29267	394	1.3%	21.0%	77.7%
Transport, Postal and Warehousing	64	137	136	860	1941	4207	2800	2840	12985	337	2.6%	21.6%	75.8%
Administrative and Support Services	42	106	133	973	2047	4897	2581	1956	12735	281	2.2%	23.7%	74.1%
Arts and Recreation Services	36	108	116	775	1723	3142	1598	1779	9277	260	2.8%	26.9%	70.3%
Education and Training	16	32	70	535	1069	2245	997	986	5950	118	2.0%	27.0%	71.1%
Information Media and Telecommunications	15	41	52	343	866	1963	1011	897	5188	108	2.1%	23.3%	74.6%
Agriculture, Forestry and Fishing	10	32	39	252	770	2021	1853	2357	7334	81	1.1%	13.9%	85.0%
Mining	13	27	33	136	541	982	731	1246	3709	73	2.0%	18.3%	79.8%
Electricity, Gas, Water and Waste Services	11	26	30	171	412	680	482	646	2458	67	2.7%	23.7%	73.6%
Public Administration and Safety	5	11	13	63	108	236	119	373	928	29	3.1%	18.4%	78.4%
Total	2055	5277	5934	36481	80030	177574	109134	100483	516968	13266	2.6%	22.5%	74.9%

National Commercial Risk Analysis

Table 4:
National - Turnover Size of Business vs Commercial Risk

Turnover Size of Business	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	← Severe to High →			Moderate to Average		← Low to Minimal →							
\$1B or more	0	5	5	43	220	488	452	1819	3032	10	0.3%	8.7%	91.0%
\$500M to less than \$1B	0	1	2	12	99	200	247	802	1363	3	0.2%	8.1%	91.6%
\$100M to less than \$500M	1	10	11	45	326	705	734	2375	4207	22	0.5%	8.8%	90.7%
\$50M to less than \$100M	13	21	14	64	310	747	677	2145	3991	48	1.2%	9.4%	89.4%
\$10M to less than \$50M	321	409	354	905	4256	6297	4907	12557	30006	1084	3.6%	17.2%	79.2%
\$1M to less than \$10M	1112	2832	2367	8384	30200	53243	43585	50252	191975	6311	3.3%	20.1%	76.6%
Less than \$1M	170	730	944	7954	20437	108206	56364	28355	223160	1844	0.8%	12.7%	86.5%
Unclassified	438	1269	2237	19074	24182	7688	2168	2178	59234	3944	6.7%	73.0%	20.3%
Total	2055	5277	5934	36481	80030	177574	109134	100483	516968	13266	2.6%	22.5%	74.9%

Pie Chart 1:
National - Commercial Risk of Businesses (all industries)



National Commercial Risk Analysis

Table 5:
National - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Construction	594	326	931	165	8	2	0	0	2026
Accommodation and Food Services	270	229	1228	140	1	0	0	0	1868
Retail Trade	365	155	789	261	14	6	0	1	1591
Unclassified	888	59	395	59	0	0	0	0	1401
Professional, Scientific and Technical Services	455	262	547	77	2	0	0	1	1344
Manufacturing	160	102	485	91	8	6	0	0	852
Wholesale Trade	165	45	371	119	7	1	0	0	708
Other Services	155	111	387	14	0	0	0	0	667
Financial and Insurance Services	219	157	136	28	2	2	1	0	545
Rental, Hiring and Real Estate Services	156	96	237	26	0	1	0	0	516
Health Care and Social Assistance	121	62	193	15	1	1	1	0	394
Transport, Postal and Warehousing	86	56	167	24	2	1	0	1	337
Administrative and Support Services	99	44	118	19	0	1	0	0	281
Arts and Recreation Services	63	58	134	5	0	0	0	0	260
Education and Training	38	13	55	12	0	0	0	0	118
Information Media and Telecommunications	42	19	38	7	0	0	0	2	108
Agriculture, Forestry and Fishing	19	13	45	4	0	0	0	0	81
Mining	14	32	17	5	0	1	1	3	73
Electricity, Gas, Water and Waste Services	23	3	24	12	3	0	0	2	67
Public Administration and Safety	12	2	14	1	0	0	0	0	29
Total	3944	1844	6311	1084	48	22	3	10	13266

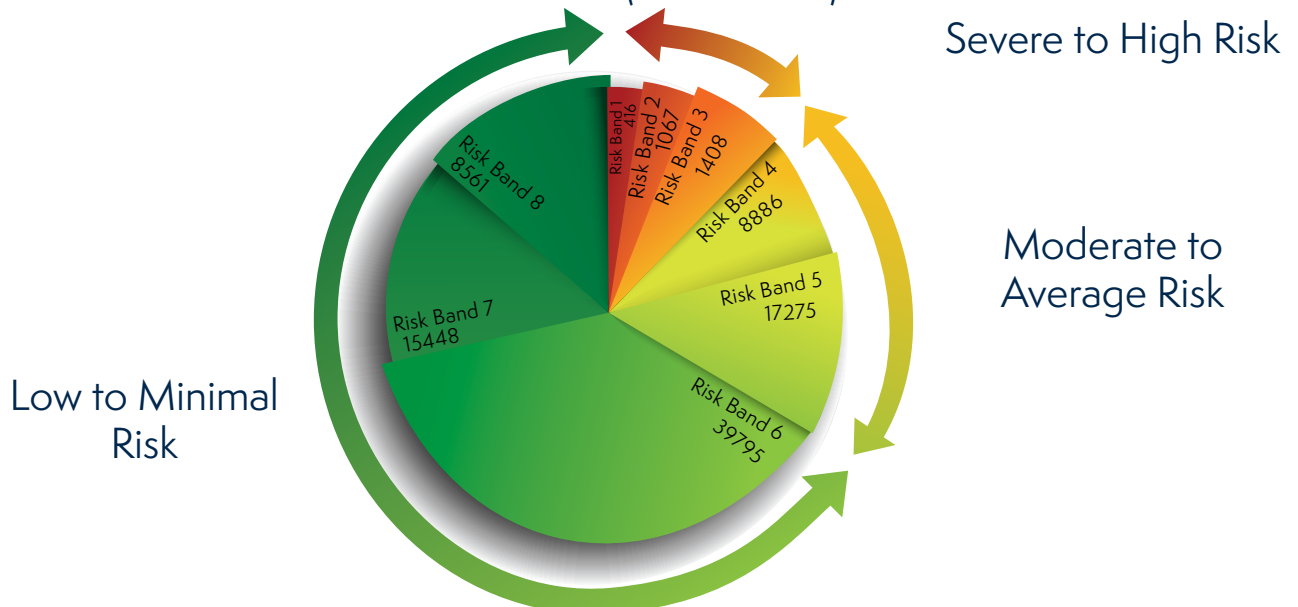


Queensland attributes to 2891 (3.1%) businesses ranked within the high to severe risk category of financial failure over the next 12 months. This is an increase of 204 businesses or 7.6% than the previous March results.

As seen in Table 6, Queensland's construction industry is at most concern with 444 or 3.4% of businesses in the high to severe risk category, which is an increase of 51 construction businesses since March 2017. In more recent times, the construction industry has seen a number of companies entering into insolvency including Bluestone Constructions, The Cullen Group, Batir Pty Ltd and Trac Construction, having major impacts on the industry and jobs.

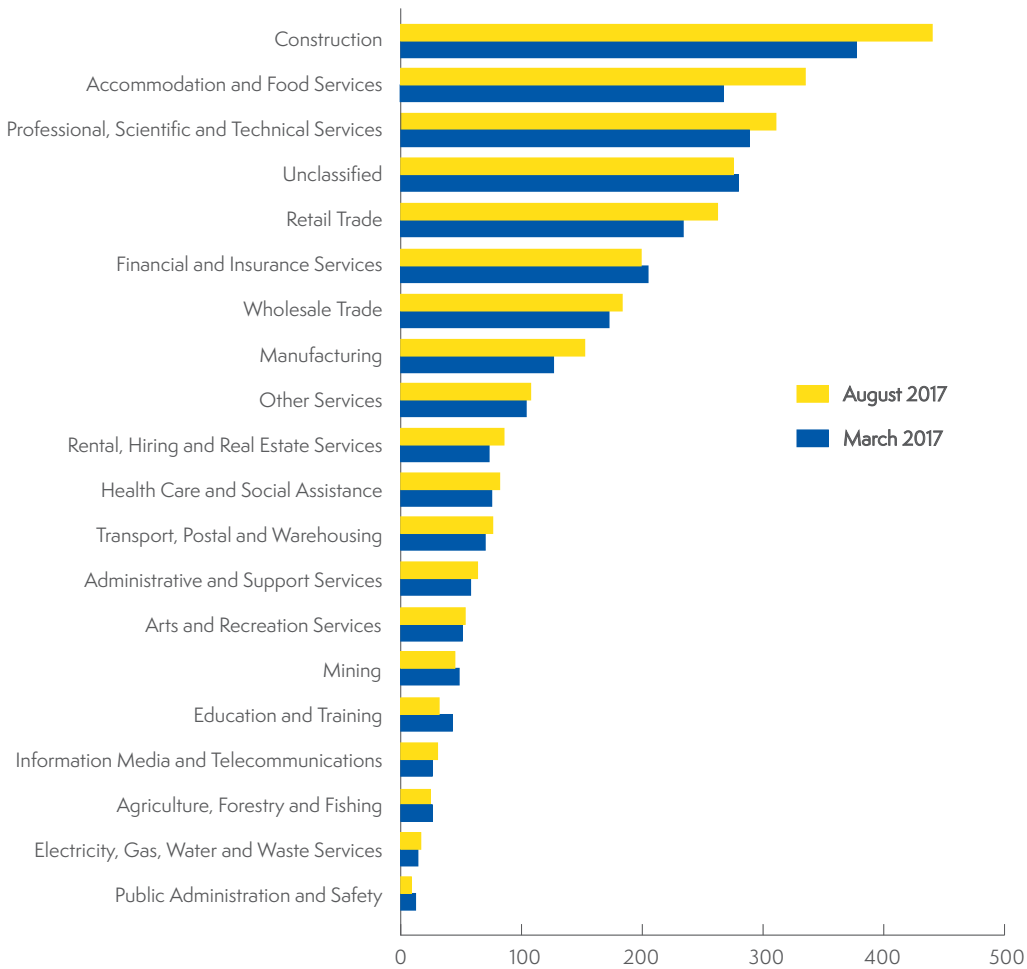
The accommodation and food services industry is the second highest at risk in Queensland in terms of number of businesses. The industry has 360 businesses within the high to severe risk category, with 7.4% of businesses within this industry at risk of financial failure within the next 12 months. This is an increase of 58 businesses within this industry and risk category since March 2017.

Pie Chart 2:
Queensland - Commercial Risk of Businesses (all industries)



Queensland Commercial Risk Analysis

Graph 3:
Queensland - Industry vs Commercial Risk - High to Severe Risk



The industries that fall within the high to severe risk of financial failure category in Queensland by number of businesses are (Table 6):

1. Construction (444, 3.4%)
2. Accommodation and Food Services (360, 7.4%)
3. Professional, Scientific and Technical Services (325, 2.1%)
4. Retail Trade (294, 3.4%)
5. Financial and Insurance Services (164, 1.9%)

The industries that fall within the low to minimal risk of financial failure category in Queensland by number of businesses are (Table 6):

1. Public Administration and Safety (4, 2.4%)
2. Electricity, Gas, Water and Waste Services (13, 3.0%)
3. Agriculture, Forestry and Fishing (17, 1.1%)
4. Information Media and Telecommunications (20, 3.0%)
5. Education and Training (22, 1.8%)

Queensland Commercial Risk Analysis

Table 6:
Queensland - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	← Severe to High →			Moderate to Average		← Low to Minimal →							
Construction	66	167	211	1310	2365	5234	2504	1296	13153	444	3.4%	27.9%	68.7%
Accommodation and Food Services	61	152	147	693	1199	1555	657	376	4840	360	7.4%	39.1%	53.5%
Professional, Scientific and Technical Services	35	114	176	1461	2776	7973	2212	944	15691	325	2.1%	27.0%	70.9%
Unclassified	36	86	192	668	652	176	73	44	1927	314	16.3%	68.5%	15.2%
Retail Trade	46	110	138	833	1659	3546	1553	816	8701	294	3.4%	28.6%	68.0%
Financial and Insurance Services	19	69	76	503	1438	4383	1294	916	8698	164	1.9%	22.3%	75.8%
Wholesale Trade	28	57	76	387	1085	2404	1193	755	5985	161	2.7%	24.6%	72.7%
Manufacturing	26	55	69	515	1192	2851	1432	1071	7211	150	2.1%	23.7%	74.2%
Other Services	17	46	83	458	865	2191	922	429	5011	146	2.9%	26.4%	70.7%
Rental, Hiring and Real Estate Services	18	59	58	432	820	2003	731	325	4446	135	3.0%	28.2%	68.8%
Health Care and Social Assistance	10	39	46	527	1024	2849	941	335	5771	95	1.6%	26.9%	71.5%
Transport, Postal and Warehousing	21	33	31	243	491	972	448	282	2521	85	3.4%	29.1%	67.5%
Administrative and Support Services	4	21	34	235	466	1026	341	140	2267	59	2.6%	30.9%	66.5%
Arts and Recreation Services	12	17	26	220	366	691	243	156	1731	55	3.2%	33.9%	63.0%
Mining	4	11	13	56	175	308	170	151	888	28	3.2%	26.0%	70.8%
Education and Training	4	8	10	144	248	551	167	103	1235	22	1.8%	31.7%	66.5%
Information Media and Telecommunications	1	10	9	65	134	304	99	48	670	20	3.0%	29.7%	67.3%
Agriculture, Forestry and Fishing	2	7	8	77	207	577	371	258	1507	17	1.1%	18.8%	80.0%
Electricity, Gas, Water and Waste Services	5	4	4	46	93	155	82	47	436	13	3.0%	31.9%	65.1%
Public Administration and Safety	1	2	1	13	20	46	15	69	167	4	2.4%	19.8%	77.8%
Total	416	1067	1408	8886	17275	39795	15448	8561	92856	2891	3.1%	28.2%	68.7%

Queensland Commercial Risk Analysis

Table 7:
Queensland - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Construction	120	84	203	34	2	1	0	0	444
Accommodation and Food Services	45	56	231	28	0	0	0	0	360
Professional, Scientific and Technical Services	120	62	131	12	0	0	0	0	325
Unclassified	223	7	75	9	0	0	0	0	314
Retail Trade	67	29	148	46	3	1	0	0	294
Financial and Insurance Services	73	44	38	8	0	0	1	0	164
Wholesale Trade	40	7	89	25	0	0	0	0	161
Manufacturing	26	17	88	15	0	4	0	0	150
Other Services	37	31	74	4	0	0	0	0	146
Rental, Hiring and Real Estate Services	40	26	64	4	0	1	0	0	135
Health Care and Social Assistance	26	14	50	3	0	1	1	0	95
Transport, Postal and Warehousing	27	10	40	8	0	0	0	0	85
Administrative and Support Services	20	14	22	3	0	0	0	0	59
Arts and Recreation Services	9	17	29	0	0	0	0	0	55
Mining	7	10	8	0	0	1	0	2	28
Education and Training	9	5	5	3	0	0	0	0	22
Information Media and Telecommunications	11	2	5	2	0	0	0	0	20
Agriculture, Forestry and Fishing	5	2	9	1	0	0	0	0	17
Electricity, Gas, Water and Waste Services	1	2	7	1	1	0	0	1	13
Public Administration and Safety	2	1	1	0	0	0	0	0	4
Total	908	440	1317	206	6	9	2	3	2891

Table 7, indicates that there are 20 Queensland companies that are within the \$50 million or more turnover category that are within the high to severe risk of financial failure within the next 12 months. 3 of these companies fall within the mining and electricity, gas, water and waste services industries. Large company failures within these industries would have significant economic effects throughout the state and on employment.

Queensland Commercial Risk Analysis

Table 8:
Queensland - Region vs Commercial Risk

Region	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
Brisbane Inner City	72	208	277	1716	3767	7883	2689	1821	18433	557	3.0%	29.7%	67.2%
Gold Coast	92	207	243	1570	2795	6115	2715	1288	15025	542	3.6%	29.1%	67.3%
Brisbane South	64	141	190	1138	2334	5047	1531	1075	11520	395	3.4%	30.1%	66.4%
Logan - Beaudesert	36	76	105	549	1107	2524	867	461	5725	217	3.8%	28.9%	67.3%
Ipswich	31	52	94	519	1012	2455	875	570	5608	177	3.2%	27.3%	69.5%
Brisbane East	24	56	92	504	1021	2466	724	446	5333	172	3.2%	28.6%	68.2%
Sunshine Coast	19	65	81	736	1278	3264	1347	548	7338	165	2.2%	27.4%	70.3%
Brisbane North	17	63	83	467	950	2276	745	482	5083	163	3.2%	27.9%	68.9%
Brisbane West	17	57	86	591	1177	3099	765	408	6200	160	2.6%	28.5%	68.9%
Cairns	22	60	72	442	785	1919	977	512	4789	154	3.2%	25.6%	71.2%
Darling Downs - Maranoa	10	62	62	462	965	2302	1057	540	5460	134	2.5%	26.1%	71.4%
Moreton Bay - North	16	38	62	330	635	1650	504	233	3468	116	3.3%	27.8%	68.8%
Townsville	16	40	52	294	563	1394	739	427	3525	108	3.1%	24.3%	72.6%
Moreton Bay - South	11	35	61	362	643	1726	446	209	3493	107	3.1%	28.8%	68.2%
Fitzroy	18	38	41	303	579	1207	591	326	3103	97	3.1%	28.4%	68.4%
Mackay	13	35	39	293	547	1199	608	302	3036	87	2.9%	27.7%	69.5%
Wide Bay	14	30	38	386	704	1948	916	420	4456	82	1.8%	24.5%	73.7%
Toowoomba	4	37	35	276	537	1239	520	288	2936	76	2.6%	27.7%	69.7%
Queensland Outback	7	16	20	119	237	551	291	188	1429	43	3.0%	24.9%	72.1%
Total	503	1316	1733	11057	21636	50264	18907	10544	115960	3552	3.1%	28.2%	68.7%

Table 8 indicates the Queensland areas that are in the high to severe risk of financial failure within the next 12 months, in order of number of businesses are:

1. Brisbane Inner City (557, 3.0%)
2. Gold Coast (542, 3.6%)
3. Brisbane South (395, 3.4%)
4. Logan – Beaudesert (217, 3.8%)
5. Ipswich (177, 3.2%)

According to the Queensland Government's Department of Infrastructure, Local Government and Planning, there is approximately \$2.2 billion allocated in the state infrastructure fund for 2017 – 2018. Some major projects that will assist the Queensland economy towards construction and infrastructure are:

- The Cross River Rail totally approximately \$850 million
- \$300 million for the Priority Economic Works and Productivity Program (PEWPP)
- \$180 million for the Significant Regional Infrastructure Projects Program (SRIPP)
- \$200 million for the first stage of the Works for Queensland program (W4Q)

These projects will aid the employment opportunities for Queenslanders and stimulate economic growth in construction and the transport sectors.

Queensland Commercial Risk Analysis

Table 9:
Brisbane (East, North, South, West, Inner City) - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
Construction	22	54	74	393	709	1623	614	358	3847	150	3.9%	28.6%	67.5%
Unclassified	16	34	95	283	284	79	34	30	855	145	17.0%	66.3%	16.7%
Professional, Scientific and Technical Services	11	54	77	649	1414	3825	971	462	7463	142	1.9%	27.6%	70.5%
Accommodation and Food Services	26	51	54	240	393	473	154	121	1512	131	8.7%	41.9%	49.5%
Retail Trade	16	39	46	298	603	1233	435	209	2879	101	3.5%	31.3%	65.2%
Financial and Insurance Services	7	30	39	222	634	1880	453	429	3694	76	2.1%	23.2%	74.8%
Wholesale Trade	9	27	37	155	455	1010	423	328	2444	73	3.0%	25.0%	72.1%
Rental, Hiring and Real Estate Services	7	21	27	165	351	750	254	143	1718	55	3.2%	30.0%	66.8%
Other Services	4	12	34	151	326	833	267	142	1769	50	2.8%	27.0%	70.2%
Manufacturing	9	18	17	177	436	982	444	360	2443	44	1.8%	25.1%	73.1%
Health Care and Social Assistance	5	19	19	207	455	1262	327	162	2456	43	1.8%	27.0%	71.3%
Transport, Postal and Warehousing	10	10	13	81	165	277	113	97	766	33	4.3%	32.1%	63.6%
Arts and Recreation Services	2	7	10	75	144	257	68	63	626	19	3.0%	35.0%	62.0%
Administrative and Support Services	1	5	10	81	218	424	111	57	907	16	1.8%	33.0%	65.3%
Information Media and Telecommunications	1	6	6	38	71	145	40	23	330	13	3.9%	33.0%	63.0%
Mining	2	7	4	28	114	177	112	110	554	13	2.3%	25.6%	72.0%
Education and Training	2	1	4	62	114	252	57	50	542	7	1.3%	32.5%	66.2%
Electricity, Gas, Water and Waste Services	3	1	2	12	45	63	29	26	181	6	3.3%	31.5%	65.2%
Agriculture, Forestry and Fishing	0	1	1	8	20	76	31	23	160	2	1.3%	17.5%	81.3%
Public Administration and Safety	0	0	0	4	5	16	5	28	58	0	0.0%	15.5%	84.5%
Total	153	397	569	3329	6956	15637	4942	3221	35204	1119	3.2%	29.2%	67.6%

Table 9 indicates that throughout Brisbane and surrounding areas, the construction industry is most affected by businesses falling within the high to severe risk band of financial failure within the next 12 months. There are 150 (3.9%) construction businesses within this category, remaining steady from March 2017 results.

Contrary to this, the Professional, Scientific and Technical Services industry has decreased in businesses within the high to severe risk category since March 2017, from 165 businesses (2.2%), to 142 businesses (1.9%).

Queensland Commercial Risk Analysis

Table 10:
Brisbane (East, North, South, West, Inner City) -
Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	14	10	90	17	0	0	0	0	131
Administrative and Support Services	4	3	8	1	0	0	0	0	16
Agriculture, Forestry and Fishing	0	1	1	0	0	0	0	0	2
Arts and Recreation Services	4	7	8	0	0	0	0	0	19
Construction	44	27	62	15	1	1	0	0	150
Education and Training	4	2	1	0	0	0	0	0	7
Electricity, Gas, Water and Waste Services	0	0	4	0	1	0	0	1	6
Financial and Insurance Services	35	17	18	5	0	0	1	0	76
Health Care and Social Assistance	12	4	25	1	0	0	1	0	43
Information Media and Telecommunications	8	1	2	2	0	0	0	0	13
Manufacturing	8	2	28	4	0	2	0	0	44
Mining	4	3	3	0	0	1	0	2	13
Other Services	15	10	23	2	0	0	0	0	50
Professional, Scientific and Technical Services	57	25	53	7	0	0	0	0	142
Rental, Hiring and Real Estate Services	19	8	25	3	0	0	0	0	55
Retail Trade	26	8	52	12	2	1	0	0	101
Transport, Postal and Warehousing	9	4	14	6	0	0	0	0	33
Unclassified	117	2	24	2	0	0	0	0	145
Wholesale Trade	23	2	37	11	0	0	0	0	73
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Total	403	136	478	88	4	5	2	3	1119

Although the construction industry attributes to the largest portion of businesses in Brisbane within the high to severe risk category, notably there are 14 companies across various industries that are within this risk category above \$50 million or more turnover size.

Queensland Commercial Risk Analysis

Table 11:
Gold Coast - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	← Severe to High →			Moderate to Average		← Low to Minimal →							
Construction	18	33	33	230	422	839	459	242	2276	84	3.7%	28.6%	67.7%
Unclassified	5	21	40	137	128	35	20	6	392	66	16.8%	67.6%	15.6%
Accommodation and Food Services	11	24	27	135	219	246	108	79	849	62	7.3%	41.7%	51.0%
Professional, Scientific and Technical Services	4	22	34	270	433	1222	378	135	2498	60	2.4%	28.1%	69.5%
Retail Trade	14	22	20	144	271	490	241	116	1318	56	4.2%	31.5%	64.3%
Wholesale Trade	8	11	13	76	189	412	220	95	1024	32	3.1%	25.9%	71.0%
Manufacturing	9	11	11	98	199	516	291	175	1310	31	2.4%	22.7%	75.0%
Financial and Insurance Services	4	16	10	91	247	735	258	152	1513	30	2.0%	22.3%	75.7%
Rental, Hiring and Real Estate Services	2	12	10	88	141	346	150	53	802	24	3.0%	28.6%	68.5%
Other Services	3	9	11	63	138	299	153	52	728	23	3.2%	27.6%	69.2%
Health Care and Social Assistance	3	9	7	75	146	351	166	48	805	19	2.4%	27.5%	70.2%
Administrative and Support Services	1	5	8	43	61	170	65	32	385	14	3.6%	27.0%	69.4%
Arts and Recreation Services	5	2	5	46	57	135	58	35	343	12	3.5%	30.0%	66.5%
Transport, Postal and Warehousing	4	3	4	25	55	103	54	26	274	11	4.0%	29.2%	66.8%
Education and Training	0	4	2	19	45	96	43	11	220	6	2.7%	29.1%	68.2%
Mining	1	1	3	3	5	12	2	4	31	5	16.1%	25.8%	58.1%
Electricity, Gas, Water and Waste Services	0	1	2	10	4	21	12	4	54	3	5.6%	25.9%	68.5%
Information Media and Telecommunications	0	1	2	12	18	56	23	8	120	3	2.5%	25.0%	72.5%
Public Administration and Safety	0	0	1	2	4	11	2	5	25	1	4.0%	24.0%	72.0%
Agriculture, Forestry and Fishing	0	0	0	3	13	20	12	10	58	0	0.0%	27.6%	72.4%
Total	92	207	243	1570	2795	6115	2715	1288	15025	542	3.6%	29.1%	67.3%

Table 11 demonstrates that the Gold Coast economy is largely impacted by the number of construction companies within the high to severe risk category of financial failure within the next 12 months. This industry has increased since the previous Commercial Risk Outlook Report in March from 73 businesses (3.3%) to 84 businesses (3.7%).

More recently as of August 2017, the Government had also 'terminated' a major Resort Development at the Gold Coast Spit due to environmental and community reasons. The termination of this \$3 billion project will affect the forecasted tourism and employment benefits throughout its construction and post development.

Despite this project termination, the Gold Coast's economy will likely boost from the Commonwealth Games in 2018 as mentioned in the Commercial Risk Outlook Report released in March.

Queensland Commercial Risk Analysis

Table 12:
Gold Coast - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	11	9	39	3	0	0	0	0	62
Administrative and Support Services	9	1	3	1	0	0	0	0	14
Arts and Recreation Services	4	0	8	0	0	0	0	0	12
Construction	23	15	41	5	0	0	0	0	84
Education and Training	4	1	0	1	0	0	0	0	6
Electricity, Gas, Water and Waste Services	1	1	1	0	0	0	0	0	3
Financial and Insurance Services	19	4	7	0	0	0	0	0	30
Health Care and Social Assistance	8	3	6	1	0	1	0	0	19
Information Media and Telecommunications	1	0	2	0	0	0	0	0	3
Manufacturing	4	4	18	5	0	0	0	0	31
Mining	2	2	1	0	0	0	0	0	5
Other Services	9	1	13	0	0	0	0	0	23
Professional, Scientific and Technical Services	27	8	24	1	0	0	0	0	60
Public Administration and Safety	1	0	0	0	0	0	0	0	1
Rental, Hiring and Real Estate Services	6	8	10	0	0	0	0	0	24
Retail Trade	13	4	27	12	0	0	0	0	56
Transport, Postal and Warehousing	6	1	4	0	0	0	0	0	11
Unclassified	44	1	18	3	0	0	0	0	66
Wholesale Trade	6	1	20	5	0	0	0	0	32
Agriculture, Forestry and Fishing	0	0	0	0	0	0	0	0	0
Total	198	64	242	37	0	1	0	0	542

From Table 12, it can be seen that although the Gold Coast's high to severe risk businesses are mainly small turnover sized, there are however 38 businesses with this risk category that turnover more than \$10 million. 12 of these are within the retail industry.

Queensland Commercial Risk Analysis

Table 13:
Sunshine Coast - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High ----->			Moderate to Average		←----- Low to Minimal ----->							
Construction	1	12	19	124	205	483	258	105	1207	32	2.7%	27.3%	70.1%
Accommodation and Food Services	8	9	14	50	108	152	78	31	450	31	6.9%	35.1%	58.0%
Professional, Scientific and Technical Services	2	8	7	121	160	633	160	50	1141	17	1.5%	24.6%	73.9%
Unclassified	2	8	6	70	57	16	5	1	165	16	9.7%	77.0%	13.3%
Retail Trade	1	5	6	76	122	293	158	54	715	12	1.7%	27.7%	70.6%
Financial and Insurance Services	0	7	4	47	116	397	112	71	754	11	1.5%	21.6%	76.9%
Other Services	2	3	5	47	56	138	70	24	345	10	2.9%	29.9%	67.2%
Manufacturing	0	1	6	34	80	227	107	63	518	7	1.4%	22.0%	76.6%
Rental, Hiring and Real Estate Services	1	2	4	24	61	167	64	28	351	7	2.0%	24.2%	73.8%
Wholesale Trade	1	2	3	34	92	182	90	45	449	6	1.3%	28.1%	70.6%
Administrative and Support Services	1	1	3	14	30	81	25	5	160	5	3.1%	27.5%	69.4%
Arts and Recreation Services	0	1	2	11	30	64	27	11	146	3	2.1%	28.1%	69.9%
Health Care and Social Assistance	0	2	1	50	75	253	120	24	525	3	0.6%	23.8%	75.6%
Transport, Postal and Warehousing	0	2	0	9	32	56	23	10	132	2	1.5%	31.1%	67.4%
Education and Training	0	0	1	10	15	43	12	9	90	1	1.1%	27.8%	71.1%
Information Media and Telecommunications	0	1	0	1	13	22	9	0	46	1	2.2%	30.4%	67.4%
Public Administration and Safety	0	1	0	3	2	2	3	4	15	1	6.7%	33.3%	60.0%
Agriculture, Forestry and Fishing	0	0	0	5	12	36	18	11	82	0	0.0%	20.7%	79.3%
Electricity, Gas, Water and Waste Services	0	0	0	4	11	12	5	1	33	0	0.0%	45.5%	54.5%
Mining	0	0	0	2	1	7	3	1	14	0	0.0%	21.4%	78.6%
Total	19	65	81	736	1278	3264	1347	548	7338	165	2.2%	27.4%	70.3%

The Sunshine Coast has a total of 165 businesses that fall within the high to severe risk category of financial failure over the next 12 months. This remains steady from March 2017, with a decrease in 3 businesses within this same category in August 2017.

Those industries at highest risk of financial failure based on number of businesses within the Sunshine Coast region are:

1. Construction (32, 2.7%)
2. Accommodation and Food Services (31, 6.9%)
3. Professional, Scientific and Technical Services (17, 1.5%)
4. Retail Trade (12, 1.7%)
5. Financial and Insurance Services (11, 1.5%)

Queensland Commercial Risk Analysis

Table 14:
Sunshine Coast - Industry vs Turnover Size of Business - High to Severe Risk

These results remain relatively unchanged and are steady in comparison to the previous Commercial Risk Report, showing stable signs for the Sunshine Coast economy.

The Agriculture, Forestry and Fishing and Mining industries have no businesses within the high to severe risk category.

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	8	8	15	0	0	0	0	0	31
Administrative and Support Services	2	2	1	0	0	0	0	0	5
Arts and Recreation Services	0	1	2	0	0	0	0	0	3
Construction	9	6	13	3	1	0	0	0	32
Education and Training	0	0	1	0	0	0	0	0	1
Financial and Insurance Services	5	5	1	0	0	0	0	0	11
Health Care and Social Assistance	0	1	2	0	0	0	0	0	3
Information Media and Telecommunications	1	0	0	0	0	0	0	0	1
Manufacturing	1	0	6	0	0	0	0	0	7
Other Services	3	3	3	1	0	0	0	0	10
Professional, Scientific and Technical Services	8	3	6	0	0	0	0	0	17
Public Administration and Safety	1	0	0	0	0	0	0	0	1
Rental, Hiring and Real Estate Services	2	2	3	0	0	0	0	0	7
Retail Trade	4	1	5	2	0	0	0	0	12
Transport, Postal and Warehousing	2	0	0	0	0	0	0	0	2
Unclassified	11	0	5	0	0	0	0	0	16
Wholesale Trade	2	0	2	2	0	0	0	0	6
Mining	0	0	0	0	0	0	0	0	0
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	0	0	0
Agriculture, Forestry and Fishing	0	0	0	0	0	0	0	0	0
Total	59	32	65	8	1	0	0	0	165

According to Table 14, the Sunshine Coast has one construction company with \$50 million to \$100 million turnover that is most at risk of financially failing. This is followed by 8 companies across various industries including retail and construction within the \$10 million to less than \$50 million turnover category of high risk of financially failing within the next 12 months.

Queensland Commercial Risk Analysis

Table 15:
Toowoomba - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
Construction	0	10	5	69	81	167	94	45	471	15	3.2%	31.8%	65.0%
Accommodation and Food Services	1	5	6	20	33	42	20	9	136	12	8.8%	39.0%	52.2%
Retail Trade	0	4	7	23	62	119	57	26	298	11	3.7%	28.5%	67.8%
Professional, Scientific and Technical Services	1	3	3	34	74	207	63	27	412	7	1.7%	26.2%	72.1%
Health Care and Social Assistance	0	3	3	17	33	98	33	9	196	6	3.1%	25.5%	71.4%
Manufacturing	0	3	3	15	42	90	52	31	236	6	2.5%	24.2%	73.3%
Other Services	0	3	2	20	23	83	29	26	186	5	2.7%	23.1%	74.2%
Arts and Recreation Services	0	3		6	12	18	3		42	3	7.1%	42.9%	50.0%
Administrative and Support Services	0	1	1	6	17	26	4	5	60	2	3.3%	38.3%	58.3%
Transport, Postal and Warehousing	2	0	0	12	20	40	23	11	108	2	1.9%	29.6%	68.5%
Unclassified	0	1	1	15	15	3	1		36	2	5.6%	83.3%	11.1%
Wholesale Trade	0	0	2	9	34	70	38	31	184	2	1.1%	23.4%	75.5%
Agriculture, Forestry and Fishing	0	0	1	4	14	36	19	21	95	1	1.1%	18.9%	80.0%
Financial and Insurance Services	0	0	1	6	45	142	51	25	270	1	0.4%	18.9%	80.7%
Rental, Hiring and Real Estate Services	0	1	0	8	19	65	21	7	121	1	0.8%	22.3%	76.9%
Education and Training	0	0	0	4	5	9	5	4	27	0	0.0%	33.3%	66.7%
Electricity, Gas, Water and Waste Services	0	0	0		3	5	4	2	14	0	0.0%	21.4%	78.6%
Information Media and Telecommunications	0	0	0	5	2	11		2	20	0	0.0%	35.0%	65.0%
Mining	0	0	0	3	3	6	2	2	16	0	0.0%	37.5%	62.5%
Public Administration and Safety	0	0	0	0	0	2	1	5	8	0	0.0%	0.0%	100.0%
Total	4	37	35	276	537	1239	520	288	2936	76	2.6%	27.7%	69.7%

Table 15 identifies the top industries where businesses are most at risk in Toowoomba. These are (in order of number of businesses):

1. Construction (15, 3.2%)
2. Accommodation and Food Services (12, 8.8%)
3. Retail Trade (11, 3.7%)
4. Professional, Scientific and Technical Services (7, 1.7%)
5. Health Care and Social Assistance (6, 3.1%)

Table 16:
Toowoomba - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	1	4	7	0	0	0	0	0	12
Administrative and Support Services	0	2	0	0	0	0	0	0	2
Agriculture, Forestry and Fishing	0	0	1	0	0	0	0	0	1
Arts and Recreation Services	1	2	0	0	0	0	0	0	3
Construction	4	5	6	0	0	0	0	0	15
Financial and Insurance Services	1	0	0	0	0	0	0	0	1
Health Care and Social Assistance	0	3	3	0	0	0	0	0	6
Manufacturing	0	0	5	1	0	0	0	0	6
Other Services	1	1	3	0	0	0	0	0	5
Professional, Scientific and Technical Services	1	1	5	0	0	0	0	0	7
Rental, Hiring and Real Estate Services	0	1	0	0	0	0	0	0	1
Retail Trade	0	3	8	0	0	0	0	0	11
Transport, Postal and Warehousing	0	0	2	0	0	0	0	0	2
Unclassified	0	0	1	1	0	0	0	0	2
Wholesale Trade	1	0	0	1	0	0	0	0	2
Mining	0	0	0	0	0	0	0	0	0
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	0	0	0
Education and Training	0	0	0	0	0	0	0	0	0
Information Media and Telecommunications	0	0	0	0	0	0	0	0	0
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Total	10	22	41	3	0	0	0	0	76

Although there has been an overall increase in the number of businesses within the highest risk bands since March 2017 with 28 businesses, the number of businesses at highest risk are mainly distributed throughout construction, accommodation and food services and retail trade.

The lowest risk businesses proportionate to the number of businesses in each industry are throughout (figures on percentage of low to minimal risk):

1. Public Administration and Safety (0, 100%)
2. Financial and Insurance Services (1, 80.7%)
3. Agriculture, Forestry and Fishing (1, 80.0%)
4. Electricity, Gas, Water and Waste Services (0, 78.6%)
5. Rental, Hiring and Real Estate Services (1, 76.9%)

The majority of businesses that are at highest risk of financial failure in the next 12 months, fall within the \$1 million to \$10 million turnover category, as seen in Table 16.

Queensland Commercial Risk Analysis

Table 17:
Mackay - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High ----->			Moderate to Average		←----- Low to Minimal ----->							
Construction	4	7	4	43	99	183	100	52	492	15	3.0%	28.9%	68.1%
Accommodation and Food Services	2	3	5	25	48	66	30	13	192	10	5.2%	38.0%	56.8%
Manufacturing	1	3	4	16	26	65	28	31	174	8	4.6%	24.1%	71.3%
Professional, Scientific and Technical Services	0	3	5	44	58	197	77	26	410	8	2.0%	24.9%	73.2%
Rental, Hiring and Real Estate Services	1	4	3	12	24	53	30	11	138	8	5.8%	26.1%	68.1%
Unclassified	1	3	3	22	12	2	3	0	46	7	15.2%	73.9%	10.9%
Other Services	1	3	2	20	28	100	52	15	221	6	2.7%	21.7%	75.6%
Retail Trade	2	1	3	26	46	116	70	45	309	6	1.9%	23.3%	74.8%
Transport, Postal and Warehousing	0	2	2	17	22	57	35	14	149	4	2.7%	26.2%	71.1%
Administrative and Support Services	0	1	2	7	21	32	11	5	79	3	3.8%	35.4%	60.8%
Wholesale Trade	0	2	1	11	28	45	26	25	138	3	2.2%	28.3%	69.6%
Agriculture, Forestry and Fishing	0	1	1	3	19	31	37	18	110	2	1.8%	20.0%	78.2%
Health Care and Social Assistance	1	1	0	17	34	65	24	6	148	2	1.4%	34.5%	64.2%
Arts and Recreation Services	0	0	1	9	16	26	12	1	65	1	1.5%	38.5%	60.0%
Education and Training	0	0	1	2	7	11	8	5	34	1	2.9%	26.5%	70.6%
Financial and Insurance Services	0	1	0	9	43	107	53	21	234	1	0.4%	22.2%	77.4%
Information Media and Telecommunications	0	0	1	0	3	7	1	1	13	1	7.7%	23.1%	69.2%
Mining	0	0	1	7	11	29	8	9	65	1	1.5%	27.7%	70.8%
Electricity, Gas, Water and Waste Services	0	0	0	3	1	4	3	2	13	0	0.0%	30.8%	69.2%
Public Administration and Safety	0	0	0	0	1	3	0	2	6	0	0.0%	16.7%	83.3%
Total	13	35	39	293	547	1199	608	302	3036	87	2.9%	27.7%	69.5%

Mackay's key industry concerns are within construction (15, 3.0%), accommodation and food services (10, 5.2%) and manufacturing (8, 4.6%).

Table 18:
Mackay - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	2	2	5	1	0	0	0	0	10
Administrative and Support Services	1	2	0	0	0	0	0	0	3
Agriculture, Forestry and Fishing	2	0	0	0	0	0	0	0	2
Arts and Recreation Services	0	0	1	0	0	0	0	0	1
Construction	2	6	6	1	0	0	0	0	15
Education and Training	0	1	0	0	0	0	0	0	1
Financial and Insurance Services	0	0	0	1	0	0	0	0	1
Health Care and Social Assistance	0	1	1	0	0	0	0	0	2
Information Media and Telecommunications	1	0	0	0	0	0	0	0	1
Manufacturing	1	2	4	1	0	0	0	0	8
Mining	0	1	0	0	0	0	0	0	1
Other Services	0	1	5	0	0	0	0	0	6
Professional, Scientific and Technical Services	3	3	1	1	0	0	0	0	8
Rental, Hiring and Real Estate Services	2	2	3	0	0	1	0	0	8
Retail Trade	0	1	4	1	0	0	0	0	6
Transport, Postal and Warehousing	1	1	2	0	0	0	0	0	4
Unclassified	6	1	0	0	0	0	0	0	7
Wholesale Trade	0	0	3	0	0	0	0	0	3
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	0	0	0
Total	21	24	35	6	0	1	0	0	87

Table 18 indicates that there is one business within the Rental, Hiring and Real Estate Services Industry in the \$100 million to less than \$500 million turnover category that is currently in financial distress and may face adverse events within the next 12 months. This remains unchanged since the March 2017 report.

Queensland Commercial Risk Analysis

Table 19:
Rockhampton - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
Construction	0	2	4	13	28	48	35	25	155	6	3.9%	26.5%	69.7%
Accommodation and Food Services	1	2	1	9	14	25	9	10	71	4	5.6%	32.4%	62.0%
Professional, Scientific and Technical Services	0	2	2	20	26	76	22	5	153	4	2.6%	30.1%	67.3%
Retail Trade	2	0	1	12	13	45	21	15	109	3	2.8%	22.9%	74.3%
Arts and Recreation Services	0	0	2	1	0	7	5	2	17	2	11.8%	5.9%	82.4%
Financial and Insurance Services	1	0	1	7	19	36	24	4	92	2	2.2%	28.3%	69.6%
Other Services	1	0	1	5	7	16	13	13	56	2	3.6%	21.4%	75.0%
Rental, Hiring and Real Estate Services	1	1	0	4	9	20	6	4	45	2	4.4%	28.9%	66.7%
Administrative and Support Services	0	1	0	3	3	8	8	0	23	1	4.3%	26.1%	69.6%
Health Care and Social Assistance	0	1	0	5	14	44	11	4	79	1	1.3%	24.1%	74.7%
Unclassified	0	0	1	2	3	0	0	0	6	1	16.7%	83.3%	0.0%
Wholesale Trade	0	0	1	3	10	16	14	6	50	1	2.0%	26.0%	72.0%
Agriculture, Forestry and Fishing	0	0	0	0	2	5	2	2	11	0	0.0%	18.2%	81.8%
Education and Training	0	0	0	0	1	4	1	2	8	0	0.0%	12.5%	87.5%
Electricity, Gas, Water and Waste Services	0	0	0	2	0	4	0	1	7	0	0.0%	28.6%	71.4%
Information Media and Telecommunications	0	0	0	0	1	4	2	3	10	0	0.0%	10.0%	90.0%
Manufacturing	0	0	0	4	8	20	4	9	45	0	0.0%	26.7%	73.3%
Mining	0	0	0	0	0	0	1	0	1	0	0.0%	0.0%	100.0%
Public Administration and Safety	0	0	0	0	0	2	0	0	2	0	0.0%	0.0%	100.0%
Transport, Postal and Warehousing	0	0	0	2	1	9	4	2	18	0	0.0%	16.7%	83.3%
Total	6	9	14	92	159	389	182	107	958	29	3.0%	26.2%	70.8%

Queensland Commercial Risk Analysis

Table 20:
Rockhampton - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	0	0	4	0	0	0	0	0	4
Administrative and Support Services	0	1	0	0	0	0	0	0	1
Arts and Recreation Services	0	0	2	0	0	0	0	0	2
Construction	1	0	4	1	0	0	0	0	6
Financial and Insurance Services	0	1	1	0	0	0	0	0	2
Health Care and Social Assistance	0	0	1	0	0	0	0	0	1
Other Services	0	0	2	0	0	0	0	0	2
Professional, Scientific and Technical Services	0	3	1	0	0	0	0	0	4
Rental, Hiring and Real Estate Services	0	0	2	0	0	0	0	0	2
Retail Trade	0	0	2	1	0	0	0	0	3
Unclassified	1	0	0	0	0	0	0	0	1
Wholesale Trade	0	0	1	0	0	0	0	0	1
Education and Training	0	0	0	0	0	0	0	0	0
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	0	0	0
Manufacturing	0	0	0	0	0	0	0	0	0
Mining	0	0	0	0	0	0	0	0	0
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Transport, Postal and Warehousing	0	0	0	0	0	0	0	0	0
Information Media and Telecommunications	0	0	0	0	0	0	0	0	0
Agriculture, Forestry and Fishing	0	0	0	0	0	0	0	0	0
Total	2	5	20	2	0	0	0	0	29

Rockhampton, according to Table 19 and 20, the majority of businesses at highest risk of financial failure fall within the \$1 million to less than \$10 million turnover category. There are however, 2 businesses with turnovers of \$10 million to less than \$50 million within the retail and construction industries at highest risk of financial failure within the next 12 months.

Queensland Commercial Risk Analysis

Table 21:
Gladstone - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←--- Severe to High ---→			Moderate to Average		←--- Low to Minimal ---→							
Construction	1	1	2	9	22	49	25	20	129	4	3.1%	24.0%	72.9%
Professional, Scientific and Technical Services	0	1	3	11	16	47	19	9	106	4	3.8%	25.5%	70.8%
Rental, Hiring and Real Estate Services	2	2	0	6	4	25	6	4	49	4	8.2%	20.4%	71.4%
Unclassified	0	1	1	1	6	1	0	0	10	2	20.0%	70.0%	10.0%
Accommodation and Food Services	0	0	1	6	16	10	6	4	43	1	2.3%	51.2%	46.5%
Administrative and Support Services	0	1	0	1	4	3	7	2	18	1	5.6%	27.8%	66.7%
Education and Training	0	1	0	3	3	2	1	3	13	1	7.7%	46.2%	46.2%
Manufacturing	0	0	1	4	11	9	7	7	39	1	2.6%	38.5%	59.0%
Agriculture, Forestry and Fishing	0	0	0	0	0	1	1	1	3	0	0.0%	0.0%	100.0%
Arts and Recreation Services	0	0	0	3	2	3	1	1	10	0	0.0%	50.0%	50.0%
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	1	1	2	0	0.0%	0.0%	100.0%
Financial and Insurance Services	0	0	0	6	6	29	10	5	56	0	0.0%	21.4%	78.6%
Health Care and Social Assistance	0	0	0	5	12	21	6	2	46	0	0.0%	37.0%	63.0%
Information Media and Telecommunications	0	0	0	1	0	0	0	0	1	0	0.0%	100.0%	0.0%
Other Services	0	0	0	4	6	14	9	8	41	0	0.0%	24.4%	75.6%
Public Administration and Safety	0	0	0	0	0	0	1	2	3	0	0.0%	0.0%	100.0%
Retail Trade	0	0	0	4	18	34	15	11	82	0	0.0%	26.8%	73.2%
Transport, Postal and Warehousing	0	0	0	3	7	5	9	5	29	0	0.0%	34.5%	65.5%
Wholesale Trade	0	0	0	4	6	7	11	5	33	0	0.0%	30.3%	69.7%
Mining	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%	0.0%
Total	3	7	8	71	139	260	135	90	713	18	2.5%	29.5%	68.0%

Table 22:
Gladstone - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	0	0	1	0	0	0	0	0	1
Administrative and Support Services	1	0	0	0	0	0	0	0	1
Construction	2	1	1	0	0	0	0	0	4
Education and Training	0	0	1	0	0	0	0	0	1
Manufacturing	0	1	0	0	0	0	0	0	1
Professional, Scientific and Technical Services	0	0	4	0	0	0	0	0	4
Rental, Hiring and Real Estate Services	0	0	4	0	0	0	0	0	4
Unclassified	1	0	1	0	0	0	0	0	2
Financial and Insurance Services	0	0	0	0	0	0	0	0	0
Agriculture, Forestry and Fishing	0	0	0	0	0	0	0	0	0
Arts and Recreation Services	0	0	0	0	0	0	0	0	0
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	0	0	0
Health Care and Social Assistance	0	0	0	0	0	0	0	0	0
Information Media and Telecommunications	0	0	0	0	0	0	0	0	0
Mining	0	0	0	0	0	0	0	0	0
Other Services	0	0	0	0	0	0	0	0	0
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Retail Trade	0	0	0	0	0	0	0	0	0
Transport, Postal and Warehousing	0	0	0	0	0	0	0	0	0
Wholesale Trade	0	0	0	0	0	0	0	0	0
Total	4	2	12	0	0	0	0	0	18

There are 18 businesses (2.5%) within Gladstone that are facing possible financial failure within the next 12 months.

This remains unchanged since March 2017. However there has been an increase in businesses within the \$1 million to \$10 million turnover category, from 7 to now 12 businesses in August 2017.

Queensland Commercial Risk Analysis

Table 23:
Townsville - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total high Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
Accommodation and Food Services	2	8	8	27	56	79	35	15	230	18	7.8%	36.1%	56.1%
Professional, Scientific and Technical Services	4	4	10	38	68	212	94	37	467	18	3.9%	22.7%	73.4%
Construction	1	3	9	49	93	229	154	96	634	13	2.1%	22.4%	75.6%
Retail Trade	1	5	5	30	60	137	75	60	373	11	2.9%	24.1%	72.9%
Other Services	1	5	4	20	34	90	45	27	226	10	4.4%	23.9%	71.7%
Unclassified	0	4	6	6	17	5	1	0	39	10	25.6%	59.0%	15.4%
Financial and Insurance Services	1	1	3	9	37	148	61	28	288	5	1.7%	16.0%	82.3%
Manufacturing	2	1	2	16	29	76	50	50	226	5	2.2%	19.9%	77.9%
Arts and Recreation Services	3	0	1	8	20	25	8	6	71	4	5.6%	39.4%	54.9%
Health Care and Social Assistance	0	2	2	27	29	112	42	8	222	4	1.8%	25.2%	73.0%
Rental, Hiring and Real Estate Services	1	1	1	12	30	76	36	14	171	3	1.8%	24.6%	73.7%
Wholesale Trade	0	3	0	12	24	63	43	26	171	3	1.8%	21.1%	77.2%
Mining	0	1	1	1	6	12	3	3	27	2	7.4%	25.9%	66.7%
Transport, Postal and Warehousing	0	2	0	12	24	40	30	21	129	2	1.6%	27.9%	70.5%
Administrative and Support Services	0	0	0	5	12	22	13	6	58	0	0.0%	29.3%	70.7%
Agriculture, Forestry and Fishing	0	0	0	7	9	27	33	22	98	0	0.0%	16.3%	83.7%
Education and Training	0	0	0	9	10	23	7	2	51	0	0.0%	37.3%	62.7%
Electricity, Gas, Water and Waste Services	0	0	0	3	3	7	5	2	20	0	0.0%	30.0%	70.0%
Information Media and Telecommunications	0	0	0	1	2	8	4	0	15	0	0.0%	20.0%	80.0%
Public Administration and Safety	0	0	0	2	0	3	0	4	9	0	0.0%	22.2%	77.8%
Total	16	40	52	294	563	1394	739	427	3525	108	3.1%	24.3%	72.6%

Queensland Commercial Risk Analysis

Table 24:
Townsville - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	0	5	12	1	0	0	0	0	18
Arts and Recreation Services	0	2	2	0	0	0	0	0	4
Construction	1	2	10	0	0	0	0	0	13
Financial and Insurance Services	0	2	3	0	0	0	0	0	5
Health Care and Social Assistance	0	0	4	0	0	0	0	0	4
Manufacturing	1	1	1	2	0	0	0	0	5
Mining	0	1	1	0	0	0	0	0	2
Other Services	1	3	6	0	0	0	0	0	10
Professional, Scientific and Technical Services	0	8	10	0	0	0	0	0	18
Rental, Hiring and Real Estate Services	0	0	2	1	0	0	0	0	3
Retail Trade	1	2	5	3	0	0	0	0	11
Transport, Postal and Warehousing	0	0	2	0	0	0	0	0	2
Unclassified	2	1	6	1	0	0	0	0	10
Wholesale Trade	0	0	3	0	0	0	0	0	3
Administration and Support Services	0	0	0	0	0	0	0	0	0
Agriculture, Forestry and Fishing	0	0	0	0	0	0	0	0	0
Education and Training	0	0	0	0	0	0	0	0	0
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	0	0	0
Information Media and Telecommunications	0	0	0	0	0	0	0	0	0
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Total	6	27	67	8	0	0	0	0	108

Townsville's accommodation and food services businesses are most at risk with 18 businesses (7.8%) within the high to severe risk category of financial failure. There are a total of 108 businesses within this risk category, and 8 of those fall within the \$10 million to \$50 million turnover range.

Businesses within the agriculture, forestry and fishing industry have the lowest risk proportion of businesses with 83.7%.

Queensland Commercial Risk Analysis

Table 25:
Cairns - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High ----->			Moderate to Average		←----- Low to Minimal ----->							
Accommodation and Food Services	3	20	11	70	96	134	67	34	435	34	7.8%	38.2%	54.0%
Retail Trade	3	9	11	38	86	210	109	62	528	23	4.4%	23.5%	72.2%
Construction	2	8	10	60	106	247	165	86	684	20	2.9%	24.3%	72.8%
Professional, Scientific and Technical Services	1	4	6	58	97	299	100	53	618	11	1.8%	25.1%	73.1%
Unclassified	4	2	3	22	21	6	0	0	58	9	15.5%	74.1%	10.3%
Health Care and Social Assistance	0	0	8	20	35	116	50	11	240	8	3.3%	22.9%	73.8%
Manufacturing	0	3	4	10	45	105	66	39	272	7	2.6%	20.2%	77.2%
Administrative and Support Services	1	2	3	27	28	84	32	11	188	6	3.2%	29.3%	67.6%
Other Services	1	2	3	26	37	100	61	36	266	6	2.3%	23.7%	74.1%
Rental, Hiring and Real Estate Services	0	3	3	21	36	91	56	17	227	6	2.6%	25.1%	72.2%
Financial and Insurance Services	1	2	2	25	60	193	78	39	400	5	1.3%	21.3%	77.5%
Transport, Postal and Warehousing	2	3	0	10	35	56	30	28	164	5	3.0%	27.4%	69.5%
Wholesale Trade	2	1	2	8	32	89	56	29	219	5	2.3%	18.3%	79.5%
Agriculture, Forestry and Fishing	1	0	2	15	27	77	56	38	216	3	1.4%	19.4%	79.2%
Arts and Recreation Services	0	1	2	16	24	41	19	10	113	3	2.7%	35.4%	61.9%
Mining	1	0	2	5	5	21	8	1	43	3	7.0%	23.3%	69.8%
Education and Training	0	0	0	8	9	29	10	7	63	0	0.0%	27.0%	73.0%
Electricity, Gas, Water and Waste Services	0	0	0	2	1	9	5	0	17	0	0.0%	17.6%	82.4%
Information Media and Telecommunications	0	0	0	0	3	10	8	3	24	0	0.0%	12.5%	87.5%
Public Administration and Safety	0	0	0	1	2	2	1	8	14	0	0.0%	21.4%	78.6%
Total	22	60	72	442	785	1919	977	512	4789	154	3.2%	25.6%	71.2%

Table 26:
Cairns - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	4	7	21	2	0	0	0	0	34
Administrative and Support Services	1	0	4	1	0	0	0	0	6
Agriculture, Forestry and Fishing	1	0	2	0	0	0	0	0	3
Arts and Recreation Services	0	1	2	0	0	0	0	0	3
Construction	2	9	7	2	0	0	0	0	20
Financial and Insurance Services	3	2	0	0	0	0	0	0	5
Health Care and Social Assistance	3	0	4	1	0	0	0	0	8
Manufacturing	1	1	5	0	0	0	0	0	7
Mining	1	0	2	0	0	0	0	0	3
Other Services	0	3	3	0	0	0	0	0	6
Professional, Scientific and Technical Services	4	1	6	0	0	0	0	0	11
Rental, Hiring and Real Estate Services	2	1	3	0	0	0	0	0	6
Retail Trade	5	3	13	2	0	0	0	0	23
Transport, Postal and Warehousing	2	1	1	1	0	0	0	0	5
Unclassified	2	0	6	1	0	0	0	0	9
Wholesale Trade	2	0	1	2	0	0	0	0	5
Education and Training	0	0	0	0	0	0	0	0	0
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	0	0	0
Information Media and Telecommunications	0	0	0	0	0	0	0	0	0
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Total	33	29	80	12	0	0	0	0	154

Cairns' accommodation and food services (34, 7.8%), Retail Trade (23, 4.4%) and Construction (20, 2.9%) industries have all increased since March 2017, in terms of numbers of businesses most at risk of financial failure. Overall Cairns has 154 businesses within this risk category, an increase of 57 businesses since March 2017.

New South Wales Commercial Risk Analysis



According to the most recent New South Wales' Treasury Report, the state continues to be Australia's largest state economy that accounts for approximately one third of the nation's economic output.

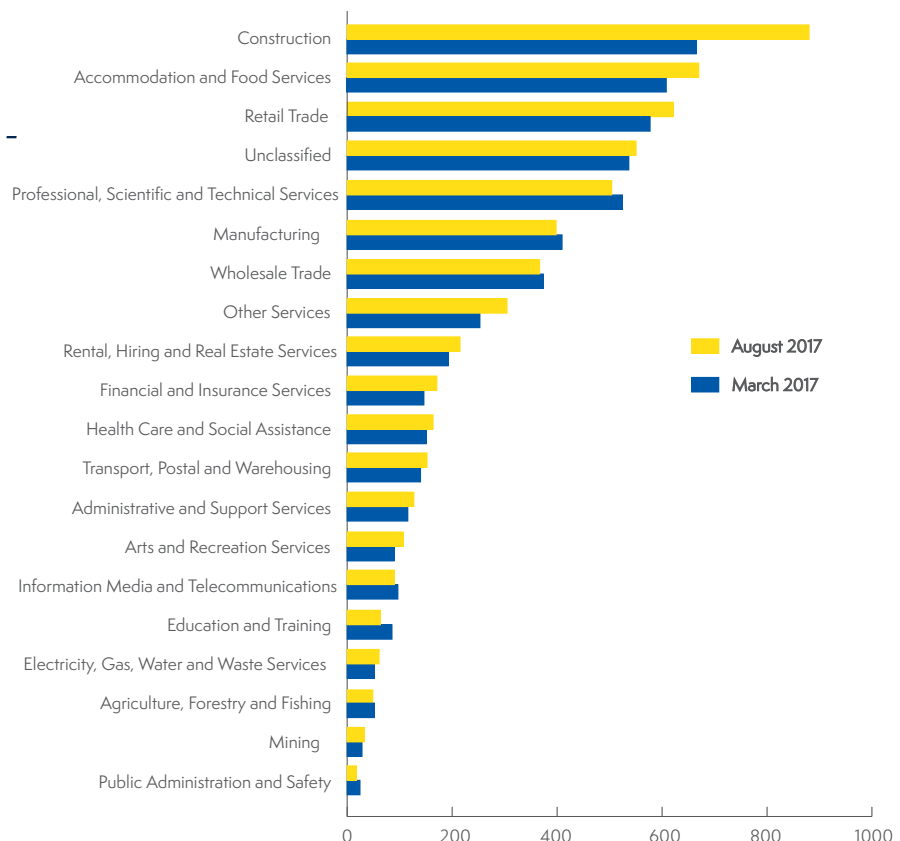
Although Table 2, illustrates that overall on a state and territory comparison, New South Wales has the most number of businesses (5092) within the high to severe risk category, the state shares the third position with the Australian Capital Territory in regards to the proportionate number of businesses (2.8%) at risk within the high to severe risk bands. Tasmania and Queensland have higher proportion of businesses most at risk of financial failure compared to New South Wales.

For the state, the number of businesses in the high to severe commercial risk bands ranked highest are:

- Construction (768, 3.6%)
- Accommodation and Food Services (686, 7.5%)
- Retail Trade (676, 3.9%)
- Professional, Scientific and Technical Services (524, 1.5%)
- Manufacturing (326, 2.3%)

The Agriculture, Forestry and Fishing industry (84.3%) is lowest at risk in terms of proportion of businesses within the industry.

Graph 4:
New South Wales -
Industry vs Commercial Risk -
High to Severe Risk



New South Wales Commercial Risk Analysis

Table 27:
New South Wales - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
Construction	130	327	311	1910	3251	6480	4869	3804	21082	768	3.6%	24.5%	71.9%
Accommodation and Food Services	167	290	229	1197	2171	2535	1317	1226	9132	686	7.5%	36.9%	55.6%
Retail Trade	100	287	289	1522	3009	5543	3259	3125	17134	676	3.9%	26.4%	69.6%
Unclassified	83	193	297	1280	1363	427	163	103	3909	573	14.7%	67.6%	17.7%
Professional, Scientific and Technical Services	64	218	242	2459	4900	14864	7088	4883	34718	524	1.5%	21.2%	77.3%
Manufacturing	55	138	133	803	1975	4451	3063	3755	14373	326	2.3%	19.3%	78.4%
Wholesale Trade	36	112	118	716	1804	4001	2831	3287	12905	266	2.1%	19.5%	78.4%
Other Services	42	115	103	699	1211	3250	2108	2037	9565	260	2.7%	20.0%	77.3%
Rental, Hiring and Real Estate Services	20	73	90	511	1198	2714	1564	1453	7623	183	2.4%	22.4%	75.2%
Financial and Insurance Services	22	52	93	711	2176	6709	4554	4242	18559	167	0.9%	15.6%	83.5%
Health Care and Social Assistance	19	48	81	783	1405	4378	2359	1775	10848	148	1.4%	20.2%	78.5%
Transport, Postal and Warehousing	19	53	52	332	645	1454	943	841	4339	124	2.9%	22.5%	74.6%
Administrative and Support Services	25	42	54	397	735	1857	938	728	4776	121	2.5%	23.7%	73.8%
Arts and Recreation Services	14	50	46	318	605	1160	549	914	3656	110	3.0%	25.2%	71.7%
Information Media and Telecommunications	9	14	23	147	402	906	455	397	2353	46	2.0%	23.3%	74.7%
Education and Training	4	11	26	227	392	844	366	380	2250	41	1.8%	27.5%	70.7%
Electricity, Gas, Water and Waste Services	4	10	11	54	134	219	166	184	782	25	3.2%	24.0%	72.8%
Agriculture, Forestry and Fishing	1	8	12	73	207	539	504	571	1915	21	1.1%	14.6%	84.3%
Mining	4	2	8	27	110	209	126	281	767	14	1.8%	17.9%	80.3%
Public Administration and Safety	2	5	6	34	45	92	37	123	344	13	3.8%	23.0%	73.3%
Total	820	2048	2224	14200	27738	62632	37259	34109	181030	5092	2.8%	23.2%	74.0%

New South Wales Commercial Risk Analysis

Table 28:
New South Wales - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	100	77	451	58	0	0	0	0	686
Administrative and Support Services	44	16	55	6	0	0	0	0	121
Agriculture, Forestry and Fishing	7	2	11	1	0	0	0	0	21
Arts and Recreation Services	28	28	53	1	0	0	0	0	110
Construction	244	133	325	61	4	1	0	0	768
Education and Training	17	5	18	1	0	0	0	0	41
Electricity, Gas, Water and Waste Services	9	1	9	6	0	0	0	0	25
Financial and Insurance Services	75	45	36	9	2	0	0	0	167
Health Care and Social Assistance	52	23	65	8	0	0	0	0	148
Information Media and Telecommunications	18	9	17	1	0	0	0	1	46
Manufacturing	77	37	184	27	1	0	0	0	326
Mining	4	5	4	1	0	0	0	0	14
Other Services	60	46	148	6	0	0	0	0	260
Professional, Scientific and Technical Services	189	102	205	27	1	0	0	0	524
Public Administration and Safety	7	1	5	0	0	0	0	0	13
Rental, Hiring and Real Estate Services	59	39	73	12	0	0	0	0	183
Retail Trade	159	62	335	113	6	1	0	0	676
Transport, Postal and Warehousing	32	27	55	8	1	0	0	1	124
Unclassified	360	30	155	28	0	0	0	0	573
Wholesale Trade	59	18	131	54	3	1	0	0	266
Total	1600	706	2335	428	18	3	0	2	5092

Table 28, indicates that there are 7 major retailers with turnover of over \$50 million and over that are immediate risk of financial failure in the next 12 months in the state. This has increased by 3 retailers since March 2017. There has also been an increase of 36 retailers within this risk category that turnover \$10 million to less than \$50 million since the previous commercial risk report.

The Information Media and Telecommunications and Transport, Postal and Warehousing industries both have one \$1 billion or more turnover sized business at risk of immediate financial failure.

New South Wales Commercial Risk Analysis

Table 29:
New South Wales - Region vs Commercial Risk

Region	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk (Band 1,2,3)	% High Risk (Band 1,2,3)	% Medium Risk (Band 4,5)	% Low Risk (Band 6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
Sydney - City and Inner South	126	333	402	2542	5737	10858	5295	7021	32314	861	2.7%	25.6%	71.7%
Parramatta	114	267	290	1520	2657	5182	2937	2811	15778	671	4.3%	26.5%	69.3%
Inner South West	87	250	223	1186	1949	4367	2284	1973	12319	560	4.5%	25.4%	70.0%
South West	74	152	165	777	1332	2655	1675	1588	8418	391	4.6%	25.1%	70.3%
Sydney - North Sydney and Hornsby	43	124	159	1190	2695	6570	3850	3068	17699	326	1.8%	22.0%	76.2%
Sydney - Inner West	51	134	119	891	1507	3323	1735	1391	9151	304	3.3%	26.2%	70.5%
Sydney - Northern Beaches	51	134	119	891	1507	3323	1735	1391	9151	304	3.3%	26.2%	70.5%
Blacktown	45	111	132	738	1338	2874	1779	1668	8685	288	3.3%	23.9%	72.8%
Sydney - Baulkham Hills and Hawkesbury	40	99	103	644	1286	3071	1966	158	7367	242	3.3%	26.2%	70.5%
Newcastle and Lake Macquarie	48	99	92	639	1159	3113	1811	1548	8509	239	2.8%	21.1%	76.1%
Sydney - Eastern Suburbs	33	85	111	650	1210	2753	1610	1100	7552	229	3.0%	24.6%	72.3%
Outer West and Blue Mountains	31	70	92	449	967	2241	1612	1325	6787	193	2.8%	20.9%	76.3%
Hunter Valley exc. Newcastle	28	77	75	486	996	2379	1566	1369	6976	180	2.6%	21.2%	76.2%
Outer South West	37	69	63	360	653	1425	863	748	4218	169	4.0%	24.0%	72.0%
Illawarra	29	55	70	443	852	1966	1307	1034	5756	154	2.7%	22.5%	74.8%
Central Coast	25	62	63	468	759	2003	1191	873	5444	150	2.8%	22.5%	74.7%
Sydney - Ryde	14	41	71	383	769	1803	1128	995	5204	126	2.4%	22.1%	75.4%
Sydney - Sutherland	21	57	46	435	765	1907	1109	855	5195	124	2.4%	23.1%	74.5%
Central West	12	42	38	271	599	1426	1061	1076	4525	92	2.0%	19.2%	78.7%
Richmond - Tweed	16	32	36	296	576	1338	850	668	3812	84	2.2%	22.9%	74.9%
Capital Region	8	31	40	283	582	1409	1070	953	4376	79	1.8%	19.8%	78.4%
Southern Highlands and Shoalhaven	12	33	31	239	505	1244	886	691	3641	76	2.1%	20.4%	77.5%
Mid North Coast	9	38	25	200	469	1242	850	731	3564	72	2.0%	18.8%	79.2%
Riverina	7	23	36	266	517	1306	1048	1059	4262	66	1.5%	18.4%	80.1%
New England and North West	14	16	33	188	403	1030	833	834	3351	63	1.9%	17.6%	80.5%
Murray	8	22	29	233	444	1103	928	884	3651	59	1.6%	18.5%	79.8%
Coffs Harbour and Grafton	11	21	24	164	331	748	590	481	2370	56	2.4%	20.9%	76.8%
Far West and Orana	12	13	12	140	324	760	586	637	2484	37	1.5%	18.7%	79.8%
Total	1006	2490	2699	16972	32888	73419	44155	38930	212559	6195	2.9%	23.5%	73.6%

New South Wales Commercial Risk Analysis

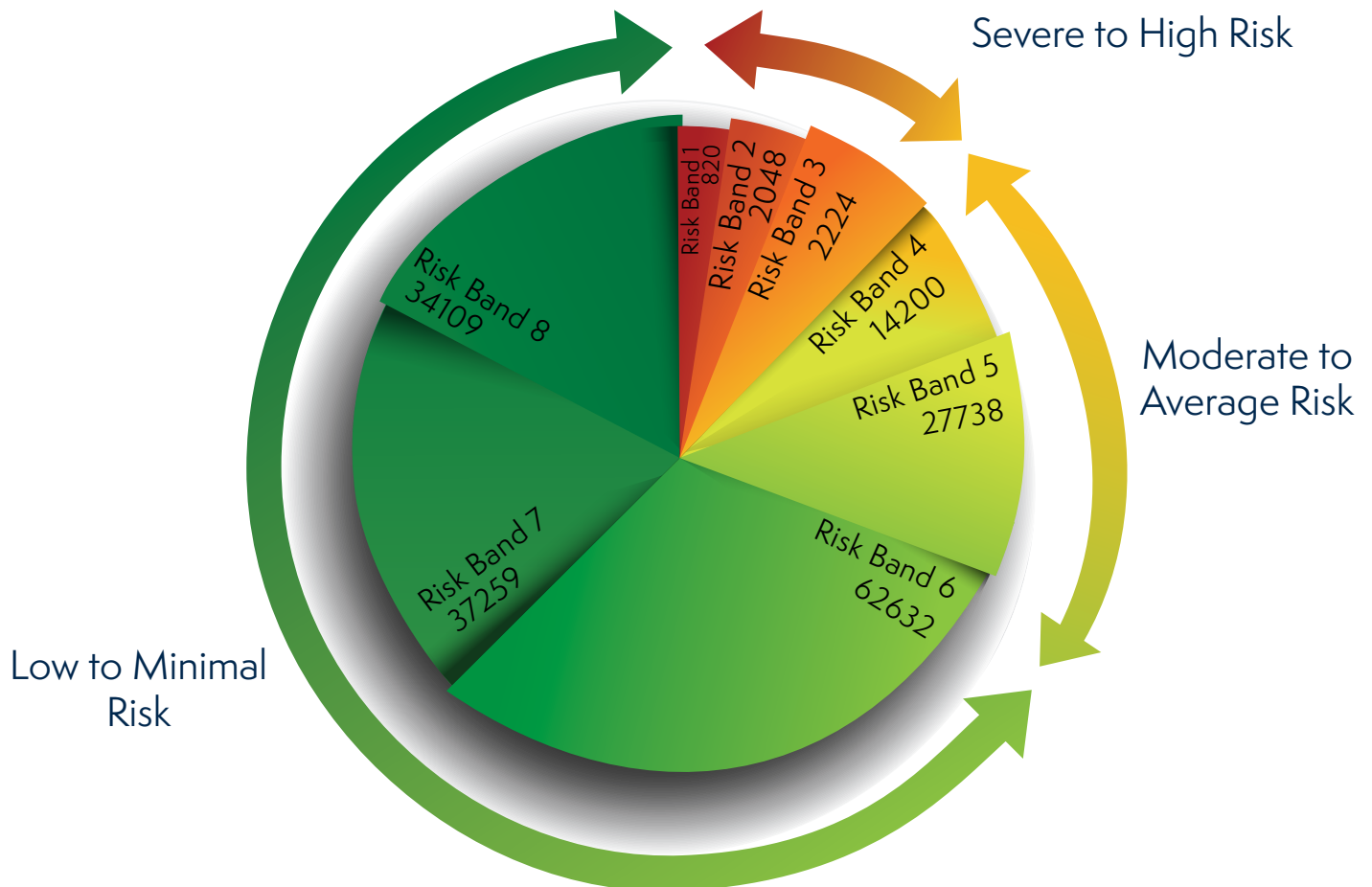
The regions in New South Wales that have the highest number of businesses within the high to severe risk category are:

- Sydney - City and Inner South (861, 2.7%)
- Parramatta (671, 4.3%)
- Inner South West (560, 4.5%)
- South West (391, 4.6%)
- Sydney - North Sydney and Hornsby (326, 1.8%)

However the regions in the state at least risk according to number of businesses are:

- Far West and Orana (37, 1.5%)
- Coffs Harbour and Grafton (46, 2.4%)
- Murray (59, 1.6%)
- New England and North West (63, 1.9%)
- Riverina (66, 1.5%)

Pie Chart 3:
New South Wales - Commercial Risk of Businesses (all industries)



New South Wales Commercial Risk Analysis

Table 30:
Sydney (City & Inner South, Inner South West, Inner West) - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
Accommodation and Food Services	59	101	83	390	716	721	315	378	2763	243	8.8%	40.0%	51.2%
Retail Trade	24	92	87	462	770	1412	676	668	4191	203	4.8%	29.4%	65.8%
Professional, Scientific and Technical Services	22	88	91	911	1969	4752	2030	1904	11767	201	1.7%	24.5%	73.8%
Unclassified	25	61	109	436	496	157	70	47	1401	195	13.9%	66.5%	19.6%
Construction	33	89	66	413	643	1235	747	654	3880	188	4.8%	27.2%	67.9%
Manufacturing	14	50	39	221	541	1086	660	865	3476	103	3.0%	21.9%	75.1%
Rental, Hiring and Real Estate Services	5	26	35	156	391	768	360	484	2225	66	3.0%	24.6%	72.4%
Wholesale Trade	11	22	33	175	553	1130	710	843	3477	66	1.9%	20.9%	77.2%
Financial and Insurance Services	7	19	34	249	879	2080	1188	1775	6231	60	1.0%	18.1%	80.9%
Other Services	8	28	24	201	298	810	433	470	2272	60	2.6%	22.0%	75.4%
Transport, Postal and Warehousing	5	16	20	80	183	336	226	228	1094	41	3.7%	24.0%	72.2%
Administrative and Support Services	10	11	19	128	274	660	274	283	1659	40	2.4%	24.2%	73.4%
Health Care and Social Assistance	5	13	20	217	315	981	468	436	2455	38	1.5%	21.7%	76.8%
Arts and Recreation Services	4	18	12	88	161	293	100	170	846	34	4.0%	29.4%	66.5%
Information Media and Telecommunications	4	8	6	55	179	336	134	158	880	18	2.0%	26.6%	71.4%
Education and Training	2	5	6	71	135	280	104	127	730	13	1.8%	28.2%	70.0%
Mining	1	1	5	10	51	80	47	142	337	7	2.1%	18.1%	79.8%
Public Administration and Safety	2	1	3	14	10	21	13	48	112	6	5.4%	21.4%	73.2%
Electricity, Gas, Water and Waste Services	0	2	3	12	44	56	54	70	241	5	2.1%	23.2%	74.7%
Agriculture, Forestry and Fishing	0	1	2	8	12	30	20	20	93	3	3.2%	21.5%	75.3%
Total	241	652	697	4297	8620	17224	8629	9770	50130	1590	3.2%	25.8%	71.1%

Sydney's accommodation and food services businesses attribute to 8.8% of businesses within the high to severe risk bands for the region. This industry is the highest at risk followed by public administration and safety with 5.4%.

The retail industry in Sydney is second highest at risk by number of businesses with 203 (4.8%) falling within this category for the region.

New South Wales Commercial Risk Analysis

Table 31:
Sydney (City & Inner South, Inner South West, Inner West) -
Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	32	27	153	31	0	0	0	0	243
Administrative and Support Services	16	5	17	2	0	0	0	0	40
Agriculture, Forestry and Fishing	2	0	1	0	0	0	0	0	3
Arts and Recreation Services	12	7	15	0	0	0	0	0	34
Construction	60	28	82	17	1	0	0	0	188
Education and Training	4	0	8	1	0	0	0	0	13
Electricity, Gas, Water and Waste Services	2	1	0	2	0	0	0	0	5
Financial and Insurance Services	33	13	11	1	2	0	0	0	60
Health Care and Social Assistance	12	7	17	2	0	0	0	0	38
Information Media and Telecommunications	7	0	10	1	0	0	0	0	18
Manufacturing	33	11	54	4	1	0	0	0	103
Mining	2	3	1	1	0	0	0	0	7
Other Services	19	10	29	2	0	0	0	0	60
Professional, Scientific and Technical Services	72	35	79	15	0	0	0	0	201
Public Administration and Safety	3	1	2	0	0	0	0	0	6
Rental, Hiring and Real Estate Services	19	16	26	5	0	0	0	0	66
Retail Trade	55	19	98	30	1	0	0	0	203
Transport, Postal and Warehousing	14	9	17	0	0	0	0	1	41
Unclassified	131	9	46	9	0	0	0	0	195
Wholesale Trade	15	2	32	16	1	0	0	0	66
Total	543	203	698	139	6	0	0	1	1590

Table 31 indicates that there is one \$1 billion or more turnover transport, postal and warehousing company in the highest risk category of financial failure within the next 12 months.

New South Wales Commercial Risk Analysis

Table 32:
Southern Highlands & Shoalhaven - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←--- Severe to High ---→			Moderate to Average		←--- Low to Minimal ---→							
Accommodation and Food Services	3	10	7	29	64	87	48	43	291	20	6.9%	32.0%	61.2%
Retail Trade	2	6	6	31	86	145	89	97	462	14	3.0%	25.3%	71.6%
Construction	2	8	3	41	73	159	150	116	552	13	2.4%	20.7%	77.0%
Manufacturing	2	2	2	12	23	79	68	71	259	6	2.3%	13.5%	84.2%
Professional, Scientific and Technical Services	1	1	3	31	59	244	122	60	521	5	1.0%	17.3%	81.8%
Financial and Insurance Services	0	2	2	10	24	115	88	48	289	4	1.4%	11.8%	86.9%
Unclassified	0	0	4	10	18	6	3	2	43	4	9.3%	65.1%	25.6%
Administrative and Support Services	0	2	1	3	9	31	19	12	77	3	3.9%	15.6%	80.5%
Health Care and Social Assistance	1	0	1	17	20	74	72	37	222	2	0.9%	16.7%	82.4%
Wholesale Trade	0	2	0	12	23	56	41	39	173	2	1.2%	20.2%	78.6%
Arts and Recreation Services	0	0	1	8	18	26	12	38	103	1	1.0%	25.2%	73.8%
Other Services	1	0	0	11	34	51	57	41	195	1	0.5%	23.1%	76.4%
Transport, Postal and Warehousing	0	0	1	8	11	41	17	28	106	1	0.9%	17.9%	81.1%
Agriculture, Forestry and Fishing	0	0	0	2	7	24	12	14	59	0	0.0%	15.3%	84.7%
Education and Training	0	0	0	3	8	15	8	9	43	0	0.0%	25.6%	74.4%
Electricity, Gas, Water and Waste Services	0	0	0	2	3	10	5	0	20	0	0.0%	25.0%	75.0%
Information Media and Telecommunications	0	0	0	0	3	6	3	5	17	0	0.0%	17.6%	82.4%
Mining	0	0	0	1	0	2	4	2	9	0	0.0%	11.1%	88.9%
Public Administration and Safety	0	0	0	2	0	1	0	1	4	0	0.0%	50.0%	50.0%
Rental, Hiring and Real Estate Services	0	0	0	6	22	72	68	28	196	0	0.0%	14.3%	85.7%
Total	12	33	31	239	505	1244	886	691	3641	76	2.1%	20.4%	77.5%

New South Wales Commercial Risk Analysis

Table 33:
Southern Highlands & Shoalhaven - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500 to less than \$1B	\$1B or more	Total
Accommodation and Food Services	1	5	14	0	0	0	0	0	20
Administrative and Support Services	0	2	1	0	0	0	0	0	3
Arts and Recreation Services	1	0	0	0	0	0	0	0	1
Construction	3	3	6	1	0	0	0	0	13
Financial and Insurance Services	0	3	1	0	0	0	0	0	4
Health Care and Social Assistance	1	0	1	0	0	0	0	0	2
Manufacturing	1	1	4	0	0	0	0	0	6
Other Services	0	0	1	0	0	0	0	0	1
Professional, Scientific and Technical Services	2	1	2	0	0	0	0	0	5
Retail Trade	3	2	8	1	0	0	0	0	14
Transport, Postal and Warehousing	1	0	0	0	0	0	0	0	1
Unclassified	4	0	0	0	0	0	0	0	4
Wholesale Trade	0	0	2	0	0	0	0	0	2
Agriculture, Forestry and Fishing	0	0	0	0	0	0	0	0	0
Education and Training	0	0	0	0	0	0	0	0	0
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	0	0	0
Information Media and Telecommunications	0	0	0	0	0	0	0	0	0
Mining	0	0	0	0	0	0	0	0	0
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Rental, Hiring and Real Estate Services	0	0	0	0	0	0	0	0	0
Total	17	17	40	2	0	0	0	0	76

Similar to national statistics, the industries in the Southern Highlands and Shoalhaven region within the high to severe risk categories (in order of number of businesses) are:

- Accommodation and Food Services (20, 6.9%)
- Retail Trade (14, 3.0%)
- Construction (13, 2.4%)
- Manufacturing (6, 2.3%)
- Professional, Scientific and Technical Services (5, 1.0%)

Overall, 76 businesses within the region are within the most at risk of financial failure within the next 12 months. Table 33 indicates that 2 businesses most at risk fall within the \$10 million to \$50 million turnover range. These are within the retail and construction industries.

New South Wales Commercial Risk Analysis

Table 34:
Sutherland Shire - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High ----->			Moderate to Average		←----- Low to Minimal ----->							
Construction	5	15	9	87	148	295	222	153	934	29	3.1%	25.2%	71.7%
Accommodation and Food Services	5	9	5	32	55	58	27	25	216	19	8.8%	40.3%	50.9%
Retail Trade	3	6	6	39	80	166	93	78	471	15	3.2%	25.3%	71.5%
Professional, Scientific and Technical Services	1	3	8	75	104	414	170	106	881	12	1.4%	20.3%	78.3%
Unclassified	2	7	3	43	40	12	0	1	108	12	11.1%	76.9%	12.0%
Wholesale Trade	3	4	4	25	44	137	87	75	379	11	2.9%	18.2%	78.9%
Manufacturing		4	2	28	62	155	103	126	480	6	1.3%	18.8%	80.0%
Arts and Recreation Services	1	2	1	12	21	41	13	21	112	4	3.6%	29.5%	67.0%
Financial and Insurance Services	0	2	2	13	59	161	131	77	445	4	0.9%	16.2%	82.9%
Health Care and Social Assistance	0	1	3	27	37	140	64	37	309	4	1.3%	20.7%	78.0%
Administrative and Support Services	0	3	0	7	21	55	28	20	134	3	2.2%	20.9%	76.9%
Rental, Hiring and Real Estate Services	1	1	1	5	27	73	46	29	183	3	1.6%	17.5%	80.9%
Other Services	0	0	1	22	27	113	73	71	307	1	0.3%	16.0%	83.7%
Transport, Postal and Warehousing	0	0	1	8	15	40	25	22	111	1	0.9%	20.7%	78.4%
Agriculture, Forestry and Fishing	0	0	0	0	2	0	3	2	7	0	0.0%	28.6%	71.4%
Education and Training	0	0	0	7	7	20	9	3	46	0	0.0%	30.4%	69.6%
Electricity, Gas, Water and Waste Services	0	0	0	2	7	8	6	2	25	0	0.0%	36.0%	64.0%
Information Media and Telecommunications	0	0	0	3	7	15	9	4	38	0	0.0%	26.3%	73.7%
Mining	0	0	0	0	0	1	0	0	1	0	0.0%	0.0%	100.0%
Public Administration and Safety	0	0	0	0	2	3	0	3	8	0	0.0%	25.0%	75.0%
Total	21	57	46	435	765	1907	1109	855	5195	124	2.4%	23.1%	74.5%

New South Wales Commercial Risk Analysis

Table 35:
Sutherland Shire - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	3	1	14	1	0	0	0	0	19
Administrative and Support Services	0	0	3	0	0	0	0	0	3
Arts and Recreation Services	2	0	2	0	0	0	0	0	4
Construction	7	8	12	2	0	0	0	0	29
Financial and Insurance Services	1	3	0	0	0	0	0	0	4
Health Care and Social Assistance	3	0	1	0	0	0	0	0	4
Manufacturing	3	0	3	0	0	0	0	0	6
Other Services	0	1	0	0	0	0	0	0	1
Professional, Scientific and Technical Services	5	0	7	0	0	0	0	0	12
Rental, Hiring and Real Estate Services	0	1	2	0	0	0	0	0	3
Retail Trade	3	0	6	6	0	0	0	0	15
Transport, Postal and Warehousing	0	1	0	0	0	0	0	0	1
Unclassified	5	1	4	2	0	0	0	0	12
Wholesale Trade	6	0	1	4	0	0	0	0	11
Agriculture, Forestry and Fishing	0	0	0	0	0	0	0	0	0
Education and Training	0	0	0	0	0	0	0	0	0
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	0	0	0
Information Media and Telecommunications	0	0	0	0	0	0	0	0	0
Mining	0	0	0	0	0	0	0	0	0
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Total	38	16	55	15	0	0	0	0	124

Table 34 and 35 indicate that 2.4% of businesses within the region within various industries most at risk of financial failure over the next 12 months.

These businesses are seen throughout the construction (29, 3.1%), accommodation and food services (19, 8.8%) and retail trade (15, 3.2%). Of the 15 businesses within the retail industry at risk, 6 of these fall within the \$10 million to less than \$50 million turnover size.

New South Wales Commercial Risk Analysis

Table 36:
Illawarra - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
Retail Trade	3	10	12	50	109	181	138	100	603	25	4.1%	26.4%	69.5%
Construction	8	6	9	67	113	246	201	166	816	23	2.8%	22.1%	75.1%
Accommodation and Food Services	3	9	5	45	88	74	58	39	321	17	5.3%	41.4%	53.3%
Other Services	1	5	7	23	50	126	88	94	394	13	3.3%	18.5%	78.2%
Unclassified	2	2	8	26	30	10	5	4	87	12	13.8%	64.4%	21.8%
Health Care and Social Assistance	3	4	4	31	47	186	120	89	484	11	2.3%	16.1%	81.6%
Manufacturing	2	4	5	20	60	140	107	88	426	11	2.6%	18.8%	78.6%
Professional, Scientific and Technical Services	1	6	4	72	131	403	191	125	933	11	1.2%	21.8%	77.1%
Administrative and Support Services	1	2	4	13	15	61	32	19	147	7	4.8%	19.0%	76.2%
Wholesale Trade	2	2	2	18	44	110	68	74	320	6	1.9%	19.4%	78.8%
Arts and Recreation Services	1	2	1	11	32	49	21	40	157	4	2.5%	27.4%	70.1%
Transport, Postal and Warehousing	0	2	2	8	24	40	34	31	141	4	2.8%	22.7%	74.5%
Education and Training	1	0	1	9	8	27	12	15	73	2	2.7%	23.3%	74.0%
Electricity, Gas, Water and Waste Services	1	1	0	3	3	7	4	4	23	2	8.7%	26.1%	65.2%
Financial and Insurance Services	0	0	2	20	49	184	138	83	476	2	0.4%	14.5%	85.1%
Rental, Hiring and Real Estate Services	0	0	2	21	36	86	71	38	254	2	0.8%	22.4%	76.8%
Information Media and Telecommunications	0	0	1	2	6	16	8	11	44	1	2.3%	18.2%	79.5%
Mining	0	0	1	2	1	5	3	3	15	1	6.7%	20.0%	73.3%
Agriculture, Forestry and Fishing	0	0	0	1	4	13	8	10	36	0	0.0%	13.9%	86.1%
Public Administration and Safety	0	0	0	1	2	2	0	1	6	0	0.0%	50.0%	50.0%
Total	29	55	70	443	852	1966	1307	1034	5756	154	2.7%	22.5%	74.8%

New South Wales Commercial Risk Analysis

Table 37:
Illawarra - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	1	2	13	1	0	0	0	0	17
Administrative and Support Services	3	1	3	0	0	0	0	0	7
Arts and Recreation Services	0	0	4	0	0	0	0	0	4
Construction	9	4	8	2	0	0	0	0	23
Education and Training	2	0	0	0	0	0	0	0	2
Electricity, Gas, Water and Waste Services	0	0	0	2	0	0	0	0	2
Financial and Insurance Services	1	1	0	0	0	0	0	0	2
Health Care and Social Assistance	4	3	4	0	0	0	0	0	11
Information Media and Telecommunications	1	0	0	0	0	0	0	0	1
Manufacturing	3	1	5	2	0	0	0	0	11
Mining	0	0	1	0	0	0	0	0	1
Other Services	2	3	8	0	0	0	0	0	13
Professional, Scientific and Technical Services	3	1	6	1	0	0	0	0	11
Rental, Hiring and Real Estate Services	1	0	1	0	0	0	0	0	2
Retail Trade	3	2	17	3	0	0	0	0	25
Transport, Postal and Warehousing	2	0	1	1	0	0	0	0	4
Unclassified	9	3	0	0	0	0	0	0	12
Wholesale Trade	0	0	5	1	0	0	0	0	6
Agriculture, Forestry and Fishing	0	0	0	0	0	0	0	0	0
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Total	44	21	76	13	0	0	0	0	154

The Illawarra region identifies 154 businesses most at risk of financial failure within the next 12 months. 25 of these are within the retail industry contributing to 4.1% in the industry. This is a slight increase from the March 2017 risk statistics. These retailers are mainly smaller sized businesses with turnovers of \$1 million to less than \$10 million. Conversely, the financial and insurance services industry attributes to the least at risk, with 85.1% of businesses within this industry showing low to minimal signs of financial stress.

New South Wales Commercial Risk Analysis

Table 38:
Newcastle & Lake Macquarie - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
Construction	9	21	10	87	180	397	299	240	1243	40	3.2%	21.5%	75.3%
Retail Trade	2	15	18	78	127	299	190	139	868	35	4.0%	23.6%	72.4%
Accommodation and Food Services	10	12	12	47	86	97	61	54	379	34	9.0%	35.1%	55.9%
Other Services	2	13	9	43	63	164	105	104	503	24	4.8%	21.1%	74.2%
Professional, Scientific and Technical Services	3	8	10	106	179	670	304	202	1482	21	1.4%	19.2%	79.4%
Manufacturing	5	6	5	32	73	193	152	186	652	16	2.5%	16.1%	81.4%
Unclassified	8	4	4	37	42	15	4	3	117	16	13.7%	67.5%	18.8%
Rental, Hiring and Real Estate Services	0	4	7	27	54	158	68	58	376	11	2.9%	21.5%	75.5%
Wholesale Trade	3	4	4	30	46	165	124	127	503	11	2.2%	15.1%	82.7%
Health Care and Social Assistance	0	5	2	56	72	263	140	95	633	7	1.1%	20.2%	78.7%
Transport, Postal and Warehousing	1	2	4	14	34	85	49	39	228	7	3.1%	21.1%	75.9%
Financial and Insurance Services	1	1	4	33	83	320	197	159	798	6	0.8%	14.5%	84.7%
Arts and Recreation Services	3	2	0	14	37	65	29	45	195	5	2.6%	26.2%	71.3%
Administrative and Support Services	1	1	2	18	35	100	36	36	229	4	1.7%	23.1%	75.1%
Electricity, Gas, Water and Waste Services	0	1	0	2	4	10	11	8	36	1	2.8%	16.7%	80.6%
Information Media and Telecommunications	0	0	1	4	7	21	12	4	49	1	2.0%	22.4%	75.5%
Agriculture, Forestry and Fishing	0	0	0	2	6	18	6	5	37	0	0.0%	21.6%	78.4%
Education and Training	0	0	0	7	20	45	15	22	109	0	0.0%	24.8%	75.2%
Mining	0	0	0	1	11	23	7	15	57	0	0.0%	21.1%	78.9%
Public Administration and Safety	0	0	0	1	0	5	2	7	15	0	0.0%	6.7%	93.3%
Total	48	99	92	639	1159	3113	1811	1548	8509	239	2.8%	21.1%	76.1%

The key concerns facing the Newcastle and Lake Macquarie regions are throughout the construction and retail industries. These two industries increased by approximately 10 businesses within each industry since March 2017, causing the retail industry to rank the second highest at risk for the region in August 2017.

New South Wales Commercial Risk Analysis

Table 39:
Newcastle & Lake Macquarie - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	7	3	21	3	0	0	0	0	34
Administrative and Support Services	1	1	2	0	0	0	0	0	4
Arts and Recreation Services	0	2	3	0	0	0	0	0	5
Construction	13	8	15	4	0	0	0	0	40
Electricity, Gas, Water and Waste Services	0	0	1	0	0	0	0	0	1
Financial and Insurance Services	2	4	0	0	0	0	0	0	6
Health Care and Social Assistance	3	1	2	1	0	0	0	0	7
Information Media and Telecommunications	1	0	0	0	0	0	0	0	1
Manufacturing	4	4	7	1	0	0	0	0	16
Other Services	6	4	13	1	0	0	0	0	24
Professional, Scientific and Technical Services	6	6	8	1	0	0	0	0	21
Rental, Hiring and Real Estate Services	5	1	3	2	0	0	0	0	11
Retail Trade	9	7	13	6	0	0	0	0	35
Transport, Postal and Warehousing	2	1	4	0	0	0	0	0	7
Unclassified	11	0	5	0	0	0	0	0	16
Wholesale Trade	3	1	6	1	0	0	0	0	11
Agriculture, Forestry and Fishing	0	0	0	0	0	0	0	0	0
Education and Training	0	0	0	0	0	0	0	0	0
Mining	0	0	0	0	0	0	0	0	0
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Total	73	43	103	20	0	0	0	0	239

Further to this, 6 of these retail businesses are within the \$10 million to \$50 million turnover range. This may lead to adverse effects in the local economy.

Newcastle's public administration and safety industry has the highest percentage (93.3%) of businesses least likely to financial fail within the next 12 months.

New South Wales Commercial Risk Analysis

Table 40:
Dubbo - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
Construction	1	0	1	8	14	35	34	24	117	2	1.7%	18.8%	79.5%
Professional, Scientific and Technical Services	1	1	0	15	14	44	24	17	116	2	1.7%	25.0%	73.3%
Retail Trade	0	0	2	5	20	32	28	34	121	2	1.7%	20.7%	77.7%
Transport, Postal and Warehousing	1	1	0	4	8	11	10	7	42	2	4.8%	28.6%	66.7%
Unclassified	2	0	0	1	2	2	0	0	7	2	28.6%	42.9%	28.6%
Wholesale Trade	0	0	2	0	7	10	12	24	55	2	3.6%	12.7%	83.6%
Administrative and Support Services	0	1	0	1	3	4	5	2	16	1	6.3%	25.0%	68.8%
Financial and Insurance Services	0	0	1	3	7	29	15	19	74	1	1.4%	13.5%	85.1%
Manufacturing	0	1	0	0	3	15	16	15	50	1	2.0%	6.0%	92.0%
Accommodation and Food Services	0	0	0	8	9	21	7	7	52	0	0.0%	32.7%	67.3%
Agriculture, Forestry and Fishing	0	0	0	0	4	10	3	7	24	0	0.0%	16.7%	83.3%
Arts and Recreation Services	0	0	0	1	1	3	1	6	12	0	0.0%	16.7%	83.3%
Education and Training	0	0	0	1	1	3	0	2	7	0	0.0%	28.6%	71.4%
Electricity, Gas, Water and Waste Services	0	0	0	1	0	2	0	0	3	0	0.0%	33.3%	66.7%
Health Care and Social Assistance	0	0	0	6	7	20	12	5	50	0	0.0%	26.0%	74.0%
Information Media and Telecommunications	0	0	0	0	1	1	1	1	4	0	0.0%	25.0%	75.0%
Mining	0	0	0	0	0	1	1	1	3	0	0.0%	0.0%	100.0%
Other Services	0	0	0	1	8	14	12	16	51	0	0.0%	17.6%	82.4%
Rental, Hiring and Real Estate Services	0	0	0	0	5	12	6	12	35	0	0.0%	14.3%	85.7%
Public Administration and Safety	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%	0.0%
Total	5	4	6	55	114	269	187	199	839	15	1.8%	20.1%	78.1%

New South Wales Commercial Risk Analysis

Table 41:
Dubbo - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Administrative and Support Services	0	0	1	0	0	0	0	0	1
Construction	0	1	1	0	0	0	0	0	2
Financial and Insurance Services	0	1	0	0	0	0	0	0	1
Manufacturing	0	0	1	0	0	0	0	0	1
Professional, Scientific and Technical Services	1	0	1	0	0	0	0	0	2
Retail Trade	1	0	1	0	0	0	0	0	2
Transport, Postal and Warehousing	0	1	1	0	0	0	0	0	2
Unclassified	0	0	2	0	0	0	0	0	2
Wholesale Trade	1	0	1	0	0	0	0	0	2
Arts and Recreation Services	0	0	0	0	0	0	0	0	0
Agriculture, Forestry and Fishing	0	0	0	0	0	0	0	0	0
Education and Training	0	0	0	0	0	0	0	0	0
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	0	0	0
Information Media and Telecommunications	0	0	0	0	0	0	0	0	0
Manufacturing	0	0	0	0	0	0	0	0	0
Mining	0	0	0	0	0	0	0	0	0
Other Services	0	0	0	0	0	0	0	0	0
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Rental, Hiring and Real Estate Services	0	0	0	0	0	0	0	0	0
Health Care and Social Assistance	0	0	0	0	0	0	0	0	0
Total	3	3	9	0	0	0	0	0	15

According to the August 2017 commercial risk results, Dubbo continues to have a positive outlook with only 1.8% of businesses in the region at risk of financial failure. This is a total of 15 businesses of 839, a marginal decrease from previous Report results.

New South Wales Commercial Risk Analysis

Table 42:
Tamworth - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
Accommodation and Food Services	0	1	3	9	16	16	12	12	69	4	5.8%	36.2%	58.0%
Financial and Insurance Services	1	0	1	2	6	34	23	18	85	2	2.4%	9.4%	88.2%
Other Services	0	0	2	2	4	20	15	22	65	2	3.1%	9.2%	87.7%
Retail Trade	0	1	1	7	13	28	21	34	105	2	1.9%	19.0%	79.0%
Unclassified	0	1	1	3	1	1	1		8	2	25.0%	50.0%	25.0%
Wholesale Trade	0	2	0	2	7	25	12	18	66	2	3.0%	13.6%	83.3%
Administrative and Support Services	1	0	0	4	3	7	6	3	24	1	4.2%	29.2%	66.7%
Construction	1	0	0	13	20	44	45	33	156	1	0.6%	21.2%	78.2%
Information Media and Telecommunications	1	0	0	0	1	1	1	1	5	1	20.0%	20.0%	60.0%
Professional, Scientific and Technical Services	0	0	1	6	11	61	38	20	137	1	0.7%	12.4%	86.9%
Agriculture, Forestry and Fishing	0	0	0	0	1	11	7	7	26	0	0.0%	3.8%	96.2%
Arts and Recreation Services	0	0	0	1	1	5	1	8	16	0	0.0%	12.5%	87.5%
Education and Training	0	0	0	1	1	2	0	3	7	0	0.0%	28.6%	71.4%
Electricity, Gas, Water and Waste Services	0	0	0	0	0	1	0	0	1	0	0.0%	0.0%	100.0%
Health Care and Social Assistance	0	0	0	6	11	25	14	6	62	0	0.0%	27.4%	72.6%
Manufacturing	0	0	0	4	7	21	18	22	72	0	0.0%	15.3%	84.7%
Mining	0	0	0	0	0	0	0	1	1	0	0.0%	0.0%	100.0%
Public Administration and Safety	0	0	0	0	1	0	0	0	1	0	0.0%	100.0%	0.0%
Rental, Hiring and Real Estate Services	0	0	0	2	5	13	8	14	42	0	0.0%	16.7%	83.3%
Transport, Postal and Warehousing	0	0	0	1	8	17	9	11	46	0	0.0%	19.6%	80.4%
Total	4	5	9	63	117	332	231	233	994	18	1.8%	18.1%	80.1%

New South Wales Commercial Risk Analysis

Table 43:
Tamworth - Industry vs Turnover Size of Business - High to Severe Risk

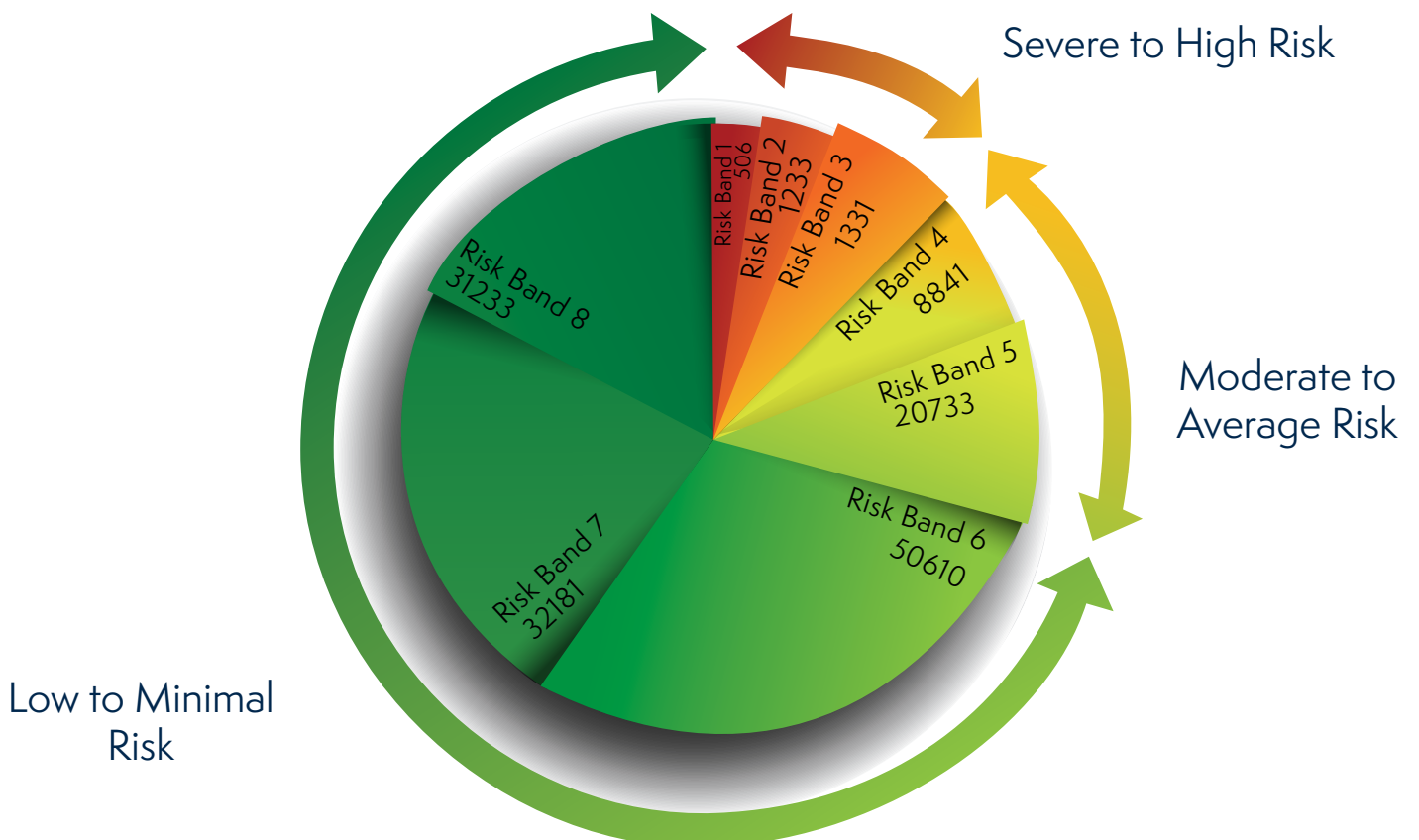
Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	0	0	4	0	0	0	0	0	4
Administrative and Support Services	1	0	0	0	0	0	0	0	1
Construction	0	0	0	1	0	0	0	0	1
Financial and Insurance Services	1	0	1	0	0	0	0	0	2
Information Media and Telecommunications	1	0	0	0	0	0	0	0	1
Other Services	0	0	2	0	0	0	0	0	2
Professional, Scientific and Technical Services	0	0	1	0	0	0	0	0	1
Retail Trade	0	0	1	1	0	0	0	0	2
Unclassified	1	0	1	0	0	0	0	0	2
Wholesale Trade	0	0	2	0	0	0	0	0	2
Agriculture, Forestry and Fishing	0	0	0	0	0	0	0	0	0
Arts and Recreation Services	0	0	0	0	0	0	0	0	0
Education and Training	0	0	0	0	0	0	0	0	0
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	0	0	0
Health Care and Social Assistance	0	0	0	0	0	0	0	0	0
Manufacturing	0	0	0	0	0	0	0	0	0
Mining	0	0	0	0	0	0	0	0	0
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Rental, Hiring and Real Estate Services	0	0	0	0	0	0	0	0	0
Transport, Postal and Warehousing	0	0	0	0	0	0	0	0	0
Total	4	0	12	2	0	0	0	0	18

Overall, Tamworth remains positive with 80.1% within the low to minimal risk category of financial failure within the next 12 months. This shows an encouraging sign for business growth and opportunity for businesses across various industries in the region.



Despite the Victorian economy's ongoing steady growth, it remains second largest in Australia behind New South Wales. Since the March 2017 commercial risk data, there has been an increase in businesses within the high to severe risk category of financial failure within the next 12 months. The increase has particularly impacted the retail and accommodation and food services sectors.

Pie Chart 4:
Victoria - Commercial Risk for Businesses (all industries)



Victoria Commercial Risk Analysis

Table 44:
Victoria - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
Accommodation and Food Services	96	212	192	795	1713	2183	1225	1076	7492	500	6.7%	33.5%	59.9%
Construction	68	176	163	1066	2512	5884	4453	3700	18022	407	2.3%	19.9%	77.9%
Retail Trade	66	145	153	1049	2193	4648	2854	3040	14148	364	2.6%	22.9%	74.5%
Unclassified	43	108	172	802	1131	376	125	106	2863	323	11.3%	67.5%	21.2%
Professional, Scientific and Technical Services	34	107	145	1488	3549	10988	5761	4212	26284	286	1.1%	19.2%	79.7%
Manufacturing	48	102	88	549	1627	4014	3083	4245	13756	238	1.7%	15.8%	82.5%
Wholesale Trade	28	93	66	491	1378	3460	2446	3104	11066	187	1.7%	16.9%	81.4%
Other Services	32	73	66	454	1013	2655	1904	1597	7794	171	2.2%	18.8%	79.0%
Financial and Insurance Services	19	36	71	540	1543	5980	4300	4020	16509	126	0.8%	12.6%	86.6%
Health Care and Social Assistance	10	35	47	410	982	3106	1678	1370	7638	92	1.2%	18.2%	80.6%
Rental, Hiring and Real Estate Services	13	36	39	298	846	1848	1083	1018	5181	88	1.7%	22.1%	76.2%
Arts and Recreation Services	6	30	35	158	452	929	472	439	2521	71	2.8%	24.2%	73.0%
Transport, Postal and Warehousing	17	24	26	165	473	1149	790	987	3631	67	1.8%	17.6%	80.6%
Administrative and Support Services	5	21	21	235	488	1390	762	609	3531	47	1.3%	20.5%	78.2%
Education and Training	7	9	17	123	249	576	271	325	1577	33	2.1%	23.6%	74.3%
Information Media and Telecommunications	5	9	12	102	231	559	283	287	1488	26	1.7%	22.4%	75.9%
Electricity, Gas, Water and Waste Services	2	5	13	40	99	187	120	218	684	20	2.9%	20.3%	76.8%
Agriculture, Forestry and Fishing	5	6	2	57	167	524	473	659	1893	13	0.7%	11.8%	87.5%
Public Administration and Safety	2	4	3	10	22	57	28	97	223	9	4.0%	14.3%	81.6%
Mining	0	2	0	9	65	97	70	114	357	2	0.6%	20.7%	78.7%
Total	506	1233	1331	8841	20733	50610	32181	31223	146658	3070	2.1%	20.2%	77.7%

Table 45:
Victoria - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	56	55	359	29	1	0	0	0	500
Administrative and Support Services	18	3	18	7	0	1	0	0	47
Agriculture, Forestry and Fishing	3	0	9	1	0	0	0	0	13
Arts and Recreation Services	21	11	36	3	0	0	0	0	71
Construction	138	49	192	28	0	0	0	0	407
Education and Training	7	2	20	4	0	0	0	0	33
Electricity, Gas, Water and Waste Services	10	0	4	3	2	0	0	1	20
Financial and Insurance Services	36	41	40	7	0	2	0	0	126
Health Care and Social Assistance	21	12	56	3	0	0	0	0	92
Information Media and Telecommunications	7	5	10	3	0	0	0	1	26
Manufacturing	35	27	136	33	6	1	0	0	238
Mining	0	2	0	0	0	0	0	0	2
Other Services	46	21	101	3	0	0	0	0	171
Professional, Scientific and Technical Services	85	54	126	19	1	0	0	1	286
Public Administration and Safety	3	0	5	1	0	0	0	0	9
Rental, Hiring and Real Estate Services	28	9	46	5	0	0	0	0	88
Retail Trade	71	31	191	64	2	4	0	1	364
Transport, Postal and Warehousing	15	9	39	3	1	0	0	0	67
Unclassified	197	17	98	11	0	0	0	0	323
Wholesale Trade	37	10	111	26	3	0	0	0	187
Total	834	358	1597	253	16	8	0	4	3070

Victoria Commercial Risk Analysis

According to the commercial risk data for Victoria, the industries with the highest number of businesses currently in financial distress and possible failure of the next 12 months are:

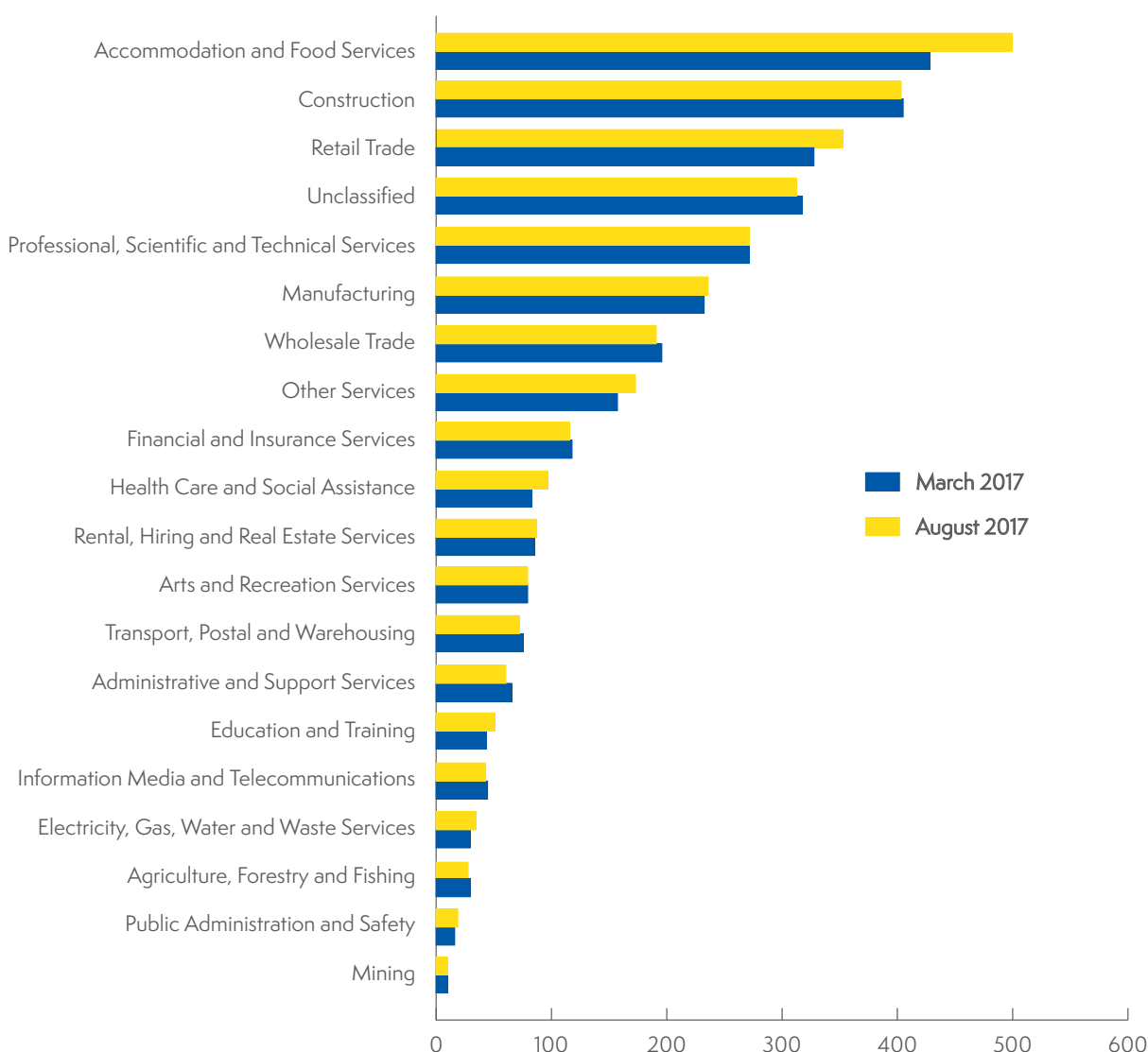
- Accommodation and Food Services (500, 6.7%)
- Construction (407, 2.3%)
- Retail Trade (364, 2.6%)
- Professional, Scientific and Technical Services (286, 1.1%)
- Manufacturing (238, 1.7%)

The lowest commercial risk industries according to proportion of businesses in each industry are Agriculture, Forestry and Fishing (87.5%) and Financial and Insurance Services (86.6%).

The risk data also indicates that there is a possibility of more large retailers facing adverse events within the next 12 months, with 7 retailers within the \$50 million or more turnover categories. One of these retailers is within the \$1 billion or more turnover size.

In terms of all Victorian regions, the areas of the Inner Melbourne have the highest risk businesses (954). In terms of proportion, Melbourne West is the region ranked highest at risk with 3.5% of businesses in the area at highest risk of financial failure.

Graph 5:
Victoria - Industry vs Commercial Risk - High to Severe Risk



Victoria Commercial Risk Analysis

Table 46:
Victoria - Region vs Commercial Risk

Region	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk band (6,7,8)
Melbourne - Inner	147	368	439	2941	6269	13208	7729	8276	39377	954	2.4%	23.4%	74.2%
Melbourne - Inner South	55	173	186	1202	2470	6418	4170	3403	18077	414	2.3%	20.3%	77.4%
Melbourne - South East	65	152	150	1118	2555	6287	4010	3936	18273	367	2.0%	20.1%	77.9%
Melbourne West	56	159	143	857	1598	3426	2094	1858	10191	358	3.5%	24.1%	72.4%
Melbourne - North West	53	104	109	589	1391	3353	2072	2026	9697	266	2.7%	20.4%	76.8%
Melbourne - North East	47	91	117	687	1457	3868	2374	1990	10631	255	2.4%	20.2%	77.4%
Melbourne - Outer East	39	90	118	747	1609	4668	3073	2575	12919	247	1.9%	18.2%	79.9%
Melbourne - Inner East	45	84	99	847	1731	4463	3030	2166	12465	228	1.8%	20.7%	77.5%
Mornington Peninsula	25	50	44	331	982	2493	1615	1390	6930	119	1.7%	18.9%	79.3%
Geelong	11	32	23	182	752	2138	1535	1430	6103	66	1.1%	15.3%	83.6%
Ballarat	6	21	23	106	491	1373	926	1058	4004	50	1.2%	14.9%	83.8%
Latrobe - Gippland	4	19	19	125	555	1599	1067	1125	4513	42	0.9%	15.1%	84.0%
Victoria North West	9	13	18	76	353	1009	797	1031	3306	40	1.2%	13.0%	85.8%
Shepperton	7	14	18	92	357	1112	852	1004	3456	39	1.1%	13.0%	85.9%
Bendigo	3	16	14	91	41	1068	785	863	2881	33	1.1%	4.6%	94.3%
Hume	5	15	9	87	450	1288	911	1012	3777	29	0.8%	14.2%	85.0%
Warrnambool and South West	5	12	9	55	290	870	624	717	2582	26	1.0%	13.4%	85.6%
Total	582	1413	1538	10133	23351	58641	37664	35860	169182	3533	2.1%	19.8%	78.1%

Victoria Commercial Risk Analysis

Table 47:
Melbourne (Inner, Inner East, Inner South) - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
Accommodation and Food Services	51	138	103	480	883	972	522	463	3612	292	8.1%	37.7%	54.2%
Professional, Scientific and Technical Services	23	70	96	1020	2206	6256	3249	2458	15378	189	1.2%	21.0%	77.8%
Unclassified	19	47	112	458	563	201	62	57	1519	178	11.7%	67.2%	21.1%
Retail Trade	33	71	70	525	931	1870	1047	1017	5564	174	3.1%	26.2%	70.7%
Construction	21	50	53	332	778	1551	1144	873	4802	124	2.6%	23.1%	74.3%
Wholesale Trade	11	45	35	223	592	1481	1057	1154	4598	91	2.0%	17.7%	80.3%
Manufacturing	20	39	26	226	620	1454	1036	1375	4796	85	1.8%	17.6%	80.6%
Other Services	12	31	33	233	411	967	711	639	3037	76	2.5%	21.2%	76.3%
Financial and Insurance Services	12	21	39	319	955	3175	2462	2401	9384	72	0.8%	13.6%	85.7%
Rental, Hiring and Real Estate Services	6	18	26	193	498	905	541	540	2727	50	1.8%	25.3%	72.8%
Health Care and Social Assistance	3	14	28	223	437	1422	795	694	3616	45	1.2%	18.3%	80.5%
Arts and Recreation Services	2	15	20	89	238	432	239	232	1267	37	2.9%	25.8%	71.3%
Administrative and Support Services	4	9	13	130	260	624	349	315	1704	26	1.5%	22.9%	75.6%
Transport, Postal and Warehousing	5	10	7	54	147	284	162	243	912	22	2.4%	22.0%	75.5%
Education and Training	6	5	9	72	147	320	151	164	874	20	2.3%	25.1%	72.7%
Information Media and Telecommunications	4	3	10	80	167	370	180	212	1026	17	1.7%	24.1%	74.3%
Electricity, Gas, Water and Waste Services	0	3	4	19	47	60	31	119	283	7	2.5%	23.3%	74.2%
Public Administration and Safety	1	4	2	7	7	21	12	50	104	7	6.7%	13.5%	79.8%
Agriculture, Forestry and Fishing	2	1	0	8	17	54	41	45	168	3	1.8%	14.9%	83.3%
Mining	0	0	0	5	35	52	39	75	206	0	0.0%	19.4%	80.6%
Total	235	594	686	4696	9939	22471	13830	13126	65577	1515	2.3%	22.3%	75.4%

Table 48:
Melbourne (Inner, Inner East, Inner South) -
Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	34	31	207	19	1	0	0	0	292
Administrative and Support Services	10	2	8	5	0	1	0	0	26
Agriculture, Forestry and Fishing	0	0	2	1	0	0	0	0	3
Arts and Recreation Services	13	5	18	1	0	0	0	0	37
Construction	37	19	57	11	0	0	0	0	124
Education and Training	5	1	10	4	0	0	0	0	20
Electricity, Gas, Water and Waste Services	4	0	1	0	1	0	0	1	7
Financial and Insurance Services	26	18	22	5	0	1	0	0	72
Health Care and Social Assistance	14	3	27	1	0	0	0	0	45
Information Media and Telecommunications	5	2	7	2	0	0	0	1	17
Manufacturing	17	7	46	12	3	0	0	0	85
Other Services	24	7	45	0	0	0	0	0	76
Professional, Scientific and Technical Services	52	34	86	15	1	0	0	1	189
Public Administration and Safety	2	0	4	1	0	0	0	0	7
Rental, Hiring and Real Estate Services	21	3	23	3	0	0	0	0	50
Retail Trade	32	15	90	33	1	2	0	1	174
Transport, Postal and Warehousing	3	4	14	1	0	0	0	0	22
Unclassified	116	13	41	8	0	0	0	0	178
Wholesale Trade	14	3	58	15	1	0	0	0	91
Mining	0	0	0	0	0	0	0	0	0
Total	429	167	766	137	8	4	0	4	1515

There are 4 major retailers with turnover of \$50 million and over in the highest risk category of financial failure identified in Melbourne. Whilst 292 businesses at risk of failure are within the accommodation and food services industry, remaining a concern from the March 2017 risk data.

Victoria Commercial Risk Analysis

Table 49:
Ballarat - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High ----->			Moderate to Average		←----- Low to Minimal ----->							
Accommodation and Food Services	2	2	3	10	54	78	58	61	268	7	2.6%	23.9%	73.5%
Construction	1	3	3	28	78	232	144	151	640	7	1.1%	16.6%	82.3%
Retail Trade	0	3	2	12	52	144	109	166	488	5	1.0%	13.1%	85.9%
Manufacturing	0	3	1	6	34	93	74	127	338	4	1.2%	11.8%	87.0%
Professional, Scientific and Technical Services	0	1	3	5	65	212	109	89	484	4	0.8%	14.5%	84.7%
Unclassified	1	2	1	10	21	8	2	2	47	4	8.5%	66.0%	25.5%
Wholesale Trade	0	2	2	2	28	66	47	87	234	4	1.7%	12.8%	85.5%
Arts and Recreation Services	0	1	2	2	16	29	8	6	64	3	4.7%	28.1%	67.2%
Education and Training	0	0	2	1	3	19	7	11	43	2	4.7%	9.3%	86.0%
Financial and Insurance Services	1	0	1	9	20	146	81	95	353	2	0.6%	8.2%	91.2%
Other Services	1	1	0	5	19	72	66	59	223	2	0.9%	10.8%	88.3%
Rental, Hiring and Real Estate Services	0	0	2	5	12	63	33	27	142	2	1.4%	12.0%	86.6%
Agriculture, Forestry and Fishing	0	1	0	4	18	39	47	53	162	1	0.6%	13.6%	85.8%
Health Care and Social Assistance	0	0	1	0	28	73	52	39	193	1	0.5%	14.5%	85.0%
Information Media and Telecommunications	0	1	0	1	5	7	3	7	24	1	4.2%	25.0%	70.8%
Transport, Postal and Warehousing	0	1	0	3	25	42	49	47	167	1	0.6%	16.8%	82.6%
Administrative and Support Services	0	0	0	2	10	33	29	12	86	0	0.0%	14.0%	86.0%
Electricity, Gas, Water and Waste Services	0	0	0	1	2	11	7	10	31	0	0.0%	9.7%	90.3%
Mining	0	0	0	0	1	4	1	5	11	0	0.0%	9.1%	90.9%
Public Administration and Safety	0	0	0	0	0	2	0	4	6	0	0.0%	0.0%	100.0%
Total	6	21	23	106	491	1373	926	1058	4004	50	1.2%	14.9%	83.8%

Table 50:
Ballarat - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	0	0	6	1	0	0	0	0	7
Agriculture, Forestry and Fishing	0	0	1	0	0	0	0	0	1
Arts and Recreation Services	1	1	1	0	0	0	0	0	3
Construction	4	1	2	0	0	0	0	0	7
Education and Training	0	0	2	0	0	0	0	0	2
Financial and Insurance Services	0	1	1	0	0	0	0	0	2
Health Care and Social Assistance	1	0	0	0	0	0	0	0	1
Information Media and Telecommunications	0	0	0	1	0	0	0	0	1
Manufacturing	1	1	2	0	0	0	0	0	4
Other Services	1	1	0	0	0	0	0	0	2
Professional, Scientific and Technical Services	1	1	2	0	0	0	0	0	4
Rental, Hiring and Real Estate Services	0	0	2	0	0	0	0	0	2
Retail Trade	0	0	4	1	0	0	0	0	5
Transport, Postal and Warehousing	0	0	1	0	0	0	0	0	1
Unclassified	3	0	1	0	0	0	0	0	4
Wholesale Trade	1	1	2	0	0	0	0	0	4
Administrative and Support Services	0	0	0	0	0	0	0	0	0
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	0	0	0
Mining	0	0	0	0	0	0	0	0	0
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Total	13	7	27	3	0	0	0	0	50

Ballarat remains steady from the previous risk data results released in March 2017, with currently 50 (1.2%) businesses most at risk of financial failure.

Victoria Commercial Risk Analysis

Table 51:
Geelong - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←--- Severe to High ---→			Moderate to Average		←--- Low to Minimal ---→							
Accommodation and Food Services	5	6	8	13	74	120	79	72	377	19	5.0%	23.1%	71.9%
Construction	1	7	3	45	119	365	252	193	985	11	1.1%	16.6%	82.2%
Arts and Recreation Services	0	2	3	3	13	42	14	19	96	5	5.2%	16.7%	78.1%
Retail Trade	0	4	1	22	84	197	124	158	590	5	0.8%	18.0%	81.2%
Unclassified	3	2	0	13	42	21	4	3	88	5	5.7%	62.5%	31.8%
Administrative and Support Services	1	2	0	4	16	44	34	26	127	3	2.4%	15.7%	81.9%
Wholesale Trade	0	2	1	12	40	107	65	137	364	3	0.8%	14.3%	84.9%
Financial and Insurance Services	0	1	1	10	28	232	124	178	574	2	0.3%	6.6%	93.0%
Health Care and Social Assistance	1	1	0	8	51	143	91	57	352	2	0.6%	16.8%	82.7%
Information Media and Telecommunications	0	1	1	2	4	19	8	5	40	2	5.0%	15.0%	80.0%
Manufacturing	0	1	1	8	54	128	99	158	449	2	0.4%	13.8%	85.7%
Other Services	0	1	1	9	43	104	92	82	332	2	0.6%	15.7%	83.7%
Rental, Hiring and Real Estate Services	0	0	2	4	25	104	51	41	227	2	0.9%	12.8%	86.3%
Transport, Postal and Warehousing	0	2	0	5	22	46	47	62	184	2	1.1%	14.7%	84.2%
Professional, Scientific and Technical Services	0	0	1	16	105	390	211	163	886	1	0.1%	13.7%	86.2%
Agriculture, Forestry and Fishing	0	0	0	4	18	40	37	42	141	0	0.0%	15.6%	84.4%
Education and Training	0	0	0	1	8	24	16	15	64	0	0.0%	14.1%	85.9%
Electricity, Gas, Water and Waste Services	0	0	0	3	4	9	6	11	33	0	0.0%	21.2%	78.8%
Mining	0	0	0	0	2	1	0	4	7	0	0.0%	28.6%	71.4%
Public Administration and Safety	0	0	0	0	1	2	0	4	7	0	0.0%	14.3%	85.7%
Total	11	32	23	182	753	2138	1354	1430	5923	66	1.1%	15.8%	83.1%

Table 52:
Geelong - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	5	2	11	1	0	0	0	0	19
Administrative and Support Services	0	0	2	1	0	0	0	0	3
Arts and Recreation Services	2	2	1	0	0	0	0	0	5
Construction	1	2	8	0	0	0	0	0	11
Financial and Insurance Services	1	0	1	0	0	0	0	0	2
Health Care and Social Assistance	2	0	0	0	0	0	0	0	2
Information Media and Telecommunications	0	1	0	1	0	0	0	0	2
Manufacturing	0	0	2	0	0	0	0	0	2
Other Services	1	0	1	0	0	0	0	0	2
Professional, Scientific and Technical Services	0	0	1	0	0	0	0	0	1
Rental, Hiring and Real Estate Services	1	0	1	0	0	0	0	0	2
Retail Trade	1	1	3	0	0	0	0	0	5
Transport, Postal and Warehousing	1	0	1	0	0	0	0	0	2
Unclassified	4	0	1	0	0	0	0	0	5
Wholesale Trade	0	1	2	0	0	0	0	0	3
Agriculture, Forestry and Fishing	0	0	0	0	0	0	0	0	0
Education and Training	0	0	0	0	0	0	0	0	0
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	0	0	0
Mining	0	0	0	0	0	0	0	0	0
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Total	19	9	35	3	0	0	0	0	66

The accommodation and food services sector remains the most concern for Geelong with 5.0% of businesses in the industry at risk of financial failure within the next 12 months. There are 66 businesses (an increase of 10 businesses since March), that are at highest risk of financial failure for the region.



Tasmania has the highest proportion of businesses at high to severe risk of financial failure (5.7%) within Australia.

The top 5 industries that are a concern in terms of the number of highest risk businesses with potential failure are:

- Retail Trade (72, 7.7%)
- Accommodation and Food Services (58, 10%)
- Construction (50, 5.5%)
- Professional, Scientific and Technical Services (37, 3.4%)
- Manufacturing (25, 3.9%)

The retail sector has increased by number of businesses at risk and the accommodation and food services industry has increased to a staggering 10% of businesses suffering financial stress. The state remains a concern nationally with highest proportions of businesses at risk of failure.

Tasmania Commercial Risk Analysis

Table 53:
Tasmania - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	← Severe to High →			Moderate to Average		← Low to Minimal →							
Retail Trade	4	27	41	100	221	320	135	89	937	72	7.7%	34.3%	58.1%
Accommodation and Food Services	4	25	29	83	138	174	76	49	578	58	10.0%	38.2%	51.7%
Construction	2	19	29	94	192	283	174	108	901	50	5.5%	31.7%	62.7%
Professional, Scientific and Technical Services	0	11	26	98	228	425	179	110	1077	37	3.4%	30.3%	66.3%
Unclassified	2	9	21	34	30	5	2	1	104	32	30.8%	61.5%	7.7%
Manufacturing	2	4	19	52	154	208	108	88	635	25	3.9%	32.4%	63.6%
Agriculture, Forestry and Fishing	2	9	13	23	68	92	42	30	279	24	8.6%	32.6%	58.8%
Transport, Postal and Warehousing	4	7	9	30	63	93	40	18	264	20	7.6%	35.2%	57.2%
Wholesale Trade	3	6	11	38	118	164	77	51	468	20	4.3%	33.3%	62.4%
Health Care and Social Assistance	0	5	12	29	108	212	87	45	498	17	3.4%	27.5%	69.1%
Financial and Insurance Services	0	6	10	30	136	206	113	77	578	16	2.8%	28.7%	68.5%
Administrative and Support Services	1	7	6	15	37	54	26	24	170	14	8.2%	30.6%	61.2%
Rental, Hiring and Real Estate Services	1	6	7	30	62	89	45	24	264	14	5.3%	34.8%	59.8%
Other Services	1	0	9	39	80	141	52	34	356	10	2.8%	33.4%	63.8%
Education and Training	0	0	5	5	13	33	6	9	71	5	7.0%	25.4%	67.6%
Arts and Recreation Services	0	2	2	11	29	42	18	20	124	4	3.2%	32.3%	64.5%
Information Media and Telecommunications	0	2	2	2	6	23	8	11	54	4	7.4%	14.8%	77.8%
Mining	0	1	2	5	13	9	3	3	36	3	8.3%	50.0%	41.7%
Electricity, Gas, Water and Waste Services	0	0	0	2	11	10	10	6	39	0	0.0%	33.3%	66.7%
Public Administration and Safety	0	0	0	0	5	6	2	6	19	0	0.0%	26.3%	73.7%
Total	26	146	253	720	1712	2589	1203	803	7452	425	5.7%	32.6%	61.7%

Tasmania Commercial Risk Analysis

Table 54:
Tasmania - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	19	11	26	2	0	0	0	0	58
Administrative and Support Services	4	4	6	0	0	0	0	0	14
Agriculture, Forestry and Fishing	4	9	11	0	0	0	0	0	24
Arts and Recreation Services	2	1	1	0	0	0	0	0	4
Construction	19	5	25	1	0	0	0	0	50
Education and Training	2	0	3	0	0	0	0	0	5
Financial and Insurance Services	9	6	0	1	0	0	0	0	16
Health Care and Social Assistance	7	7	3	0	0	0	0	0	17
Information Media and Telecommunications	3	1	0	0	0	0	0	0	4
Manufacturing	8	5	12	0	0	0	0	0	25
Mining	1	1	1	0	0	0	0	0	3
Other Services	1	6	3	0	0	0	0	0	10
Professional, Scientific and Technical Services	18	15	4	0	0	0	0	0	37
Rental, Hiring and Real Estate Services	6	6	2	0	0	0	0	0	14
Retail Trade	32	12	20	7	1	0	0	0	72
Transport, Postal and Warehousing	4	4	12	0	0	0	0	0	20
Unclassified	23	1	8	0	0	0	0	0	32
Wholesale Trade	10	2	6	2	0	0	0	0	20
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	0	0	0
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Total	172	96	143	13	1	0	0	0	425

Tasmania Commercial Risk Analysis

Table 55:
Hobart - Industry vs Commercial Risk

Industry	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk Band (1,2,3)	% High Risk Band (1,2,3)	% Medium Risk Band (4,5)	% Low Risk Band (6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
Retail Trade	3	4	13	28	60	154	60	79	401	20	5.0%	21.9%	73.1%
Accommodation and Food Services	1	7	8	32	53	85	39	40	265	16	6.0%	32.1%	61.9%
Construction	1	5	9	31	59	147	85	85	422	15	3.6%	21.3%	75.1%
Unclassified	0	2	5	15	15	4	2	1	44	7	15.9%	68.2%	15.9%
Manufacturing	2	1	3	15	57	104	53	70	305	6	2.0%	23.6%	74.4%
Wholesale Trade	3	1	2	17	34	77	31	44	209	6	2.9%	24.4%	72.7%
Financial and Insurance Services	0	2	3	9	23	103	68	54	262	5	1.9%	12.2%	85.9%
Professional, Scientific and Technical Services	0	1	4	44	81	246	117	94	587	5	0.9%	21.3%	77.9%
Transport, Postal and Warehousing	3	1	1	5	15	36	14	10	85	5	5.9%	23.5%	70.6%
Administrative and Support Services	0	1	2	6	16	28	18	20	91	3	3.3%	24.2%	72.5%
Rental, Hiring and Real Estate Services	0	1	2	8	16	39	27	22	115	3	2.6%	20.9%	76.5%
Arts and Recreation Services	0	1	1	5	7	29	11	19	73	2	2.7%	16.4%	80.8%
Agriculture, Forestry and Fishing	0	1	0	4	11	22	14	15	67	1	1.5%	22.4%	76.1%
Education and Training	0	0	1	2	5	19	4	9	40	1	2.5%	17.5%	80.0%
Health Care and Social Assistance	0	1	0	10	43	122	41	40	257	1	0.4%	20.6%	79.0%
Other Services	0	0	1	13	21	78	26	30	169	1	0.6%	20.1%	79.3%
Electricity, Gas, Water and Waste Services	0	0	0	1	4	5	6	3	19	0	0.0%	26.3%	73.7%
Information Media and Telecommunications	0	0	0	1	1	12	4	10	28	0	0.0%	7.1%	92.9%
Mining	0	0	0	1	3	1	1	1	7	0	0.0%	57.1%	42.9%
Public Administration and Safety	0	0	0	0	2	1	0	3	6	0	0.0%	33.3%	66.7%
Total	13	29	55	247	526	1312	621	649	3452	97	2.8%	22.4%	74.8%

Table 56:
Hobart - Industry vs Turnover Size of Business - High to Severe Risk

Industry	Unclassified	Less than \$1M	\$1M to less than \$10M	\$10M to less than \$50M	\$50M to less than \$100M	\$100M to less than \$500M	\$500M to less than \$1B	\$1B or more	Total
Accommodation and Food Services	4	3	7	2	0	0	0	0	16
Administrative and Support Services	1	1	1	0	0	0	0	0	3
Agriculture, Forestry and Fishing	0	1	0	0	0	0	0	0	1
Arts and Recreation Services	1	0	1	0	0	0	0	0	2
Construction	6	2	6	1	0	0	0	0	15
Education and Training	0	0	1	0	0	0	0	0	1
Financial and Insurance Services	4	1	0	0	0	0	0	0	5
Health Care and Social Assistance	1	0	0	0	0	0	0	0	1
Manufacturing	0	1	5	0	0	0	0	0	6
Other Services	1	0	0	0	0	0	0	0	1
Professional, Scientific and Technical Services	1	4	0	0	0	0	0	0	5
Rental, Hiring and Real Estate Services	1	1	1	0	0	0	0	0	3
Retail Trade	5	4	6	5	0	0	0	0	20
Transport, Postal and Warehousing	2	2	1	0	0	0	0	0	5
Unclassified	6	0	1	0	0	0	0	0	7
Wholesale Trade	3	1	1	1	0	0	0	0	6
Electricity, Gas, Water and Waste Services	0	0	0	0	0	0	0	0	0
Information Media and Telecommunications	0	0	0	0	0	0	0	0	0
Mining	0	0	0	0	0	0	0	0	0
Public Administration and Safety	0	0	0	0	0	0	0	0	0
Total	36	21	31	9	0	0	0	0	97

5% of retailers in Hobart are currently suffering financial stress and are likely to face adverse events within the next 12 months. Furthermore, 6% of accommodation and food services businesses within the region are facing potential insolvency within the coming 12 months.

Overall there are 97 businesses within this risk category in the region, with 5 retail businesses within the \$10 million to \$50 million turnover range.

Additional Data Commercial Risk Analysis

Table 57:
All QLD, NSW, VIC - Industry vs Commercial Risk

Region	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk (Band 1,2,3)	% High Risk Band (1,2,3)	% Medium Risk (Band 4,5)	% Low Risk (Band 6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
NSW - South West	74	152	165	777	1332	2655	1675	1588	8418	391	4.6%	25.1%	70.3%
NSW - Inner South West	87	250	223	1186	1949	4367	2284	1973	12319	560	4.5%	25.4%	70.0%
Parramatta	114	267	290	1520	2657	5182	2937	2811	15778	671	4.3%	26.5%	69.3%
NSW - Outer South West	37	69	63	360	653	1425	863	748	4218	169	4.0%	24.0%	72.0%
Logan - Beaudesert	36	76	105	549	1107	2524	867	461	5725	217	3.8%	28.9%	67.3%
Gold Coast	92	207	243	1570	2795	6115	2715	1288	15025	542	3.6%	29.1%	67.3%
Melbourne West	56	159	143	857	1598	3426	2094	1858	10191	358	3.5%	24.1%	72.4%
Brisbane South	64	141	190	1138	2334	5047	1531	1075	11520	395	3.4%	30.1%	66.4%
Moreton Bay - North	16	38	62	330	635	1650	504	233	3468	116	3.3%	27.8%	68.8%
Sydney - Inner West	51	134	119	891	1507	3323	1735	1391	9151	304	3.3%	26.2%	70.5%
Sydney - Northern Beaches	51	134	119	891	1507	3323	1735	1391	9151	304	3.3%	26.2%	70.5%
Blacktown	45	111	132	738	1338	2874	1779	1668	8685	288	3.3%	23.9%	72.8%
Sydney - Baulkham Hills and Hawkesbury	40	99	103	644	1286	3071	1966	158	7367	242	3.3%	26.2%	70.5%
Brisbane East	24	56	92	504	1021	2466	724	446	5333	172	3.2%	28.6%	68.2%
Cairns	22	60	72	442	785	1919	977	512	4789	154	3.2%	25.6%	71.2%
Brisbane North	17	63	83	467	950	2276	745	482	5083	163	3.2%	27.9%	68.9%
Ipswich	31	52	94	519	1012	2455	875	570	5608	177	3.2%	27.3%	69.5%
Fitzroy	18	38	41	303	579	1207	591	326	3103	97	3.1%	28.4%	68.4%
Townsville	16	40	52	294	563	1394	739	427	3525	108	3.1%	24.3%	72.6%
Moreton Bay - South	11	35	61	362	643	1726	446	209	3493	107	3.1%	28.8%	68.2%
Sydney - Eastern Suburbs	33	85	111	650	1210	2753	1610	1100	7552	229	3.0%	24.6%	72.3%
Brisbane Inner City	72	208	277	1716	3767	7883	2689	1821	18433	557	3.0%	29.7%	67.2%
Queensland Outback	7	16	20	119	237	551	291	188	1429	43	3.0%	24.9%	72.1%
Mackay	13	35	39	293	547	1199	608	302	3036	87	2.9%	27.7%	69.5%
Outer West and Blue Mountains	31	70	92	449	967	2241	1612	1325	6787	193	2.8%	20.9%	76.3%
Newcastle and Lake Macquarie	48	99	92	639	1159	3113	1811	1548	8509	239	2.8%	21.1%	76.1%

Additional Data Commercial Risk Analysis

Table 57:
All QLD, NSW, VIC - Industry vs Commercial Risk (continued)

Region	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk (Band 1,2,3)	% High Risk Band (1,2,3)	% Medium Risk (Band 4,5)	% Low Risk (Band 6,7,8)
	←--- Severe to High ---→			Moderate to Average		←--- Low to Minimal ---→							
NSW - Central Coast	25	62	63	468	759	2003	1191	873	5444	150	2.8%	22.5%	74.7%
Melbourne - North West	53	104	109	589	1391	3353	2072	2026	9697	266	2.7%	20.4%	76.8%
Illawarra	29	55	70	443	852	1966	1307	1034	5756	154	2.7%	22.5%	74.8%
Sydney - City and Inner South	126	333	402	2542	5737	10858	5295	7021	32314	861	2.7%	25.6%	71.7%
Toowoomba	4	37	35	276	537	1239	520	288	2936	76	2.6%	27.7%	69.7%
Brisbane West	17	57	86	591	1177	3099	765	408	6200	160	2.6%	28.5%	68.9%
Hunter Valley exc. Newcastle	28	77	75	486	996	2379	1566	1369	6976	180	2.6%	21.2%	76.2%
Darling Downs - Maranoa	10	62	62	462	965	2302	1057	540	5460	134	2.5%	26.1%	71.4%
Melbourne - Inner	147	368	439	2941	6269	13208	7729	8276	39377	954	2.4%	23.4%	74.2%
Sydney - Ryde	14	41	71	383	769	1803	1128	995	5204	126	2.4%	22.1%	75.4%
Melbourne - North East	47	91	117	687	1457	3868	2374	1990	10631	255	2.4%	20.2%	77.4%
Sydney - Sutherland	21	57	46	435	765	1907	1109	855	5195	124	2.4%	23.1%	74.5%
Coffs Harbour and Grafton	11	21	24	164	331	748	590	481	2370	56	2.4%	20.9%	76.8%
Melbourne - Inner South	55	173	186	1202	2470	6418	4170	3403	18077	414	2.3%	20.3%	77.4%
Sunshine Coast	19	65	81	736	1278	3264	1347	548	7338	165	2.2%	27.4%	70.3%
Richmond - Tweed	16	32	36	296	576	1338	850	668	3812	84	2.2%	22.9%	74.9%
Southern Highlands and Shoalhaven	12	33	31	239	505	1244	886	691	3641	76	2.1%	20.4%	77.5%
NSW - Central West	12	42	38	271	599	1426	1061	1076	4525	92	2.0%	19.2%	78.7%
NSW - Mid North Coast	9	38	25	200	469	1242	850	731	3564	72	2.0%	18.8%	79.2%
Melbourne - South East	65	152	150	1118	2555	6287	4010	3936	18273	367	2.0%	20.1%	77.9%
Melbourne - Outer East	39	90	118	747	1609	4668	3073	2575	12919	247	1.9%	18.2%	79.9%

Additional Data Commercial Risk Analysis

Table 57:
All QLD, NSW, VIC - Industry vs Commercial Risk (continued)

Region	Risk Band 1	Risk Band 2	Risk Band 3	Risk Band 4	Risk Band 5	Risk Band 6	Risk Band 7	Risk Band 8	Total	Total High Risk (Band 1,2,3)	% High Risk Band (1,2,3)	% Medium Risk (Band 4,5)	% Low Risk (Band 6,7,8)
	←----- Severe to High -----→			Moderate to Average		←----- Low to Minimal -----→							
New England and North West	14	16	33	188	403	1030	833	834	3351	63	1.9%	17.6%	80.5%
Sydney - North Sydney and Hornsby	43	124	159	1190	2695	6570	3850	3068	17699	326	1.8%	22.0%	76.2%
Wide Bay	14	30	38	386	704	1948	916	420	4456	82	1.8%	24.5%	73.7%
Melbourne - Inner East	45	84	99	847	1731	4463	3030	2166	12465	228	1.8%	20.7%	77.5%
NSW - Capital Region	8	31	40	283	582	1409	1070	953	4376	79	1.8%	19.8%	78.4%
Mornington Peninsula	25	50	44	331	982	2493	1615	1390	6930	119	1.7%	18.9%	79.3%
Murray	8	22	29	233	444	1103	928	884	3651	59	1.6%	18.5%	79.8%
Riverina	7	23	36	266	517	1306	1048	1059	4262	66	1.5%	18.4%	80.1%
Far West and Orana	12	13	12	140	324	760	586	637	2484	37	1.5%	18.7%	79.8%
Ballarat	6	21	23	106	491	1373	926	1058	4004	50	1.2%	14.9%	83.8%
Victoria North West	9	13	18	76	353	1009	797	1031	3306	40	1.2%	13.0%	85.8%
Bendigo	3	16	14	91	41	1068	785	863	2881	33	1.1%	4.6%	94.3%
Shepperton	7	14	18	92	357	1112	852	1004	3456	39	1.1%	13.0%	85.9%
Geelong	11	32	23	182	752	2138	1535	1430	6103	66	1.1%	15.3%	83.6%
Warrnambool and South West	5	12	9	55	290	870	624	717	2582	26	1.0%	13.4%	85.6%
Latrobe - Gippland	4	19	19	125	555	1599	1067	1125	4513	42	0.9%	15.1%	84.0%
Hume	5	15	9	87	450	1288	911	1012	3777	29	0.8%	14.2%	85.0%

Conclusion

SV Partners Commercial Risk Outlook Report for August 2017, identifies and analyses the overall economic conditions of industries through businesses categorised according to their commercial risk over the next 12 months.

The commercial risk data indicates that nationally, the construction industry remains a concern with the highest number of businesses at risk. The industries dependant on consumer spending are the next at risk, with accommodation and food services and retail trade still an issue for businesses and the Australian economy.

The risk data predicts the possibility of major retailers within the large turnover ranges currently facing financial stress and potentially encountering adverse events within the next 12 months. This continues to be of concern nationally and flowing onto state and regional areas.

The Australian Securities and Investment Commission reports the number one cause of insolvency for businesses is lack of cash flow. This is also the key cause of business failure for retailers as of June 2016.

This Report has also outlined some key insolvency indicators that if businesses identify with, they should seek immediate professional financial advice. Some of these indicators are:

- Lack of control of the business
- Overdue taxes
- Continuing losses
- Poor relationships with financial institutes or lenders and the inability to borrow further funds

Nationally, the top 5 regions ranked by proportion of businesses in each area of businesses within the high to severe risk:

- NSW - South West (391, 4.6%)
- NSW - Inner South West (560, 4.5%)
- Parramatta (671, 4.3%)
- NSW - Outer South West (169, 4.0%)
- Logan – Beaudesert (217, 3.8%)

Nationally, Bendigo is the lowest risk area with 94.3% businesses in the low to minimal risk category, showing a positive outlook.

This Report outlines the indicators of insolvency that businesses should be aware of.

If your business is encountering financial difficulty, remember it is vital to seek professional advice as promptly as possible.

Glossary of Key Terms

Bureau

Organisation specialising in collating and analysing credit related information within Australia.

Bureau Data

Data is sourced from over 50 variables, providing the most comprehensive latest bureau information and records on Australian Individuals and businesses. Data sources include the Australian Securities Investments Commission, Business Directories, the Australian Bureau of Statistics, Consumer/Commercial Credit Bureau, Australian Post Office, Australian Business Register, Telephone Directories, Business Research.

Business Age Classification - as defined by Australian Business Register

Less than 1 year

1-4 years

5-9 years

10-19 years

20 years or more

Business Location

Business locations are the physical place of trade or operations.

Business Size Classification

SOHO - Small Office/Home Office

Micro

Small

Medium/Large

Commercial Risk

The commercial risk score of a business is contingent on various factors and may be impacted by the behaviour of a business. This behaviour is based on a range of bureau data, including Mercantile enquires, debt amounts, age of debt, financial defaults and trade payment history. This data is designed to predict the likelihood of business failure within the next 12 months.

Default

Failure to meet financial obligations.

Incorporated Entity/Company

An incorporated entity/company registered with the relevant state or territory authority. An incorporated entity/company is a legal entity separate from its individual members. It can hold property, sue and be sued. Entities/companies are incorporated under state and territory associations incorporation legislation. By focusing on incorporated entities for this commercial risk data, this Report takes a sharper analysis on the most relevant trends from a broader market.

Operating Business

Business registered on the Australian Business Register, and are actively trading.

Region and Industry

Industry and Regional definitions are based upon the Australian and New Zealand Standard Industrial Classification (ANZSIC) codes.

Risk Bands

Ranks each business on a scale of 1 - 8. This Report categorises the risk band into three sections; 1 - 3 (severe to high risk), 4 - 5 (average to moderate risk) and 6 - 8 (low to minimal risk) based upon their likelihood to default within the next 12 months.

Disclaimer

The information contained within this publication is provided and copyright by SV Partners and for the purpose of general advice only. The material in this publication is provided for information purposes and should not be construed as legal advice. It should not be used as a substitute for consultation with a professional specialist accountant or advisor. This material should not be accepted as authoritative advice and you should consult with an SV Partners professional.

SV Partners, or any representative or affiliate of the practice takes no legal responsibility in respect to its content or any action taken from the general information provided in this publication without first consulting a professional of SV Partners. We attempt to ensure that the content within this publication is current but we do not guarantee currency.

Your Trusted Partner



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.

SV Partners is represented throughout Australia, predominantly along the Eastern Seaboard, with offices in the metropolitan and regional areas of each state.

The objective of the firm is to provide a suite of professional services to other professionals allowing them to enhance their services to their clients and concentrate on their core business.

svpartners.com.au

1800 246 801

Executive Team



Terry van der Velde

Managing Director

terry.vandervelde@svp.com.au

07 3310 2007



David Stimpson

Executive Director, Queensland

david.stimpson@svp.com.au

07 3310 2002



Ian Purchas

Executive Director, New South Wales

ian.purchas@svp.com.au

02 8986 8977



Michael Carrafa

Executive Director, Victoria

michael.carrafa@svp.com.au

03 9669 1100