

FINANCIAL RECOVERY SERVICES





Build your business

Each year, thousands of Canadian businesses like yours can find new paths toward success — often with the help of BDO's financial recovery professionals.

We have a strong reputation in the industry, with many of our partners also acting as senior officers and directors on many committees, including:

- Canadian Association of Insolvency and Restructuring Professionals (CAIRP)
- Turnaround Management Association (TMA), Canada [Toronto] Chapter
- Association of Certified Fraud Examiners (ACFE)
- Canadian Insolvency Foundation (CIF)
- Canadian and Provincial Institutes of Chartered Accountants
- Provincial insolvency associations

▶ THERE'S NO DOUBT THAT BUILDING A BUSINESS AND MAINTAINING ITS GROWTH CAN BE A STRUGGLE — MANY GO THROUGH PERIODS OF UNDERPERFORMANCE AND FACE FINANCIAL UNCERTAINTY.

Focus on recovery

If your business is showing signs of slowing down or struggling with an increased debt load, contact a BDO professional. We can diagnose organizational problems early and increase your opportunity to improve performance or identify a viable solution in turnaround situations. In cases of urgency, count on us to perform investigations without delay and produce initial reports within days.

We will:

- Review your company's problems from financial and operational perspectives
- Make suggestions for improvement
- Work with management to prepare a comprehensive action plan
- Assist your company in formulating refinancing proposals that involve new debt or equity
- Act as an intermediary between you and your lender to provide a level of comfort necessary to continue the relationship

Our Financial Recovery Services include:

- Reorganization and debt restructuring
- Business viability, operational, and loan security reviews
- Pre-lending reviews and due diligence
- Liquidity investigations and cash crisis management
- Expert testimony on insolvency issues, financial damages, and valuations
- Full forensic investigations for commercial fraud and asset tracing, as well as hidden assets location
- Formal insolvency and restructuring appointments
- Corporate windups

Our proven track record

Through our BDO network, we have a proven track record of fulfilling clients' needs for recovery, refinancing, and restructuring throughout North America and abroad, including Bermuda, Europe, the Middle East, the West Indies, and Asia. From small, single-location owner-managed businesses to multi-location public companies, our professionals work closely with financially-stressed clients to implement creative recovery strategies that make business renewal possible.

Our success with restructuring and related engagements is a result of the diverse experience of our senior professionals who combine their business management, analytical, insolvency and forensic skills coverage with hands-on industry experience. Our problem-solving approach is designed to maximize recoveries while minimizing the cost and risk of litigation.

Financial health check

This health check is a series of pointers designed to spot potential problems early. Identifying areas of concern does not, in itself, mean that you are facing financial difficulties. However, it should be a

catalyst for you to explore areas where timely intervention would ensure appropriate solutions are implemented before your business can be in jeopardy.

Your core triggers

The following triggers are the most crucial indicators that an organization may be facing financial difficulties:

- Losses, whether actual or anticipated, leading to an accumulated deficit
- Breach of banking or other financial covenants – actual or anticipated
- Arrears in remittance of sales or payroll taxes
- A going concern note in the financial statements
- Debts to trade creditors over 90 days old
- Bank's or lender's workout group appointed to manage accounts ("Special accounts")

Our solutions

The following are some of the areas where our FRS partners can help you address the challenges you face:

- Cash flow management and forecasting
- Communication with lenders and tax authorities
- Strategic planning
- Disposal or close down of subsidiaries or divisions
- Restructuring and refinancing – introducing new or additional sources of financing
- Management support through accredited turnaround professionals

The BDO difference

With a reputation for commitment to service, quality and results, our Financial Recovery Services practice uses a focused approach, designed to maximize recoveries and minimize the cost and risk of litigation. Our professionals combine their business management, analytical, insolvency and forensic skills with hands-on industry experience to ensure your business receives the personalized service you deserve. BDO. More than you think.





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