AS Advisory Urges Melbourne Directors to Act Early as ATO Pressure and Cash Flow Stress Climb

The William Street insolvency and restructuring practice, led by Registered Insolvency Practitioner Andrew Schwarz, says early advice can keep businesses trading where delayed action leads to forced liquidation.

Melbourne, Victoria Jun 22, 2026 (Issuewire.com) - Australian business owners are operating in one of the most demanding environments in recent memory. Persistent cost pressures, tighter lending conditions and a sharp lift in Australian Taxation Office (ATO) enforcement activity have combined to push more directors into the early stages of financial distress, often with limited understanding of the options still available to them. Against that backdrop, Melbourne-based restructuring and insolvency practice AS Advisory is calling on directors to seek independent advice well before liquidation becomes the only outcome on the table.

The firm, led by Registered Insolvency Practitioner Andrew Schwarz and based at Level 22, 114 William Street in the Melbourne CBD, is a senior-led boutique advising across restructuring, insolvency, forensic accounting and corporate advisory matters. Its core message to directors under pressure: act early, and most situations have more pathways than they appear.

A Tougher Environment for Australian Directors

Insolvency activity has continued to climb across Australia, with construction, retail and discretionary services sectors among the most affected. ATO debt enforcement, paused during the worst of the pandemic period, has resumed with significant intensity, and directors are increasingly receiving Director Penalty Notices for unpaid PAYG, superannuation and GST liabilities.

The consequences of inaction can be severe. Continuing to trade while insolvent can expose directors to personal liability, while late action narrows the realistic range of restructuring options. Many businesses that could have been saved with earlier intervention end up in formal liquidation simply because directors waited too long to seek advice.

The firm says the most common warning signs include persistent cash flow shortfalls that are not improving, escalating ATO debt or Director Penalty Notices, creditor legal threats or winding-up applications, and growing doubts about ongoing commercial viability. The team emphasises that early advice creates restructuring options, while delayed advice creates insolvency outcomes.

Options That Exist Before Liquidation

A common misconception, according to AS Advisory, is that calling an insolvency practitioner means the business will be wound up. In reality, the firm's first question is rarely "should we liquidate?". It is "can this business be restructured?".

The Australian insolvency framework offers several formal and informal options for directors facing distress. Small Business Restructuring, available for eligible companies with liabilities under $1 million, allows businesses to compromise debts and continue trading under an approved restructuring plan. Voluntary Administration creates immediate statutory protection from creditor action while restructuring or sale options are independently assessed. Informal workouts and turnarounds, business viability reviews, debtor and creditor advisory work, and the Safe Harbour regime each offer pathways that can preserve enterprise value if explored in time.

For directors with operational rather than terminal financial pressure, the advisory work can be more straightforward, including cashflow modelling, cost analysis, profit improvement, interim management, and structured sale of business processes.

Expert Commentary

"Most directors come to us hoping someone will tell them they have run out of options," said Andrew Schwarz, Director and Registered Insolvency Practitioner at AS Advisory. *"Often they have not. The difference between successful business restructuring and forced liquidation is regularly measured in weeks, not months, and the choice of pathway depends entirely on how early we are involved. The earlier the conversation, the more we can do."*

Ben Conrad from AS Advisory also added that the role of an independent practitioner is to slow the moment of decision down. *"When financial pressure builds, directors are often forced to make decisions quickly, without clarity, and under significant personal risk. Our role is to give them the time, information and judgment they need to choose well."*

Senior-Led, Boutique by Design

The firm is deliberately structured as a senior-led, boutique advisory practice. Directors work directly with experienced practitioners rather than junior staff or offshore teams, drawing on more than 30 years of combined restructuring and insolvency experience. The team's backgrounds include Big 4 advisory and corporate recovery, with sector experience across SME, construction, property and professional services.

The practice is ARITA-registered, in line with standards set by the Australian Restructuring Insolvency and Turnaround Association, and its practitioners are registered liquidators. While headquartered in Melbourne, the firm supports clients nationally, with dedicated Sydney and Brisbane contact lines.

Beyond restructuring, the firm also offers forensic services covering quantification of loss, fraud investigation, dispute resolution, asset tracing, business valuation and expert testimony, as well as commercial advisory and structured business mentoring programs designed to strengthen owner-led businesses before stress sets in.

Practical Steps for Directors Under Pressure

For Melbourne directors weighing their next move, the team recommends a clear sequence. First, document the cash position honestly, including ATO and other creditor exposures. Second, take independent advice before any informal arrangement, payment plan or creditor demand crystallises a worse outcome. Third, consider every option, including informal restructuring, Safe Harbour, Small Business Restructuring and Voluntary Administration, before defaulting to liquidation. Fourth, treat the situation as a strategic decision, not a personal failure; many viable businesses experience pressure, and the directors who act early consistently achieve better outcomes.

The firm offers confidential, no-obligation restructuring assessments and a free business health check tool for directors who want to understand their position before making contact.

About AS Advisory

AS Advisory is a Melbourne-based, senior-led boutique restructuring, insolvency and advisory practice led by Registered Insolvency Practitioner Andrew Schwarz. Headquartered at Level 22, 114 William Street, Melbourne, the firm advises directors, shareholders and their advisors across Australia, with national reach via dedicated Sydney and Brisbane contact lines. Services span Restructuring (including Safe Harbour, Voluntary Administration and Small Business Restructuring), Forensic accounting, Corporate Advisory and structured Business Programs. The team is ARITA-registered with more than 30 years of combined restructuring and insolvency experience and backgrounds in Big 4 advisory and corporate recovery.

For more information or to request a confidential business restructuring assessment, visit https://asadvisory.com.au or contact the team on 1300 591 543.

Media Contact

As Advisory

*********@asadvisory.com.au

(03) 8609 0311

Level 22, 114 William Street, Melbourne, VIC 3000

http://asadvisory.com.au/

Source : http://asadvisory.com.au/

See on IssueWire