

Probuild collapses owing millions.

Yet again, the saying “too big to fail”, proved simply untrue with the recent appointment of Administrators to Probuild.

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The collapse of Probuild, one of Australia’s largest commercial construction companies, is a stark reminder that no matter the size of a business, it can fail.

There are often tell-tale signs that a business is in poor health, but this wasn’t necessarily the case with Probuild, a large and prominent company with major projects on its books worth billions of dollars. Given the evidence of aggregate credit limits and cover in place from all Australian insurers, indicators were that this business was not on the brink of failure.

The appointment of Deloitte as Administrators has revealed that their debts extended to hundreds of millions of dollars. A collapse of this size will send ripples through the industry and will have a far reaching impact on countless suppliers.

There is only a small percentage of businesses that can soften the impact of this collapse and they are the ones that have up to 90% of their debts protected by a Trade Credit Insurance policy. It is this cover and protection that allows business owners, CFOs and Credit Managers to sleep better at night comforted by their decision to insure their receivables.

The stats don’t lie. Direct from our database:



Value of limits being underwritten

\$37m



Number of limits being underwritten

57



Claims lodged (as at 28-02-22)

\$12m

Free Customer Health Check:

NCI are happy to offer an exclusive Debtor Track report for your entire customer list, free of charge (usually \$1,800). Find out which of your customers are at the greatest risk of failure in 2022. Get access to the information you need to protect your business from a bad debt.

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