

News with Clout

Providing Corporate & Personal Solvency Solutions

PEAK BODIES INSOLVENCY INFORMATION GUIDE

Most legal advisors and general practice accountants in the region don't often see people with off the cuff questions as to what happens when things become fraught financially and the implications on the corporate level and personally from the debtors perspective if they have to do certain things.

Enter the government to the rescue. Now the Australian Securities and Investments Commission (**ASIC**) (the watchdog for all things corporate, including liquidators), The Australian Financial Security Authority (**AFSA**) (the supervising body of personal insolvencies including Bankruptcy Trustees and Part IX Debt Agreement Administrators amongst other things like the P.P.S.R) have collaborated with the Australian Restructuring Insolvency Turnaround Association (**ARITA**) (the insolvency practitioners key member body, and aspiring practitioner disciplinarian) to produce an information brochure which may be of interest to first port of call advisers for persons and organisations that find themselves in potentially financially precarious situations.

It amalgamates the effects of the corporate and the personal and vice versa. For example, the implications for an individual who is a director of a company and has to go bankrupt or the impact on the individual who is a director of a company that is facing liquidation. This is of course a simple example but indicative of the interwoven issues this information sheet is endeavoring to

address. If ever you have had to help a client tread their way through this minefield you will appreciate the interlinked implications of each difficult decision that they have to make.

This is a decent starting point and can be found on the AFSA website at www.afsa.gov.au and is titled 'Personal Bankruptcy and Liquidation of a Company'.

But as ever it goes further than this arguing that it is not a good idea to seek advice from an unsupervised group of advisors known as "Pre-insolvency consultants" most of which claim to perform miracles and charge handsomely for the privilege.

The miracles do not exist or are usually at the expense only of the ATO. In this regard you may have noticed that of late the ATO are on the warpath and have been successful recently with the uncovering of a very large personnel employer fraud which bears all the hallmarks of the initiatives recommended by these bodies.

At the moment the ATO have gone large but there are murmurings of their moving their sights along high street towards the other end of town.

This document is straight forward and maps out the various implications for the Debtor be they personal or corporate or both.

As ever we welcome your enquiries and appreciate the regions ongoing support of this firm.



NEWS WITH CLOUT

Offering Corporate & Personal Solvency Solutions

Apart from Formal Insolvency Services at Clouts we also Offer:-

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