# Checklist: Managing a supplier’s insolvency

If a company stops paying your invoices and you believe they may be insolvent it’s important to promptly take the following steps.

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| **Have you been formally notified that the company has become insolvent?** | **Completed** |
| Check any correspondence for details of an appointed administrator or liquidator. |  |
| If you have not been formally advised, search [ASIC’s published notices](https://publishednotices.asic.gov.au/) to check if the company has become insolvent or if there’s an order to wind it up. Details of the appointed administrator or liquidator will also be there. |  |
| **Contact the appointed administrator or liquidator** |  |
| Register yourself as a creditor. |  |
| Ask questions about how things are progressing in relation to the winding up of the company. |  |
| Provide information that may assist your claim (including details if you have a secured interest listed on the [PPSR](https://www.smallbusiness.wa.gov.au/blog/how-protect-your-personal-property)). |  |
| Ask for a Proof of Debt claim form, complete and return it as soon as possible. (They may also accept copies of lodged invoices as proof.) |  |
| **Attend meetings** |  |
| Make sure you attend any creditors meetings to keep informed of any developments. |  |
| There will usually be two meetings: 1. To advise creditors of the scale of monies owed.
2. To provide details of the proposed settlement for creditors (eg. five cents in the dollar payment).
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| **Seek financial advice** |  |
| Speak to your accountant about how to correctly record the debt and status of your claim in your accounts. |  |
| **Contact the Australian Tax Office (ATO)** |  |
| If you’re experiencing financial difficulties and may be unable to meet your tax and business liabilities [contact the ATO](https://www.ato.gov.au/general/support-in-difficult-times/support-for-small-businesses/) to negotiate a payment plan. If possible, include your accountant in this conversation. |  |
| **Contact the SBDC** |  |
| Speak to one of our business advisers if you would like further advice and to discuss other aspects of your business such as financial record keeping, business planning, risk management and contracts. T: 133 140 E: info@smallbusiness.wa.gov.au |  |