

INDICATORS OF FINANCIAL DISTRESS FOR SMEs

GUIDANCE

Instructions

This guidance is intended to assist SME clients of CPA Australia members in determining if they should refer to their accountant in relation to their financial viability.

This information is based on legislation current as at 15 August 2022.

The following version control information has been included to assist you to monitor changes to the following guidance to ensure you are using the latest version.

Document Title	Indicators of financial distress for SMEs	Version #	1
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Version #	Change Description	Introduced	
1	Original document	2022	

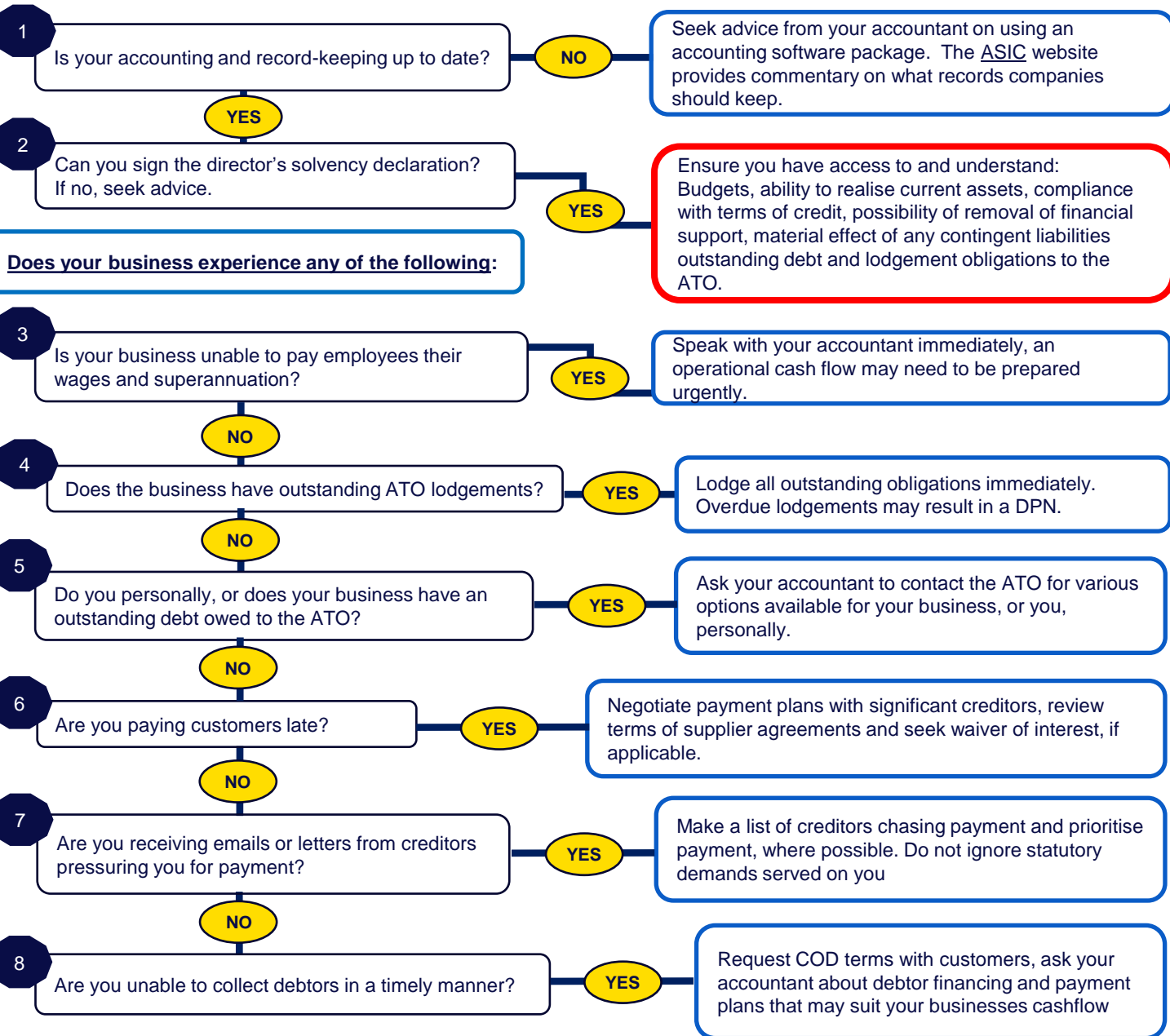
About the author:

This guidance was prepared by Maddocks on behalf of CPA Australia

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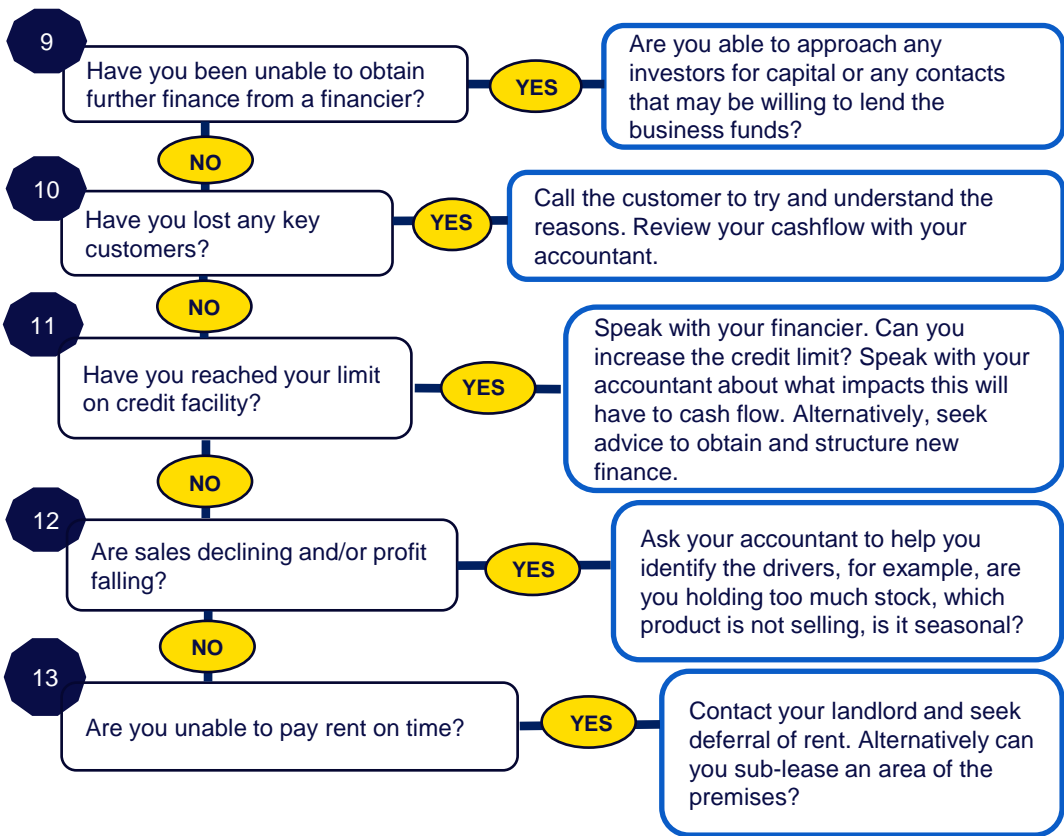
INDICATORS OF FINANCIAL DISTRESS:



Does your business experience any of the following:

Be aware (as a director):

- Director's fiduciary and statutory duties owed to their company.
- Duty to keep books and records.
- Duty not to trade while insolvent.
- It is critical that directors understand all duties and obligations imposed on them, as a breach can result in personal liability.



SEEK HELP EARLY: If your business is experiencing any of the issues above or you think it may soon, contact your CPA who can help guide you through the business' financial distress and discuss options available.