



Worksheet 084 – Surviving insolvency with Hank de Jonge

Today we've invited an expert on insolvency to share his decades of experience with us.

Hank de Jonge is the c-founder of [de Jonge Read](#) a business consultancy focused on guiding business through insolvency.

Hank has an extensive background in both operating and buying businesses.

He founded de Jonge Read in 2006 and has strived to help companies to navigate the complicated world of bankruptcy.



You can still move forward

Hank has seen it all when it comes to insolvency.

Companies can make many different mistakes that leads to bankruptcy and winding-up.

Poor management is one of the main reasons for companies faltering.

However, one-off events can also put a company in dire straights.

When companies don't react quickly enough to a problem it can lead to disaster.

The sooner a firm like Hank's becomes involved the better.

So long as the business is still viable there may be an opportunity to restructure the business to keep it from sliding into insolvency.



If your company is facing financial difficulty is it because of a one time event? Is the underlying business still viable?



Understanding safe harbour

One of the newer changes in Australian law around insolvency is the concept of safe harbour.

If you continue to trade while your business is insolvent you could become personally liable for any of the debts the business incurs.

Recently, Hank represented the owner of cafe on the Gold Coast.

By using safe harbour she was able to trade for another five months by showing her creditors that she was going to be able to turn around the business.

That allowed her to sell the business rather than becoming insolvent.

Her loss in the end was reduced by nearly \$180 thousand.

Hank is quite passionate about safe harbour and thinks it's a hugely useful tool for struggling businesses.



List the ways that you could turn around your business around in the next 6-12 months in order to keep you creditors at bay.

BusinessLegal : Lifecycle

Learn more by ordering the book

Whether you want to have a large company or a small lifestyle business, you must pay attention to the legal aspects right from the start.

The Business Legal Lifecycle is a handbook for you to use in your business on a regular basis.

The key areas that Jeremy Streten covers in the Business Legal Lifecycle are:

How to successfully set up your business

Why and when you need to pay attention to the legal aspects of your business

Who you should consult with along your business journey



BusinessLegalLifecycle.com.au