



PRACTICAL STEPS TO MANAGE OVERDUE DEBTS

1. WRITE A COMPLETE LIST OF ALL THE DEBTS THE BUSINESS OWES

ATO	
BUSINESS LOAN	
UTILITIES	
FAMILY LOAN	
RENT	

2. WRITE DOWN USUAL WEEKLY (OR FORTNIGHTLY OR MONTHLY) EXPENSES PAID FOR RUNNING THE BUSINESS E.G.

- 1. RENT
- 2. WAGES
- 3. SUPERANNUATION PAYMENTS
- 4. STOCK PAYMENTS
- 5. INSURANCE
- 6. MOTOR VEHICLE EXPENSES (FUEL)



RENT	
INSURANCE	
WAGES	
STOCK PAYMENTS	
MOTOR VEHICLE EXPENSES (FUEL)	

3. LIST ALL THE REGULAR MONTHLY EXPENSES THAT HAVE TO BE PAID

BUSINESS LOAN	
FAMILY LOAN	
RENT	
PHONE & INTERNET	
WAGES	



NOW MULTIPLY THE TOTAL OF THE REGULAR MONTHLY EXPENSES BY 12, THIS GIVE YOU THE MONTHLY EXPENSES. THEN MULTIPLY BY 52 FOR WEEKLY EXPENSE AMOUNT.

- 4. NOW LOOK AT YOUR PROFIT AND LOSS STATEMENT FOR THE PAST YEAR AND IDENTIFY ALL OTHER EXPENSES THAT THE BUSINESS INCURS, SUCH AS REPAIRS AND MAINTENANCE, TRAVEL, SUBSCRIPTIONS, LEGAL, ACCOUNTING FEES, PROTECTIVE CLOTHING ETC.**
- A) ADD THESE UP AND THEN DIVIDE BY 52 IF DOING WEEKLY, 26 FOR FORTNIGHTLY OR 12 FOR MONTHLY.**
- B) THIS TOTAL WILL BE THE AMOUNT THAT YOU SET ASIDE EACH PERIOD (WEEKLY ETC) TO ENSURE THAT YOU HAVE FUNDS TO PAY THESE OVERHEADS.**

ACCOUNTING FEE	
BOOKKEEPING FEE	
PPE	
TRAVEL & ACCOMM	
SUBSCRIPTIONS	

DIVIDE TOTAL OVERHEADS BY 52 TO GIVE YOU A WEEKLY AMOUNT



5. PREPARE A WEEKLY PAYMENT SCHEDULE (OR OTHER PERIOD) LIST THAT LOOKS SOMETHING LIKE THIS

RENT	
FUEL	
WEEKLY GST	
STOCK	
WAGES	

HAVE A SEPARATE BANK ACCOUNT FOR OTHER OVERHEADS

HAVE A SEPARATE ACCOUNT FOR MONTHLYEXPENSES



**THIS TABLE FIRSTLY WILL DEMONSTRATE THE MINIMUM IN WEEKLY SALES THATS
NEEDS TO BE ACHIEVED TO MEET YOUR CURRENT OBLIGATIONS
SECONDLY, THERE IS ALLOCATION IN THE WEEKLY PAYMENTS TO START
INCREMENTAL PAYMENTS TO COVER OUTSTANDING RENT AND ATO DEBT.
THIRDLY, THE TABLE ALLOWS FOR GST COLLECTED TO BE BANKED AWAY EACH WEEK
SO WHEN BAS IS DUE THE MONEY WILL BE IN THE BANK
FINALLY, BY PUTTING AWAY MONEY EACH WEEK TO COVER MONTHLY EXPENSES
AND OTHER OVERHEAD COSTS, WHEN THESE NEED TO BE PAID, THE MONEY WILL BE
AVAILABLE.
HAVING SEPARATE BANK ACCOUNT FOR WEEKLY TRANSACTIONS, ANOTHER FOR
MONTHLY AND ANNUAL OVERHEADS AND ONE FOR TAX PAYMENTS INCLUDING
WEEKLY GST TO BE PAID WILL HELP MANAGE YOUR COMMITMENTS AS THEY
BECOME DUE.
IF YOU PREPARE THIS INFORMATION AND REALISE THAT YOU CANNOT MET THE
WEEKLY SALES AMOUNT, THEN IT IS TIME FOR YOU TO TAKE THIS INFORMATION TO
YOUR ACCOUNTANT OR FINANCIAL ADVISOR TO DISCUSS WHAT ACTIONS NEED TO
BE UNDERTAKEN.**