



10 signs that your business is facing insolvency

Unfortunately, it is not uncommon as a business to experience financial hardship. But if you can identify problems early, seeking the help of a bankruptcy trustee in Vancouver may certainly help you rectify them:

1. Whatever product or service you are offering, there are inevitable marketing and growth elements to consider – at which not everyone excels. You also need good accounting and budgeting. When revenue is not surpassing – or is even less than – expenses, it is a good time to discuss your Vancouver debt solutions.
2. Declining revenue might be caused by an actual loss of customers or clients. Whether they have cut back on their orders or scoped out your competition, this is a sign of significant trouble with which to speak to a bankruptcy consultant in Vancouver.
3. Staff members who are dealing with problems in their personal lives, particularly those responsible for supervising others, can also indicate problems. This may trickle down in the form of neglected finances because the person in charge of handling them is distracted.
4. Alternative staff problems, such as layoffs and resignations, will significantly impact the operations of your company, too. It is often clear when employees are not happy, but making an effort to turn this around rather than be complacent can help you avoid insolvency in Vancouver.
5. Not having proper insurance for your company can be a major setback if an employee or client happens to sue. In order to defend complaints and allegations, while keeping your reputation in check, you will also need the help of a lawyer who likely charges high fees.
6. Creditors may wish to pursue legal action if you are not handling your business with them well, which can lead to major problems keeping your operations running. Canada Revenue Agency may even seize your business accounts, halting your ability to continue working. A bankruptcy trustee in Vancouver can help.
7. Regularly missed payments to creditors likely indicates that you or another person responsible for the finances is poorly organized and/or the money is not readily available. High interest rates to penalize you for the missed payments will also end up costing more in the long run.
8. A major drop in accounts receivable usually symbolizes problems for a business. Ideally, you want a relatively high number of clients, unless your smaller circle of loyal clientele produces large orders. An obvious lack of either, however, can spell trouble. Speak with a bankruptcy consultant to address these concerns.
9. Likewise, if you notice a slower rate at which you are unloading inventory, you are probably not making as many sales as you anticipated. Or, arguably just as bad, if you cannot seem to replenish inventory at a substantial rate, you may lose out on business because you cannot satisfy the orders you do receive.
10. Loans are usually inevitable for a business, but having trouble getting them because your numbers are not reflective of success means you are probably relying heavily on less reputable lenders, which does not put you in a good position. If you feel vulnerable facing insolvency in Vancouver, contact a bankruptcy trustee.

Naturally, it is important to avoid further expenses once you have identified that your business is struggling. While professional assistance will endure some cost, this is arguably necessary to help you find debt solutions.