

## Welcome to September 2025 newsletter

Hi there,

As we approach our final quarter for the year, insolvencies remain elevated yet stable. August's third interest rate cut was a welcomed announcement, especially after it decided to leave rates on hold the month before. It's also expected the RBA [may cut rates again in November, February and May](#). However this is always an uncertainty. Despite this, some recent trends are showing that the financial strain might be more far reaching than we originally believed. And debt collection remains tough !!

Not only are usually low-risk industries now showing signs of payment stress, but the average payment rates of micro businesses are rising. We're also seeing industries such as transport, professional services and healthcare showing similar signs of strain. These were just some of the many trends revealed in AICM's recent webinar on the topic. Keen to dive in further? You can read more below or [check out the slides here](#).

**The ATO is also becoming more aggressive in its \$50 billion debt chase.** No longer wanting to 'play nice', the tax office has stated it will use all the tools at their disposal to collect from individuals and companies alike. Part of this crackdown will also be focused on unpaid superannuation, Pay As You Go (PAYG) withholding, and Good and Services Tax (GST) collected but not passed on. In light of all this, we encourage all our clients to keep on top of outstanding debt to ensure you don't put your own business in jeopardy.

In better news, we have a winner amongst us! Sophie from AJ & Co Lawyers – our associated legal partners – was recently awarded the 2025 Women in Insolvency and Restructuring Victoria (WIRV) Outstanding Practitioner Award. This award recognises not only technical experience but her significant industry contribution and for being an active champion for women in the sector. Congratulations Sophie for this amazing achievement! We appreciate that our clients are in great hands with Sophie.

Kind regards,  
Jeanine and the team



## Quick links

[Submit a Debt](#) | [Creditor Watch](#) | [Debt Recovery](#) | [Credit Solutions](#) | [FAQs](#)



### Terms & Conditions of Trade

Terms and Conditions (T&Cs) are far more than ‘fine print’. They are a critical tool in safeguarding your business, setting clear expectations, and protecting your bottom line. When drafted with precision, T&Cs can prevent unnecessary financial exposure, reduce the risk of costly disputes, and streamline the recovery of payments.

Well-constructed T&Cs should clearly address:

- **Payment Obligations** – When and How Payments are Due
- **Consequences of Default** – What Happens if Debtors Don’t Pay
- **Liability and Limitations** – Where Risks Sit and How They are Managed
- **Recovery Costs** – Including Any Interest, Fees or Charges
- **Mutual Responsibilities** – The Rights and Obligations of Both Parties

By setting these foundations, your business adopts a proactive approach. Clear and enforceable terms reduce uncertainty, ensure transactions run smoothly, and provide a vital safeguard if disagreements arise.

Ultimately, robust T&Cs are not just about compliance – they are a strategic asset. They provide businesses with clarity, confidence, and greater certainty in navigating debt recovery and protecting commercial relationships.

**>> Feel like your T&Cs might need a review?**

Reply to this email and we'll put you in touch with the team at AJ & Co Lawyers.



### **A Case Study**

#### **Handover results in an increase in settlement payout**

A refrigerated transport business undertook various deliveries for a company which later changed their identity. A document was provided to our client to confirm the new entity would be responsible for the unpaid account of the prior company.

After 2 years of attempting to recover an outstanding debt of \$15,000 the matter was sent to us. There had been a number of staff changes at the debtor company during this time so not all information was easily obtainable or verifiable.

During the relatively short time the matter was with us, there had been a settlement offer of \$5,000 made. This was not accepted. We discussed this matter with our client and recommended the best course of action would be for a detailed legal letter of demand be sent to the debtor outlining the details of this debt.

We provided information to our clients' legal representatives, including a timeline of the debt, correspondence between ourselves and the debtor as part of our debt

recovery report. Our client agreed to accept a settlement offer of \$15,000 to finalise this matter. Whilst this matched the original debt amount, there were our fees and legal costs to be deducted from these funds.

In the end, our client recovered approximately 70% of the original debt amount within 4 months of engaging us. This was a much better outcome for our client than the original 33% offered and within an acceptable timeframe given the additional involvement of lawyers.

It should also be noted this matter played out during Stage 2 and Stage 3 restrictions due to Covid-19.

When a business changes hands – or identities – it can increase the complexity of collecting outstanding debts. Even when there's communication stating that unpaid accounts will be settled by the new group!

## When did you last review your emergency plan?

With summer almost upon us, Business Victoria recommends you review your emergency plans to minimise and operational and financial impacts emergency or natural disaster events could cause.

Have a plan in place for emergency events and disaster recovery to minimise financial damage caused by an unexpected interruption to trade. A plan can also reassure customers.

### How to review your emergency plan

1. [Research the risks](#) in your area and within your industry.
2. Download and complete emergency, contingency and [disaster recovery plan templates](#) so your business is well prepared for an emergency crisis event.

When assessing risk and preparing for emergency:

- complete a critical information list so you have all your important information at hand
- prepare separate plans for emergency and disaster recovery
- test your plans regularly – know that everything is covered and you're well prepared



## **Early Warnings, Smarter Decisions: The business risk insights you can't afford to miss.**

(Courtesy of CreditorWatch)

What You'll Gain:

- Unique insights on small business risk levels and business failure rates
- Latest data on payment defaults and geo-risk
- The FY26 economic outlook with exclusive CreditorWatch data
- A first look at the Business Risk Monitor, an early warning system for turning points and insights into real-world economic drivers
- Exclusive data on SMW risk with actionable insights

[Watch Now](#)

Webinar dated 24 Sept 2025

### **Submit a Debt Now**

We're making it easy for you to submit a debt for collection. Simply use our online form or call us on +61 3 8488 8000.

[> Submit now](#)

The Christmas / New Year break will be here before we know it. NOW is the best time to submit your debts for recovery action.



Contact Us: [Business Credit Solutions | REPAID](#)

**REPAID! Collections:** (03) 8488 8000 [info@repaid.com.au](mailto:info@repaid.com.au)

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