



Business viability assessment tool

Use our business viability assessment tool to help you work out whether your business is viable.

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On this page

[What is business viability](#)

[Access the Business viability assessment tool](#)

[Your results](#)

[When we assess viability](#)

What is business viability

'Business viability' is whether a business is surviving. This survival is linked to its financial position and performance.

A business is viable where either:

- it's returning enough of a profit to provide a return to the business owner and also meet its commitments to business creditors
- it has sufficient cash resources to sustain itself through a period when it is not returning a profit.

You can assess your own business using the [Business viability assessment tool](#). It considers a range of information linked to the financial performance and position of your business. This includes your ability to pay outstanding debts while meeting ongoing commitments to creditors.

In some circumstances [we assess your business viability](#). For example, when considering your eligibility for a payment plan.

Access the Business viability assessment tool

You'll need to have the following information on hand for the year-to-date and 2 preceding financial years to complete your own assessment:

- statement of financial performance (or profit and loss statements)
- statement of financial position (or balance sheet)
- aged creditor listing
- aged debtor listings
- total monthly repayment amount for all debt commitments. This includes your bank overdraft and any loan facilities (for example, term loans, bank bill facilities, hire purchase, lease agreements).

Once you have entered all your information into the tool, you will be provided with a business viability assessment report. This report is based on the information and answers you entered.

[Business viability assessment tool](#)

Privacy and your personal information

The information you enter into the *Business viability assessment tool* is only used to generate your viability report.

We do not record any of your personal information in our systems.

We will not store or share the information generated from your viability report.

Your results

The *Business viability assessment tool* is designed to provide an overview of your business' viability only.

Questions considered more important in assessing your viability than others are highlighted in bold in the summary.

- If you received mainly ticks, this may indicate that your business is trading viably.
- If you received mainly crosses, this may indicate that your business is not trading viably and its financial performance and position may be at risk.

The tool is for information purposes only. It does not constitute a comprehensive business analysis. Any results generated should not be considered as conclusive or definitive in relation to your business' viability or solvency.

Seeking professional advice

If you have concerns or issues about the viability of your business, seek professional advice from a tax practitioner, bookkeeper, solicitor or insolvency practitioner in the first instance.

Seeking advice at the earliest opportunity helps to ensure you address financial issues before they escalate or become unmanageable.

When we assess viability

In some circumstances, we may work with you to assess your business' viability.

This usually occurs if:

- you've defaulted on a **payment plan** or have not met your lodgment and payment due dates
- you're negotiating with us about paying off a debt.

If you're working with us to assess your business' viability or we've notified you that we are assessing it, you will need to provide us with certain supporting information.

What we look at

When assessing your business' viability, we look at your ability to pay your debts and meet ongoing commitments. The assessment considers a range of indicators, including:

- gross margin
- cash flow

- asset and liability position (including working capital)
- liquidity
- debtor and creditor position
- funding availability of funding.

Supporting information we need

You will be asked to provide the following supporting documentation within an agreed timeframe:

- a proposal to pay all amounts owed to us in the shortest possible timeframe, while allowing all future tax obligations to be met by the due date
- details of events and contributing factors which caused the debt to accrue
- steps taken to mitigate the debt (such as, changes in operations)
- the most recent bank or financial institution statements for each account held
- the following detailed financial statements for 3 periods: year-to-date (3 months or more) and previous 2 financial years
 - profit and loss statement or statement of financial performance
 - balance sheet or statement of financial position
- details of any overdraft or loan facilities including term loans, hire purchase and leasing facilities including balances owing, monthly repayments for each debt and the limit for overdraft
- aged creditors listing
- aged debtors listing
- any other relevant information that may help us assess your proposal
- name and contact details of the person we should speak with in relation to assessing your business' viability, including email address and phone number
- projected cash flow statements for the term of the payment plan.

Ensure your Australian business number (ABN) and company name are on all documents.

Submitting your supporting information

You can submit your documents to us in one of the following ways:

- submit them securely online via **Online services for business**
- registered agents can use **Online services for agents**
- fax on **1300 724 793**
- mail to
Australian Taxation Office
PO Box 1129
PENRITH NSW 2740

QC 26709

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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