



Information for people who wish to enter into business while they are bankrupt

If you wish to apply for consent to enter into business, you must file an affidavit under Regulation 10 Insolvency (Personal Insolvency) Regulations 2007. An affidavit is a written statement confirmed by a lawyer or Justice of the Peace (JP). You may wish to seek professional advice to complete the affidavit, which must include:

- whether the business is a new business
- what capital you or anyone else will put into the business
- what provisions you have made to meet all taxes and regulatory requirements
- what plans or processes you will have in place to meet your health and safety obligations
- who your financial supervisor is and what will be the role and powers of that person
- any other information the Official Assignee may need.

The Official Assignee needs to make an informed decision, so please include the following information in your affidavit:

Financial matters

- how you became bankrupt
- whether or not contributions to your current bankruptcy will be available
- how an approval will benefit creditors in the bankruptcy
- your business plan
- details of bank accounts
- your twelve-month budget and cashflow projections – in some cases two or even three-year projections may be required

Practical matters

- your present employment status
- a description of your duties and responsibilities in the business
- the nature of your proposed business
- what plant or equipment you require and how you will pay for this
- whether staff are to be employed
- where the business will operate from, that is, home or leased premises – for lease premises, provide full details of the proposed lease
- any other information that will assist the Official Assignee

From your Financial Supervisor (accountant)

You will also be required to provide:

- A business plan, in the same manner that you would if you were applying to a bank for finance
- A letter from your financial supervisor stating that they consent to manage your business affairs, file Inland Revenue returns, pay taxes and attend to other administrative matters

What happens now

If consent is given, it will be given in writing. You must not enter into business until you receive the Official Assignee's consent in writing.

APPLICATION FOR CONSENT TO BE SELF-EMPLOYED

I, _____ (name) of

_____ (full postal address)

_____ (contact phone number)

I swear that the information and statements contained in this application are true and correct:

- 1. I was adjudicated bankrupt on _____
- 2. I seek the Consent of the Official Assignee to enter into business on my own account.
- 3. My present employment status is:

- 4. I wish to enter into business for the following reasons:

Business details

- 5. The proposed business is **new / existing** business.

- 6. The nature of the proposed business is / will be:

- 7. There will be **no other staff / staff employed** (state number):

- 8. My duties and responsibilities in the proposed business will be:

9. The plant and equipment required for the business are:

10. I currently have the necessary plant and equipment on hand / the funding for the equipment will come from:

11. The business will operate from (i.e. home or leases premises. For leased premises, provide details of the lease):

12. The business will operate a bank account at:

13. The capital that I will put into the business will be:

14. The capital another person will put into the business will be (state name and amount):

15. I **have / have not** reviewed the material on the WorkSafe website relating to the business.

16. The nature of the health and safety hazards and risks associated with the business are:

17. The plans or processes I **have in place / will put in place** to meet my health and safety duties and obligations are:

18. The provisions I will make to meet all taxes and regulatory requirements are:

Financial supervision

19. The financial supervisor (accountant) will be:

20. The financial supervisor's role and powers will be:

21. My financial supervisor will submit trading statements to the Official Assignee on a **three / six / twelve** monthly basis.

22. **one / two / three** year budget and cash flow projections have been prepared.

Pre-bankruptcy history

23. My pre bankruptcy employment details - role, duties, responsibilities and income:

24. My bankruptcy **resulted from a business failure / was not related to a business failure.**

25. The causes of my bankruptcy were:

26. I **have / have not** been bankrupt before.

27. I **have / have not** been convicted of fraud.

Benefit to creditors

28. Contributions to my current bankruptcy **will / will not / may** be available.

29. The benefit to my creditors in allowing this application is:

Supporting information

30. I also supply the following information to support this application (if applicable):

Signed _____

Sworn at _____ on _____ 20____

before me _____

Name _____

- Solicitor of the High Court of New Zealand / Justice of the Peace