



# Statement in relation to company solvency

Under section 347A the directors of a company must pass a solvency resolution within two months of its review date unless the company has lodged a financial report with ASIC under Chapter 2M of the Corporations Act 2001 within 12 months before the review date.

The form must be lodged within 7 days of the directors of the company either (1) passing a negative solvency resolution; or (2) if a solvency resolution has not been passed, the end of the statutory two month period after the review date.

If there is insufficient space in any section of the form, you may photocopy the relevant page(s) and submit as part of this lodgement

## Company details

Company name

ACN/ABN

## Lodgement details

Who should ASIC contact if there is a query about this form?

Name

ASIC registered agent number (if applicable)

Telephone number

Postal address

Please provide an estimate of the time taken to complete this form.

hrs  mins

## 1 Company solvency status

Tick one box

Must be lodged within seven days after the passing of the resolution

Must be lodged within seven days from the end of the two month statutory period following the annual review date

### Negative solvency resolution passed

- The directors of the company have passed a solvency resolution under section 347A that, in their opinion, there are reasonable grounds to believe that the company **WILL NOT** be able to pay its debts as and when they become due and payable.

Date of resolution

/   /    
[D] [D] / [M] [M] / [Y] [Y]

### Solvency resolution not passed

- The directors of the company have not passed a solvency resolution under section 347A within the statutory two month period after the review date.

Company review date

/   /    
[D] [D] / [M] [M] / [Y] [Y]

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## Signature

This form must be signed by a current officeholder or responsible entity.

I certify that the information in this form is true and complete

Name

Capacity

Director

Company secretary

Signature

Date signed

/   /    
[D] [D] / [M] [M] / [Y] [Y]

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## Lodgement

Send completed and signed forms to:  
Australian Securities and Investments Commission,  
PO Box 4000, Gippsland Mail Centre VIC 3841.

Or lodge the form electronically by visiting the ASIC website  
[www.asic.gov.au](http://www.asic.gov.au)

### For help or more information

Telephone 03 5177 3988

Email [info.enquiries@asic.gov.au](mailto:info.enquiries@asic.gov.au)

Web [www.asic.gov.au](http://www.asic.gov.au)



# Guide: Statement in relation to company solvency

This guide does not form part of the prescribed form. It is included by ASIC to assist you in completing and lodging the Form 485.

Under section 347A the directors of a company must pass a solvency resolution within two months of its review date unless the company has lodged a financial report with ASIC under Chapter 2M of the Corporations Act 2001 within 12 months before the review date. ( The 'review date' is usually the anniversary of the company's date of registration).

## If the solvency resolution is positive

If the directors resolve that, in their opinion, the company will be able to pay its debts as and when they fall due, there is no need to lodge this form. The directors simply retain a copy of the resolution for their own records.

## If the solvency resolution is negative

If the directors resolve that, in their opinion, the company will NOT be able to pay its debts as and when they fall due, the first box on the front of this form [Negative solvency resolution passed] must be ticked. The date on which the resolution was passed should be written in the boxes for 'date of resolution' and the document should be lodged with ASIC within 7 days of the date of that resolution.

## If the directors disagree

If there is a majority of directors with the opinion that the company is solvent, that would still be a positive solvency resolution. Similarly if there are a majority of directors with the opinion that the company is NOT solvent, that would be a negative solvency resolution. If the directors are equally divided about the solvency of the company, the chair of the meeting casts the deciding vote.

## If there is no directors' resolution passed

If, within 2 months of the review date, the directors fail to pass any resolution - positive or negative - the second box on the front of this form [Solvency resolution not passed] should be ticked. The company review date should be written in the boxes for 'company review date' and the form should be lodged within 7 days after the end of the 2 month period from the review date. Do NOT lodge this notice before the 2 month period has expired.

## If the company is in uncertain circumstances

There can be instances where it may be difficult to determine whether or not the company is solvent. If this applies to your company you should advise us in writing of your individual circumstances.

You should also seek your own legal and/or accounting advice.

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