

INSOLVENCY: HOW TO AVOID IT

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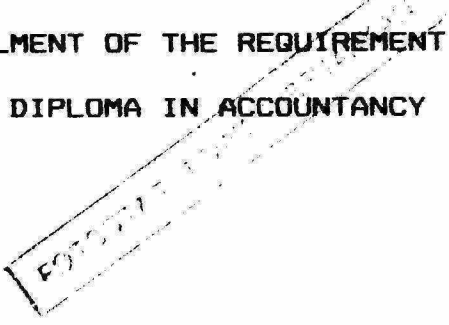
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TABLE OF CONTENTS

	PAGE
ACKNOWLEDGEMENTS	ii
ABSTRACT	iii
CHAPTER	
1 INTRODUCTION	1
1.1 Objectives of the study	2
1.2 Methodology	2
1.3 Scope and limitations	2
2 LITERATURE REVIEW	3
3 DATA COLLECTION	11
4 FINDINGS	13
4.1 INSOLVENCY : AN OVERVIEW	13
4.2 EARLY SIGNS OF INSOLVENCY	15
4.3 CAUSES OF INSOLVENCY	18
4.4 AVOIDING INSOLVENCY	31
5 CONCLUSION	37
6 RECOMMENDATIONS	38
BIBLIOGRAPHY	39

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ABSTRACT

Insolvency, is a situation where a debtor is unable to meet his liabilities as and when due. Much has been said about it and as why it is still happening. Insolvency does not happen overnight, and that is what so interesting about it.

Data obtained for this research were gathered through secondary data and interviews conducted with the partner and relevant staffs of an audit firm.

Through the interviews conducted and data gathered from books and other secondary data, it was found that the blamed of insolvency was put on the management the most, though other internal factors do contribute to the situation. External factors such as recession and inflation do hit such business. Internal factors are controllable but external factors are beyond control.