

Monthly Credit Risk Insights by Alares

Hi Colleague,

The first month of 2026 saw most risk indicators remain on par with 2025, the two key exceptions being a continued increase in winding up applications and ATO tax debt reporting.

Key highlights in January

- Significant year-on-year increase in winding up applications.
- Continued increase in ATO disclosure of business tax debt reporting.
- Ongoing reduction in new small business restructuring appointments.

Alares provides critical due diligence data that is **not** captured by other providers. For **better due diligence** please get in touch -

Contact Us

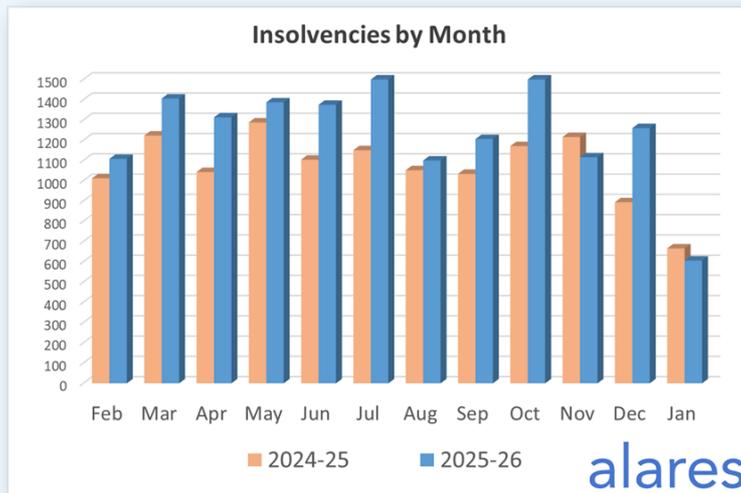
Arrange a call

Subscribe to our Newsletter

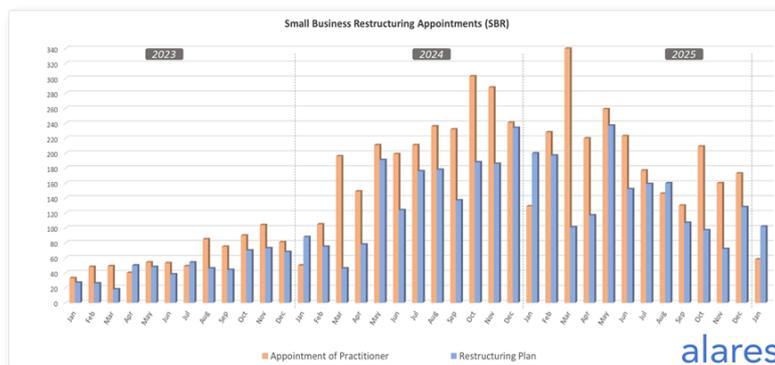
Insolvencies in January showed a slight decrease from last year

Overall numbers were still slightly above historical levels. January is typically the lowest

month of each year, so February numbers may be more telling in terms of trends moving forward.

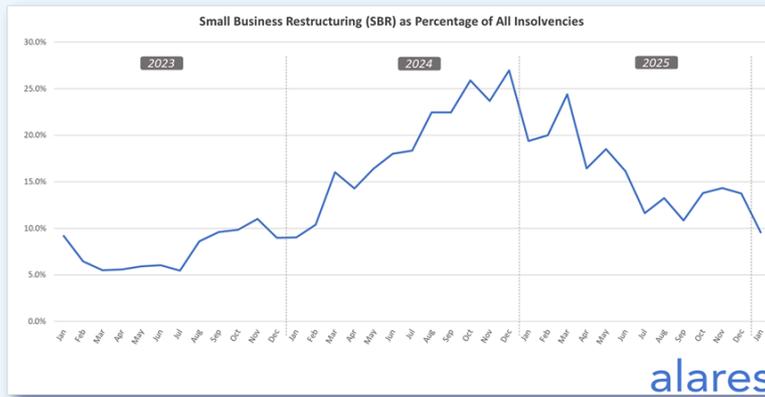


New SBR appointments continue to trend downwards from the late 2024 / early 2025 peak



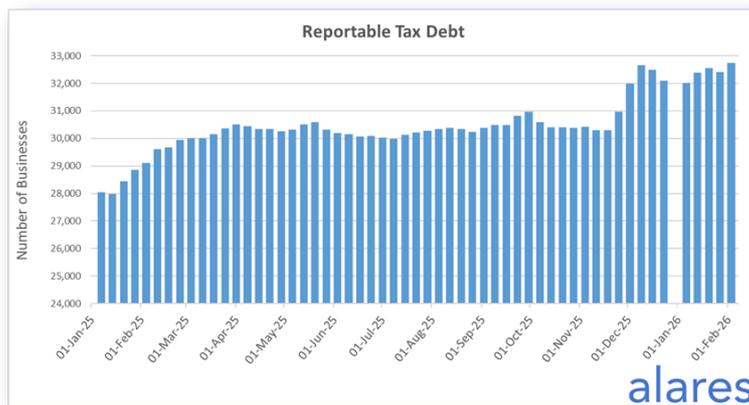
New SBR appointments continue to trend downwards from the late 2024 / early 2025 peak

As a percentage of all new insolvency appointments, SBRs are now sitting at only ~10%, down from a peak of ~25%.



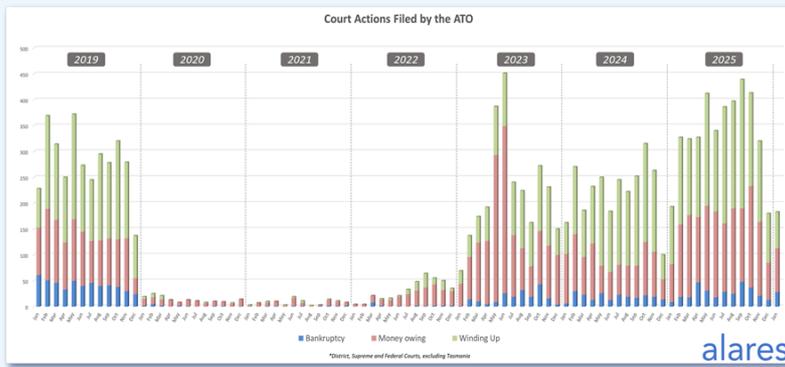
The ATO continues to increase its disclosure of business tax debt reporting

Despite a record number of insolvencies flushing through the system in 2025, the number of businesses subject to ATO tax debt reporting continues to rise, now approaching 33,000 businesses.



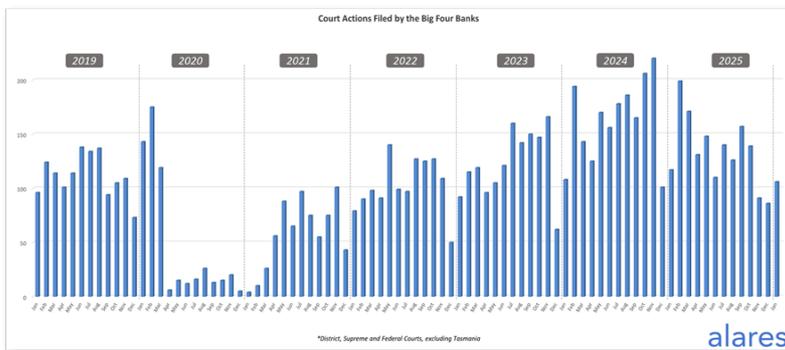
The ATO's Court recoveries in January remained consistent with the last two years

As with other risk indicators, January is a historically low month for ATO Court activity. Stay tuned for next month's update to see what trends may take shape in the coming months.

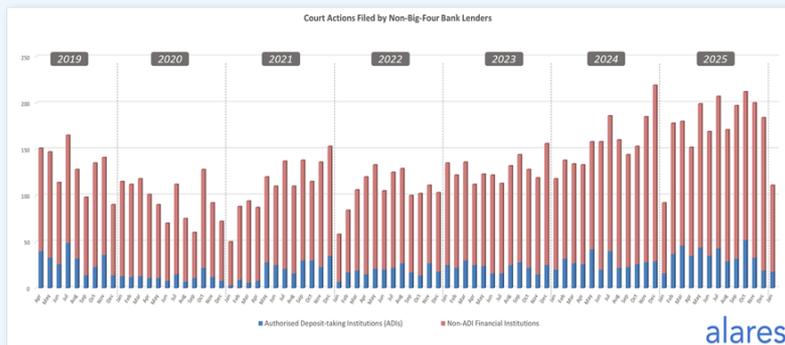


Court recoveries from the big four banks also remained inline with last year

This follows a significant year-on-year decrease throughout 2025.



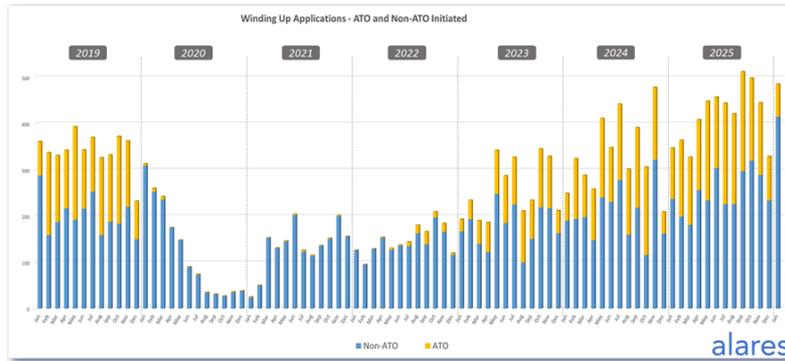
Meanwhile, Court recoveries from the non-bank lenders continue to trend slightly upwards



Winding up applications, however, showed another substantial year-on-year increase

Non ATO-initiated winding up applications in particular spiked in January as credit providers

got a jump start in debt recovery starting the new year.



Alares provides critical due diligence data that is **NOT** captured in credit reports.

For better **insights** into financial and reputational risks impacting your **customers** and **suppliers**, please get in touch -

Contact Us

Arrange a call

Subscribe to our Newsletter

alares

in Share

✉ Forward

[Unsubscribe](#)