Scotland’s SME’s ‘waiting too long’ to seek potential insolvency lifeline

Scottish insolvency specialist highlights underused rescue tool for distressed SMEs

GLASGOW, UNITED KINGDOM, September 24, 2026 /EINPresswire.com/ -- A Scottish insolvency practitioner is urging business owners to consider an under-used potential lifeline as the country’s small business community faces deepening economic uncertainty.

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>
> *Christine Convy, Director, Dunedin Advisory*

Introduced through the Corporate Insolvency and Governance Act 2020, The Part A1 Moratorium provides eligible companies with an initial 20-business-day period of protection from certain creditor enforcement action, giving directors time to assess their position and explore restructuring or rescue options. The process is overseen by a Monitor, who must be a licensed insolvency practitioner.

Christine Convy, Director of Dunedin Advisory, is a Chartered Accountant and licensed insolvency practitioner with more than 25 years’ experience in restructuring and insolvency, and has successfully used the moratorium as part of restructuring strategies for Scottish SMEs, working with company directors and their legal advisers to prepare applications and navigate the process.

She believes the moratorium remains an underused option despite the breathing space it can provide.

“The moratorium can be a very powerful tool when used at the right time. It should not simply be viewed as a way of delaying creditor action. It can provide the breathing space needed to understand the business, assess its viability and put a credible plan in place."

“Directors can very quickly find themselves firefighting, paying whichever creditor is putting them under the most pressure. That can result in working capital being drained from the business while other debts continue to build. The moratorium can allow directors to step back from that daily pressure and consider what the best outcome is for both the business and its creditors.”

During a moratorium, qualifying pre-moratorium debts are generally subject to a payment holiday, while ongoing liabilities must continue to be met as they fall due.

The breathing space can be used to explore a range of options, including a sale of some or all of the company's assets, additional investment, operational improvements, restructuring liabilities or moving towards a formal restructuring process such as a Company Voluntary Arrangement, where appropriate.

Convy says that, in practice, the initial 20-business-day period is unlikely to be sufficient to gather information, engage stakeholders and develop a comprehensive restructuring plan. Where appropriate, applications to extend the moratorium can form part of the wider restructuring strategy.



Christine Convy, Director, Dunedin Advisory

She's also encouraging accountants, financial advisers and directors to recognise warning signs at an earlier stage. Key considerations include the viability of the underlying business, future orders and contracts, profitability, the commitment of the management team, creditor pressure, secured and unsecured debt levels and the availability of sufficient working capital.

"Every distressed business is different and there is no one-size-fits-all solution," she said. "But the earlier financial difficulties are identified, the more options are likely to be available. Financial distress does not necessarily mean a business has no future. What matters is recognising the warning signs and taking structured advice before the available options disappear."

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Pictured: Christine Convy, Director, Dunedin Advisory

About Dunedin Advisory
Dunedin Advisory is a Dear Green Media PR and Media Relations client and was founded in 2009. The company progressed to an employee-owned business in April 2020. The management team comprises a wealth of experience – licensed insolvency practitioners, chartered accountants and business professionals who collectively have over 150 years of experience in business and professional services.

The company has offices in Dundee, Glenrothes and Glasgow with a dedicated team specialising in debt consolidation, debt management and solutions, business advice, business restructuring, refinancing, independent business reviews and valuations, court report and expert witness assignments, creditor settlements and negotiations and formal insolvency appointments.

Formal insolvency appointments include sequestration, company voluntary arrangement (CVA), creditors voluntary liquidation (CVL), members voluntary liquidation (MVL) and Administration. Informal and statutory processes include other specialist services such as debt arrangement scheme (DAS), business debt arrangement scheme (BDAS), protected trust deed (PTD), expert help and business consultancy.

For more information on Dunedin Advisory, visit https://www.dunedinadvisory.com/

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