



## **CREDIT CRUNCH / ECONOMIC DOWNTURN / RECESSION - ARE YOU READY?**

You are sure to have read or heard about the credit crunch / economic downturn / recession that, according to the media is about to, or already is, affecting the UK economy. We can't tell you when or even if this might affect you or your business, but we can help you minimise the impact it may have.

### **'Knock on' effect of business failure**

Your own business may be solid, but what about your key suppliers and customers? How would you cope if a key customer became insolvent and owed you a large amount of money or if a key supplier became insolvent at a time when you had paid for, but not received a large order? It is unlikely that you can ever fully protect your business against such problems, but with properly drafted terms and conditions of business and sale and purchase agreements you can minimise the affect they might have. If you don't have appropriate documents in place or haven't had them reviewed for a while then now is a good time to get them checked.

### **Efficient debt collection**

By operating efficient debt collection procedures you can minimise the risk of being effected by the failure of a customer's business. Are you aware of your statutory right to claim interest on overdue payments? Actons can advise you on procedures to ensure that you get paid on time. If it comes to the crunch and you need to issue court proceedings to obtain payment then we can undertake the necessary procedures for you.

### **Director's duties**

Are you a director of a limited company? Are you aware of the duties imposed on you by common law, Companies Act 2006 and the Insolvency Act 1986? Are you aware that if you fail to comply with these duties you can incur personal liability? In time of economic uncertainty these duties become increasingly relevant.

## **Redundancies**

Do you need to downsize your operation to ride out the storm? Making redundancies is a complicated process - get it wrong and you could make your problems worse. We can provide an overview of the procedures you need to follow or even guide you through every stage of the process.

## **Restructuring**

Does your business need to restructure to minimise the impact of a loss making or less efficient division. By using one of a number of tax efficient schemes available, you may be able to restructure your business to minimise this effect.

## **If the worst comes to the worst**

If you or your business is insolvent then you need to act quickly to minimise the affects. With prompt action, we may be able to help you take advantage of one of rescue measures available such as administration or a voluntary arrangement. If liquidation or bankruptcy is unavoidable then there are still steps that can be taken to diminish the impact on you.

For further information on any of the areas mentioned above, please contact Actons Commercial Team on **0115 9 100 200** or email [enquiries@actons.co.uk](mailto:enquiries@actons.co.uk)