

1. Take advice early! It is absolutely essential the business is properly advised at the earliest stage of any difficulties, both to ensure continued trading and to avoid the potential for personal liability of directors and business owners.
2. Make sure all advance payments from customers or payments to suppliers are "ring fenced" and held on trust in case of future insolvency.
3. Ensure not just that management accounts and information is produced and properly monitored but that evidence is retained that this has happened.
4. Obtain professional advice before there is any payment or payments made that diminish the extent of the assets of the company, to both avoid the potential for personal liability and of a future recovery claim by an insolvency practitioner.
5. Ensure that any business transactions with connected persons, family or close friends are demonstrably for good consideration. Ideally professional valuations should be useful.
6. On or all arrangements entered into with creditors, in the event that such arrangements can no longer be funded keep creditors full informed as to exactly what is happening.

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