

About Us

Kirk Hills are licensed Insolvency Practitioners who primarily practice in the South West. The bulk of our work comes from referrals from accountants, solicitors and banks who appreciate our discretion, sympathy and no-nonsense advice.

We aim for the best outcome for clients and it can be helpful to have a mediator like us to negotiate with creditors. We are experienced in dealing with banks, landlords and HM revenue and Customs as well as trade creditors.

Addressing financial problems in a timely manner gives the highest probability of a satisfactory outcome. That's why we are always happy to meet clients and conduct an initial meeting. Kirk Hills do not charge a fee for this, in order to encourage an early approach.

Please contact us for a private and confidential chat about any insolvency issues.



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KIRK HILLS

INSOLVENCY PRACTITIONERS

A Guide to Insolvency Options
for Professional Advisors

The guide opposite is meant to be an overview to help you when advising businesses that have financial difficulties as to what their options may be.

It is important for a business owner to take advice early whilst all the options are still open to them. The later they leave it then the less control they will have over the outcome and the harder it becomes to save a business.



Sole Traders or Partnerships

Informal Arrangement

Getting creditors to take instalments over a few months. Usually the maximum HMRC will run up to six months.

Refinance

If there are assets that can be financed e.g Book debts factored, plant, vehicles or property.

IVA* - 5 years

The business has a future if the current debts can be frozen. Usually a reduced payment is made to creditors over five years.

IVA* - Lump sum payment

The business is viable and a third party has offered a lump sum in full and final settlement (perhaps a family member) or trading will continue until the business is sold e.g. a public house.

Bankruptcy

When the business can not be made profitable even with the old debts frozen or the owner does not want to continue trading.

Limited Companies

Informal Arrangement

Getting creditors to take instalments over a few months. Usually the maximum HMRC will run up to six months.

Refinance

If there are assets that can be financed e.g Book debts factored, plant, vehicles or property.

*CVA 3 to 5 years

The business has a future if the current debts can be frozen. Usually a reduced payment is made to creditors over three years.

*CVA lump sum payment

The business is viable and a third party has offered a lump sum in full and final settlement (perhaps a family member) or trading will continue until the business is sold.

Creditors Voluntary Liquidation

When the business can not be made profitable even with the old debts frozen or the owner does not want to continue trading. The company ceases to trade and goes into liquidation.

Administration

A freezing order that gives time to review the options e.g. a sale of the business, a CVA or liquidation. It stops creditors enforcing security.

Compulsory Liquidation

When a creditor petitions and forces the company into liquidation or the directors have very little funds and petition themselves.

Members Voluntary Liquidation

When the company is solvent a tax efficient way of turning the reserves into capital gain thereby paying just 18% tax.

Notes

*Individual or Company Voluntary Arrangement

When creditors claims including supplies, rates, HMRC, unsecured bank loans are frozen whilst time is given to repay some of the debt.