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Meet the Team Member



CHANGES

to the team

PBC Business Recovery and Insolvency has recently appointed former Relationship Director, Nick Bonser as its Operations Manager.



Nick, who has 35 years' experience in banking, was previously with Nat West/RBS in Leicestershire and Northamptonshire. His roles have included commercial banking and branch management.

He oversees the day-to-day running of PBC's offices in Moulton Park and Bedford.

Nick said: "Having gained experience in all kinds of roles in banking, I was more than interested when I was approached to take over the management of the PBC offices. I don't have specialist skills in insolvency and won't be acting as an advisor, but I do have an understanding of the financial sector that will ensure the business is focused on its goals and runs efficiently."

Gary Pettit added: "PBC is growing and changing and Nick's role is something that had been spread out between two or three different people in the past and we felt it was time to consolidate. I've known Nick for some years and know what he will bring to the firm. He has in-depth knowledge of banking and the commercial world so I was delighted when he agreed to becoming part of the team - his appointment can only help push us forward."



PBC

Moves into Bedford

PBC Business Recovery & Insolvency have announced opening their new office in Priory Business Park, Bedford with effect from 1 March 2019.

Highly regarded, PBC provide professional advice and services across both personal and corporate insolvency, whether that is for the client directly or where the client has an insolvent customer that owes them money.

In addition, Gary Pettit is a CEDR-accredited mediator, specialising in the facilitating of settlements in corporate or insolvency-related disputes Managing Director, Gary Pettit, said,

“This is an exciting move for PBC. Bedford is a vibrant business town and, from my own experience, there is an abundance of positive energy shown by its business people.”

Should you have an insolvency-related issue or a corporate dispute then please contact:

Gary Pettit at PBC Business Recovery & Insolvency
TEL: (01234) 834886





FOCUS ON

Company Voluntary Arrangement

Company Voluntary Arrangement

How can PBC Business Recovery & Insolvency Help?

For a Free initial consultation
– call 01604 212150

PBC Business Recovery and Insolvency can undertake the following services:

For Directors

- We can advise directors whether a CVA (and moratorium) is appropriate.
- Where appropriate, we will firstly assist the directors with the preparation of the CVA proposal.
- We will then act as nominee and convene the decision procedure.
- Should the proposal be approved, we will then act as supervisor.

For Creditors

- We can act on behalf of creditors who have received CVA proposals prepared by other insolvency practitioners. If necessary, we can advise on whether the proposal should be accepted or modifications proposed and, if necessary, assist you with these modifications.

A Company Voluntary Arrangement (CVA) is a procedure which enables an insolvent company to reach an agreement with its creditors to delay or compromise the payment of its debts. A CVA is flexible and can be adapted to meet the needs of any business and allows a company to propose repayments in line with what is affordable.

A CVA can be ideal where a company is suffering short term cash flow problems but there is an underlying viable business. A CVA is designed to give a company more time and legal protection from its creditors to sort out its financial affairs. Creditors will usually agree to support a CVA where it can be shown they will achieve a better outcome than if the company entered liquidation.

Bus
Consultat
Court
Practitioner
Directors
financial
Distributing
Management



Who can Instigate a CVA Proposal?

- The directors of a company.
- An administrator or liquidator if a proposal is a viable alternative or exit from administration or liquidation.

What Protection is Available to a Company from its Creditors?

For smaller companies, a moratorium is available which allows the company “breathing space” in which to propose and implement a CVA without the threat of proceedings by creditors. For larger companies, and where the moratorium process is not suitable, protection from creditors can be obtained by placing the company into administration prior to proposing a CVA.

How is a CVA Proposed?

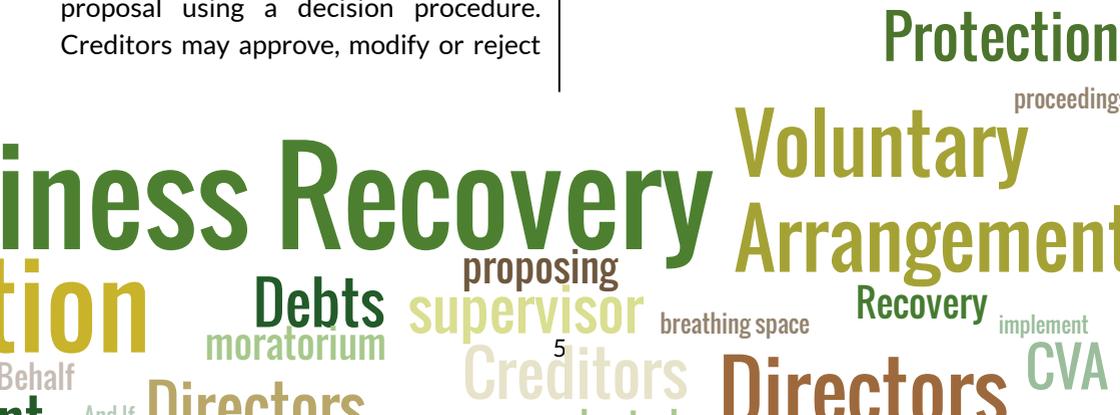
Once the directors have prepared a proposal (usually with the assistance of an insolvency practitioner) they nominate an insolvency practitioner to act as nominee, who invites creditors to consider the proposal using a decision procedure. Creditors may approve, modify or reject

the proposal on the support of 75% in value of the creditors voting (subject to a second vote of a majority of unconnected creditors).

What Happens Next?

When the proposal is approved, the nominee becomes the supervisor (or the creditors can choose to appoint an alternative) who takes responsibility for implementing the arrangement in line with the terms of the proposal. The supervisor is responsible for receiving payments proposed within the CVA and distributing them to creditors in line with the terms of the proposal. The supervisor may also consider requests to vary the terms of the arrangement and present such to the creditors. In the event of default on the terms of the arrangement, the supervisor may present a winding up petition against the company.

The day to day running of the company remains under the control of the existing directors and management, at all times.





BREXIT vs CASH

How many readers like change? Do you remember the constant barrage of doom and gloom surrounding the Millennium Bug or what about GDPR? Let us face it, in general we all fear changes that may interfere with our comfort zone.

The “B” word has been with us for 2 years and, personally, I have adopted the position of why write about it? After all, nobody knows what post EC departure means so anything written pre-Brexit surely must be rhetoric or simple guesswork. Admittedly, the older generations know what it was like before we joined but times have moved on since then and the economic World is vastly different.

So, let us focus on what we do know.

I bet when asked about your salary you cite your gross earnings. However, gross earnings cannot be taken into account when it comes to paying the bills; you have to look at your take home pay and hopefully it is sufficient to meet your domestic needs. Similarly, in business there seems to be a heavy focus on the level of turnover rather than the net profit or, more importantly, cash flow and the ability to meet debts as they fall due.

Through 2018 the average amount owed to a company was £80,141 rising to £82,000 for professional services. Late payments are the most significant threat to SMEs and the longer they

remain unpaid, the higher the risk of an inability to collect. If your business had to write off £80,000 how much additional business would you need to secure in order to recover that loss? Going back to the salary scenario if your employer paid you late could you still meet your debts as they fell due? There is little difference.

At PBC we would say most of our clients have suffered from poor cash flow. Some are due to poor credit control, some through a slow burn as the business suffers for one of many reasons, while others fall victim to a one-off catastrophic write off. In one particular case PBC are handling the company suffered a 7-figure debt as their customer went into liquidation, bringing the company to its financial knees. Thankfully, the director took early advice and we had time to restructure his company via a company voluntary arrangement, safeguarding all of the employees and the company going forward.

So, our message to you is Brexit is currently uncertain whereas cash is king. Look after your cash controls and let Brexit unwind in whatever format it is destined to take.

Should you have an insolvency-related issue or a corporate dispute then please contact Gary Pettit at PBC Business Recovery & Insolvency on (01604) 212150



CHARITY QUIZ

A Great Success

Greens Restaurant was filled with the sound of brains whirring as thirteen teams did battle at PBC's charity quiz in aid of Ronald McDonald House at Alder Hey.

The winners were Cottons (below), with a score of 133 out of a possible 150, with Clifford Roberts taking second place only 1 point behind in a good night for the Accountants.

PBC would like to thank everybody who attended and made the event such a success, with £1,640.50 being raised for charity as PBC have covered the costs for the evening.

The team's tuck shop and donations has also raised £57.29 so far this year, bringing 2019's current total raised to £1,697.79.

Our next event for the Charity is our Golf Day on September 19th and we look forward to seeing many of you there.

See page 12





HOW SECURE is Your Company?

A few years ago I asked an audience:-

“How many of you are self-employed?”

I followed that by then asking:-
“How many of you set up in business and planned to fail?”

The fact remains we do not set up a business with a view it will fail sometime in the future. So, why is it we do not take steps to protect our company from any unfortunate incident that may fall upon its leaders? Possibly because the UK business person is universally recognised as the poorest when it comes to discussing incapacity, or worse.

Perhaps 99.9% of companies that are incorporated adopt the standard articles of association (“Articles”) which governs the company in terms of directorships, voting and all other specific areas of corporate governance as laid down by the Companies Act.

Recently, I was asked to advise where the company operated with a sole director and shareholder. Unfortunately, that director was injured in an accident, incurring a serious head injury. As a result, personal injury claims were being prepared, which included a doctor providing a report stating the director was suffering from mental incapacity. The problem is the Articles state:

“A person ceases to be a director as soon as—

(d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;”

Taking the above into account that particular company now has nobody with authority to operate the business and without applying to court for the appointment of a personal representative (which can take several months) it is rapidly descending into a financial chasm, leading to its eventual demise.

The above should be a telling tale, if not a warning, for all those small, single director companies. You should ensure there is a second director registered at Companies House. This could be your spouse, although couples do have a tendency of travelling together so, try to consider a different person. Alternatively (or simultaneously) consider a power of attorney whereby someone has the power to protect the company’s interests by (say) appointing a replacement director or being able to ensure trading can be sustained, thus protecting the share value, being a legacy you may wish to leave for your surviving family members. It is also worth considering appropriate insurance protection as key personnel invariably need to be replaced if the business is to remain viable.

Should you have an insolvency-related issue or a corporate dispute then please contact Gary Pettit at PBC Business Recovery & Insolvency on (01604) 212150 (Northampton office) or (01234) 834886 (Bedford office).



As a creditor can you spot potential problems with your customers?

The Warning Signs

Possible cashflow issues:

- “The cheque is in the post.”
- “I thought we had paid this. May need to cancel the cheque and re-send.”
- Round figure payments.
- Extended payment terms taken/ requested.
- Rapid growth by client (Sustainable?)

Possible Company issues:

- The word on the street
- Poor history of directors/owners
- Adverse credit checks.

Easy to say but....

- Maintain a good credit control.
- Say “No” more often.
- Set credit limits and stick to them.
- If exposure is large – seek guarantees/ security.
- Make sure your terms & conditions are effective.
- Ask direct questions where needed.



Please contact Gary Pettit or Jamie Cochrane on
01604 212150
to arrange a free consultation



FOCUS ON

Bankruptcy

Bankruptcy – How can PBC Business Recovery & Insolvency help?

For a free initial consultation – call 01604 212150

PBC is one of the few insolvency firms licensed by the FCA to offer debt counselling advice. Only a FCA licensed firm can provide bankruptcy advice.

PBC Business Recovery and Insolvency can undertake the following services:

For Individuals

- We can advise you whether bankruptcy is appropriate.
- Where appropriate, we will explain the procedure you need to follow to petition for your own bankruptcy.
- Review the alternatives to bankruptcy, if appropriate.

For Creditors

- We can act on behalf of creditors concerned about an individual and if appropriate arrange for solicitors to assist you in the presentation of a bankruptcy petition.
- Depending on the issues surrounding the individual, we can agree to act as trustee.

Bankruptcy is used to deal with an individual who is unable or unwilling to pay their debts.

How is an Individual Made Bankrupt?

An individual can be made bankrupt in the following ways:

1. The individual themselves may apply online to declare themselves bankrupt.
2. A creditor who is owed £5,000 or more can petition for an individual to be made bankrupt on the grounds that the debtor cannot pay their debt.
3. In certain situations, the supervisor of a voluntary arrangement can petition if a voluntary arrangement has failed.





4. Petitions by a creditor or supervisor are made to the local court responsible for making a bankruptcy order.

What Happens Once the Bankruptcy Order is Made?

In the first instance, the official receiver (OR) is appointed as trustee and receives the bankrupt's estate by virtue of the bankruptcy order. The OR has a duty to investigate the bankrupt's affairs and submit a report to the creditors. In some circumstances where there is support from a majority of creditors, the OR may request the Secretary of State to appoint a licensed insolvency practitioner as trustee. The OR can also appoint a licensed insolvency practitioner in certain circumstances off the OR rota.

What are the Duties of a Trustee in Bankruptcy?

Duties of a trustee are to:

- Realise assets within the bankrupt's estate.
- Agree creditors' claims and distribute funds by way of dividend.
- Report to creditors on the progress of the bankruptcy on an annual basis.
- Issue the final account of the

administration of the estate

What Happens if Someone is Made Bankrupt?

- A bankrupt will be unable to hold a job in certain areas of employment (e.g. solicitor).
- A bankrupt will have to give up any assets of value and may lose the financial interest in their home.
- A bankrupt is unable to apply for credit in excess of £500 without telling the lender of their bankruptcy.
- A bankrupt may not act as a director of a company, or create, manage or promote a company without the court's permission.
- A bankrupt will be discharged from bankruptcy after 12 months from the date they were made bankrupt. Discharge does not result in the assets reverting back to the bankrupt, although the trustee has a period of three years in which to deal with the matrimonial home or, if not dealt with, this will re-vest at the end of the three year term. However, if there is evidence of criminal, dishonest or careless behaviour, the OR may apply to the court for a Bankruptcy Restriction Order, which could maintain the bankruptcy for anywhere between 2 and 15 years.



PBC CHARITY GOLF DAY 2019

FOR RONALD MCDONALD CHARITY HOUSES

Thursday 19 September

Overstone Park

Billing Lane, Overstone, Northampton, NN6 0AS

Arrival from 9:45a.m.

Coffee and Bacon Rolls from 10:00a.m.

Tee off from 11:00a.m.

(two-tee start)

Two course dinner at 5:00p.m.

followed by Prize Giving

£60 per person, to include:

18 holes of golf with Individual Stableford, Team Ball,

Nearest the Pins and Charity Hole competitions

Refreshments on arrival and during the round

First drink in the clubhouse after the round

Two-course dinner

Team Ball (rules available on day)

Raffle tickets will be available on the day. If you would like to provide a raffle prize or sponsor a competition or hole, please confirm by return.

**PLACES ARE LIMITED AND WILL BE AVAILABLE ON A
FIRST COME FIRST SERVED BASIS.**

RSVP by sending the entry form by Friday 16 August
to lisaparker@pbcbusinessrecovery.co.uk.



PBC CHARITY GOLF DAY 2019

ACCEPTANCE FORM

I would like to enter the following for the PBC golf day on 19 September 2019

Name	Company	Handicap	Dietary Requirements
1			
2			
3			
4			

Entries can be for individuals or groups.

I enclose a cheque for £_____ made payable to "PBC re Ronald McDonald House"

OR

I have made a payment for £_____ to 20-45-77 80448435.

RSVP by sending the entry form by Friday 16 August to
lisaparker@pbcbusinessrecovery.co.uk.



Meet the Team



Gary Pettit
Managing Director

Licensed Insolvency Practitioner.
30 years insolvency experience.
CEDR Accredited Mediator.
Specialist in restructuring
businesses.

*garypettit@pbcbusinessrecovery.
co.uk*



Jamie Cochrane
Associate

Joined the firm full-time in 2009
having previously worked part-time
during university holidays.

ACCA qualified.
Enjoys researching technical queries
and issues.

A fan of pretty much all sports,
particularly hockey, golf and rugby
(supporting Northampton Saints).

*jamiecochrane@
pbcbusinessrecovery.co.uk*



Nick Bonser
Operations Manager

Joined PBC in January 2019
Over 35 years experience in the
Banking Sector
Certificate in Business & Financial
Management
Enjoys sport especially football and
Cricket.

Tries to play golf
*nickbonser@pbcbusinessrecovery.
co.uk*



Natasha Pink
Case Manager

Over 10 years insolvency experience.
Certificate of Proficiency in
Insolvency qualified.
AAT qualified.
Enjoys keeping fit and playing the
piano

*natashapink@
pbcbusinessrecovery.co.uk*



Claire Goodacre
Senior Case Administrator

Began working for the firm in 2005.
Certificate of Proficiency in
Insolvency qualified.
Once got a mention on Steve
Lamacq's show on 6Music

*clairegoodacre@
pbcbusinessrecovery.co.uk*



Jenny Gent
Case Administrator

First joined the firm in 2005.
Certificate of Proficiency in
Insolvency qualified.
AAT qualified.
Trained first aider.

*jennygent@pbcbusinessrecovery.
co.uk*



Nicole Anderson
Case Administrator

Joined in March 2014.
Proud owner of Peggy the Cavapoo.
Studying towards AAT qualification.
Loves karaoke.

nicoleanderson@pbcbusinessrecovery.co.uk



Lisa Parker
*PA to Management Team and Marketing
Coordinator*

Joined the firm in 2005.
The organiser of the office – the glue which holds us
together.
Enjoys walking and camping with her husband Kim and
Reggie the dog.

lisaparker@pbcbusinessrecovery.co.uk



Mediation Services

Gary Pettit



Gary has been in the insolvency profession for over 30 years.

He qualified as a licensed insolvency practitioner in 1999 and remains an appointment taker through the Institute of Chartered Accountants in England & Wales.

During this time he has been a member of Council at the Association of Business Recovery Professionals and has been an advisor to both shadow and presiding Governments on various corporate-related matters.

Over his career Gary has a proud record of never losing when court intervention was required. He puts this down to being honest with himself and considering the arguments available for both parties involved.

Some of his negotiating achievements include:

- Setting down what is considered by some, as the clearest guidance for unlawful property dispositions which HM Revenue & Customs have relied upon in subsequent cases ever since.

- Successfully negotiating the withdrawal of a substantial claim for wrongful trading against a director who had already been disqualified for trading whilst insolvent.
- Achieved a settlement of a professional negligence claim where damages were sought amounting to £1 million under un-tested legal provisions.
- Negotiating settlement of a long-running management dispute, involving several businesses.

In one mediation a member of the claimant's party stated,

"I can recommend Gary very highly. He did a super and well balanced job on one of our mediation cases recently. He is now on our shortlist for future cases."



PBC offers a free initial meeting to all, which is confidential and impartial.

If you have any questions, however small, we will always be happy to help.

PBC has offices in both
Northampton and Bedford and be contacted on:

Northampton:
01604 212150

Bedford:
01234 834886



Follow us on Twitter: @PBC_Business

www.pbcbusinessrecovery.co.uk