

2021 - the year of the Company Voluntary Arrangement?

During the current unprecedented times no one can predict the future or what it will mean for our businesses and it looks like this new world will be with us for some time. At Maxwell Davies we can't change that.

However, with the prospect of businesses having less to spend, combined with reduced output and the higher cost of working with social distancing, we do feel that many businesses will face increased financial pressure. We can help you come up with solutions to manage this.

A Company Voluntary Arrangement ("CVA") is a business rescue tool that enables a struggling company to reach an agreement with its creditors to delay and/or reduce the payments of its debts so as to allow it to recover.

There is no minimum or maximum term for a CVA – it could be for 6 months or 5 years, and there is no minimum or maximum amount – it is what the Company can afford to pay. To read more, click on the icons.

Benefits of CVA

- Flexible, can meet the needs of any business ✓
- No VAT on fees, so greater payment to creditors ✓
- Better outcome for creditors than a Liquidation ✓
- Directors maintain control of the business ✓
- Can continue to trade ✓
- No disqualification reports on directors ✓
- No advertisement of the CVA ✓

Please note that all statutory procedures are registered at Companies House, and any non-payment of a debt will affect your credit rating.



To discuss please email
hello@maxwelldavies.com
or call 0800 118 2948

Facing the potential failure of a business is a distressing time for anyone.

We offer clear, accurate advice and assurance to handle financial difficulties effectively, with empathy and confidentially.