



There are many options available to help directors with Business Recovery depending on the circumstances and following on from our Insolvency Options [Flowchart](#) we thought we should share some pros and cons of the options in the flowchart.

Administration	Court process intended to support business rescue. Appointment of insolvency practitioner to take control of company to sell business or assets	Advantages <ul style="list-style-type: none">• Ability to continue trading so as to maximise realisations• Business may be sold and employees' jobs saved• Creditors cannot take legal action• "Out of court" route is quick	Disadvantages <ul style="list-style-type: none">• More costly than liquidation• Lose control of company• Investigation into conduct of directors• Impact on directors personal guarantees
Restructuring Plan	Court Sanctioned compromise agreement where Company has or will experience financial difficulties	Advantages <ul style="list-style-type: none">• Flexible agreement• Used for restructurings, takeovers and mergers• More discrete procedure as Companies Act• Court has discretion to bind dissenting creditors	Disadvantages <ul style="list-style-type: none">• Two court applications -convening & sanctioning the plan• Creditor classes meetings• Costly procedure
Creditors Voluntary Liquidation	Closure of company due to insolvency. Appointment of insolvency practitioner to identify and realise assets of the company.	Advantages <ul style="list-style-type: none">• Cessation of company• Contracts automatically cease• Closure on business financial problems• Liquidator can disclaim onerous property	Disadvantages <ul style="list-style-type: none">• Lose control of company• Termination of business• Employee redundancies• Investigation into conduct of directors• Impact on directors personal guarantees

One of the easiest, but most overlooked stress solutions for small business owners is asking for help.

During these uncertain times we understand the impact of financial difficulty can be devastating both on your client's business and their quality of life.

If your business is struggling, please seek help sooner rather than later. It is not always clear which options are the right ones for your business.

The first step is to call us. We offer a [free initial confidential business rescue consultation.](#)

If you have any questions about the insolvency process, please call our Business Rescue Service now on **0800 118 2948**.

You don't know what we can do until you ask.