



Individual voluntary arrangements

Turnaround and recovery

Have you considered an individual voluntary arrangement to help you deal with your debt?

A CONSTRUCTIVE ALTERNATIVE TO BANKRUPTCY

Bankruptcy is a real threat if your debts exceed your assets or if you cannot pay creditors on time. This can be very stressful. But if you are facing mounting financial problems, do not presume that bankruptcy is inevitable.

At UHY Hacker Young, our turnaround and recovery team's main priority is to develop a creative commercial solution that will benefit both you and your creditors. For instance, you could agree with your creditors to enter an Individual Voluntary Arrangement (IVA) under the Insolvency Act 1986.

WHAT IS AN IVA?

An IVA is a formal agreement between you, the insolvent individual (known as 'the debtor') and your creditors. An IVA allows you to repay all, or part, of your debts over a period, typically between three and five years.

The procedure is very flexible and its exact nature will vary from case to case, depending upon the terms of your proposal to creditors.

Typically, this could involve:

- an orderly disposition of assets;
- introduction of third party funds;
- contributions from future earnings; and/or
- debt rescheduling.

An IVA can also allow you to carry on trading if you have a business.

Creditors will consider your proposal at a meeting. The proposal is accepted if approved by more than 75% of creditors, by value, at the meeting.

One of our licenced insolvency practitioners will oversee the IVA, which is binding on those creditors who had notice of, and were entitled to vote at the creditors' meeting.

WHAT ARE THE ADVANTAGES OF AN IVA OVER BANKRUPTCY?

In addition to flexibility, the benefits of an IVA include:

- no publicity;
- an opportunity to carry on trading;
- quicker realisation of assets;
- cheaper administrative costs;
- better dividends for creditors;
- earlier payments to creditors; and
- no restrictions on you acting as a company director.

If you are a professional, such as an accountant or lawyer, an IVA will assist you should you wish to maintain your income. Your professional body will treat an IVA more sympathetically than a bankruptcy, which usually results in mandatory exclusion.

WHY SHOULD MY CREDITORS AGREE TO AN IVA?

Because they are likely to receive more money, more quickly than through bankruptcy proceedings.



We understand how stressful mounting financial problems can be for you and your family.



WHAT IS THE KEY TO A SUCCESSFUL IVA?

A viable proposal that balances the interests of both you and your creditors, whilst illustrating your integrity and co-operation; both of which are essential ingredients.

The choice of insolvency practitioner is also important, as creditors must have complete confidence in their practitioner's ability to safeguard their interests.

OUR APPROACH

We understand how stressful mounting financial problems can be for you and your family. Our licenced insolvency practitioner partners combine many years of practical experience with an excellent technical background, to ensure that you receive realistic and practical advice on the best way forward.

Our specialists have:

- full understanding of the technicalities of the IVA procedure;
- experience to judge whether the IVA proposal will work; and
- expertise and reputation to persuade creditors that it is a viable way forward.

ABOUT UHY HACKER YOUNG TURNAROUND AND RECOVERY

UHY Hacker Young turnaround and recovery is an award-winning specialist division of UHY Hacker Young Chartered Accountants. We are members of the Insolvency Practitioners Association and the Association of Business Recovery Professionals.

We have experience of dealing with all forms of insolvency appointments and we aim, wherever possible, to prevent needless formal insolvency.

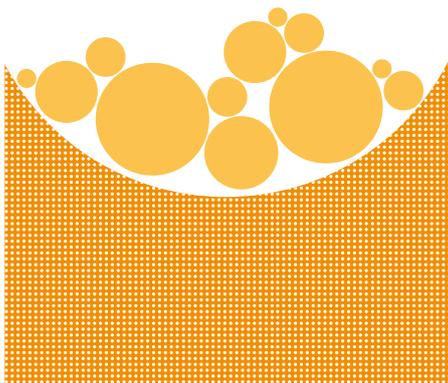
ABOUT UHY HACKER YOUNG

We are a national firm of accountants and business advisers, ranked 15th in the UK. We are ambitious people, united in our mission to be exceptional accountants and business advisers delivering a seamlessly integrated client service. Our 109 partners and almost 600 professional staff operate from 27 locations across the UK, and we are growing. We provide a full range of accounting, tax and business advisory services to corporate and private clients.

Internationally, UHY Hacker Young is a founder member of the UHY network, which is represented by 320 offices in over 90 countries.

THE NEXT STEP

For further information on our corporate recovery services, or to discuss your specific circumstances, please contact your usual UHY partner or read more about us on our website at www.uhy-uk.com.



UHY Hacker Young Associates is a UK company which is the organising body of the UHY Hacker Young Group, a group of independent UK accounting and consultancy firms. Any services described herein are provided by the member firms and not by UHY Hacker Young Associates Limited. Each of the member firms is a separate and independent firm, a list of which is available on our website. Neither UHY Hacker Young Associates Limited nor any of its member firms has any liability for services provided by other members.

A member of UHY International, a network of independent accounting and consulting firms.



© UHY Hacker Young 2016

www.uhy-uk.com



Helping you prosper