

Unique Administration Pre-Pack Flowchart from KSA

Start Here

Your company is under serious creditor pressure. The board agrees it is a viable business. After reading CompanyRescue guides you put together a plan of action. Establish insolvency, collate financial information & discuss with team. Is there a willing buyer or investor?

Then contact KSA's insolvency practitioners (IP's), have data ready!
We'll discuss data, review forecasts & background. Ask for more information.
Consider initial options, CVA, PRE PACK or LIQUIDATION.

We'll review/discuss situation, look at all options and risks & decide if PRE-PACK required. Hold meeting, usually at your premises to assess the business.

Legend

KSA

Client (your companies)

Insolvency Practitioner (IP)

Typically 24-36 hours from enquiry to meeting

Meeting held. Allow 3-5 hours and all directors must attend. All financial & legal threats discussed. Options considered in detail.

KSA's IP's issue report on crisis, options and expert recommendation. Costs given in writing. PRE PACK recommended to board. KSA can help board structure deal.

Board reviews and approves, if rejected, board must consider other options. Directors must avoid personal liability, act quickly! Avoid Wrongful Trading.

KSA IP's appointed formally by board resolution and engagement. "Line in the sand" plan for PRE PACK formed. Small initial fee to cover valuation, legal and other court fees.

IP will put together his ADMIN proposal and get external asset valuations. Statement of affairs drawn up.

Typically 3-10 days to prepare

Order granted. Old company has then entered Admin. All legal actions stayed. MORATORIUM in place. STOPS all legal actions. Then 1 or 2 days later...

After getting consent from floating charge holder, IP is appointed by company, faxes application or applies to Court stating purpose of Administration.

IP reviews OFFER, Agrees to sell assets, name and business out of a future administration.

"Newco" prepares plan and OFFER for purchase of assets, name and business. Will need capital, drive and luck.

Newco buys assets, name and business Administrator. Possible deferred payment terms. Bank, HP, Leases "novated to newco if required.

IP calls creditors meeting to report on old company's outcome to creditors. Must be held within 10 weeks. Old company liquidated or dissolved in time. Fee's covered from sale of assets.

Board gets on with running new company & ensures that company complies with rules and payment terms. May incur TUPE problems but can terminate leases as required to cut costs.

Overall 2 weeks from initial approach

Pre-Pack needed? Call KSA free on 0800 9700 539