

# CLARKE BELL

CHARTERED ACCOUNTANTS AND LICENSED INSOLVENCY PRACTITIONERS

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## *We deal with Corporate & Personal insolvencies*

Directors' personal guarantee liability minimisation

•  
Asset re-financing

•  
Business turn-around and restructuring

•  
Debt management schemes

•  
Administrations

•  
Liquidations

•  
Voluntary Arrangements

•  
Bankruptcies

Please contact us if you (or any of your clients) would like to discuss any of these issues.

## CLARKE BELL

Chartered Accountants and Licensed Insolvency Practitioners

Parsonage Chambers, 3 The Parsonage  
Manchester M3 2HW

Tel: 0161 907 4044 Fax: 0161 907 4086

E-mail: [info@clarkebell.com](mailto:info@clarkebell.com)

[www.clarkebell.com](http://www.clarkebell.com)

Offices also in Cheltenham, Derby, Newcastle & Stoke

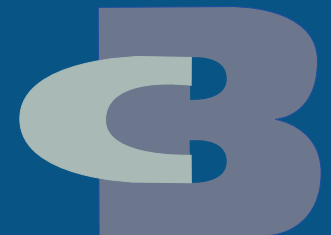
Clarke Bell

are licensed insolvency

practitioners with

particular expertise in:

- Reorganising and restructuring businesses
- Organising finance for companies
- Administrations
- Liquidations
- Individual Voluntary Arrangements & Bankruptcies



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## Cashflow problems lead to voluntary liquidation



A further problem occurred on another major contract in which the company was involved. As this project was near completion, the sub-contractors they had employed were not able to fulfil their obligations. As a result, Interfloor had to bring in other operatives to complete the project - at their own expense. In addition to this problem, they were also charged by the client for the disruption that was caused to other traders on the site due to the delays involved.

By the end of the project, the company had made a considerable loss on the contract.

To add to their on-going difficulties, one of the company's major debtors was placed into Administration leaving them with a further bad debt of nearly £50,000.

This was the final straw for the director.

There were no further funds to invest in the company, so he decided to seek professional insolvency advice as to what he should do next.

So, he came to Clarke Bell to discuss his situation. After reviewing the company's position, the only viable option was to put the firm into Voluntary Liquidation.

John Bell, the senior partner at Clarke Bell, said:

*"As the difficult economic climate continues, more and more companies are finding their cashflow situation becoming untenable.*

*In situations like this, a Creditors' Voluntary Liquidation (CVL) really is the best option available."*

Andy Brown, the director of Interfloor, said:

*"There is only so much bad luck you can take.*

*Fortunately, Clarke Bell were able to help me to deal with the situation quickly and effectively."*

Interfloor Interior Fitout Limited started trading in July 2008 as commercial flooring contractors and employed three members of staff. Andy Brown was jointly responsible for the day-to-day running of the business.

The company's first year of trade showed a small loss, however the director was happy with the prospects for the business as new clients were being attracted through customer recommendations.

However, the company then made a substantial loss on a major project due to their client cancelling the contract. While the client did offer a settlement figure for the work Interfloor had completed, the amount offered fell considerably short of the costs incurred by Interfloor. However, due to the situation with their cashflow, they felt they had no option but to accept the offer.

As a result, the director then had to inject further personal funds into the business to assist the cashflow position. The company continued to trade through this difficult period and the director was optimistic that trade would increase again once the economic climate improved.

## Another Insolvency Practitioner in Clarke Bell

We are delighted to announce further academic qualifications within our Team.



Toyah Collins (left), the Head of the Corporate Team at Manchester-based Clarke Bell, has passed her final Insolvency exams at the age of 26.

She is waiting for her Licence to be finalised and is set to become one of the youngest people to join the elite group of only about 1,900 Licensed Insolvency Practitioners in the country.

She has been studying professional qualifications since she started at Clarke Bell as a 16-year old school leaver. As well as this Insolvency qualification she is, among other things, also a qualified ACCA Accountant.

Toyah said:

*"I am delighted, and relieved, to have passed these exams at my first attempt.*

*They took a huge amount of effort, sleepless nights, strong coffee and support from a lot of people."*

John Bell, Clarke Bell's senior partner, said:

*"Having a second qualified IP in the firm is great for us.*

*It also gives our clients the opportunity to seek Insolvency advice from me and / or from Toyah."*

## And more exam successes



Also within the Corporate Team, Jessica Williams (above) has recently passed her final AAT exams after more than three years of hard studying.

Jessica also joined Clarke Bell straight from school at the age of 16 and is set to follow the examples of her Corporate Team colleagues in sitting the Certificate of Proficiency in Insolvency exam.

John said:

*"I have always been very keen in investing in training for my staff.*

*I believe it is crucial to have top quality staff when you are giving advice to clients about something as important as how to deal with financial problems."*