

Insolvency and director disqualification

Are you a director (or former director) of a company that has gone into an insolvency process? We can provide clear advice on your statutory obligations to assist the office holders with their investigations into the company's affairs, your duties as a director and director disqualification.

A rise in company insolvencies

From the start of the coronavirus (Covid-19) pandemic until mid-2021, the number of company insolvencies were low when compared with pre-pandemic levels. This was likely driven in part by Government fiscal and other measures that were put in place to support businesses and individuals during the pandemic. Creditors' Voluntary Liquidation (CVL) numbers rose between Q2 2021 and Q2 2022 and we have seen a high number of CVLs in Q2 and Q3 of 2022.

As at 31 March 2022 there were more than 6,500 former directors with active disqualifications and over 2,000 individuals subject to bankruptcy and debt relief restrictions. These numbers are set to rise.

Why will the Insolvency Service contact you?

As a director of a company that has gone into an insolvency process, you will be contacted by the Insolvency Service for a variety of reasons. It could be for the purpose of completing the Director Questionnaire (this is always required when a company goes into liquidation) or for you to respond to enquiries or proposed allegations of misconduct while the company was trading.

We can help by giving you cost effective advice, guide you through the process and work with you to complete the documentation to be submitted to the Insolvency Service.

Insolvency director disqualification package

We can offer a fixed fee for the following services:

- Completing the Director Questionnaire
- Responding to Insolvency Service's initial enquiries (pre-disqualification)
- Responding to Section 16 letter (offering an Undertaking)
- Responding to Section 16 letter (making representations seeking to defend disqualification).

For more information, or to discuss any questions you have, please get in touch.



Tania Clench

Legal Director
tania.clench@cripps.co.uk
T +44 (0)20 7591 3317

I'm a legal director in the restructuring and insolvency team with over 20 years' experience. My expertise is in director protection, advising directors of companies in financial distress or those that have entered an insolvency process, as well as defending them in all manner of proceedings including disqualification.