



SMART INSOLVENCY SOLUTIONS

TRYING TO OBTAIN INFORMATION CONCERNING PERSONAL ASSETS OF DIRECTORS

The tph Difference

Although a Liquidation or Voluntary Administration is over a company the interaction with a director and the personal financial position of the Director is always a relevant area of enquiry for a Liquidator.

Most creditors believe the directors personal wealth should be disclosed to the Liquidator so decisions can be made as to whether any actions are commercially worthwhile taking against the directors.

There is, however, no legislation compelling directors to divulge such information. However, in certain circumstances directors may see it in their interests to disclose the information.

Given the various information channels available these days it is sometimes difficult for directors to hide their financial position. **tph** again takes a pragmatic approach and depending on the outcome we wish to achieve we will highlight to a director if it is important for us/(and him or her) why the information is helpful. But at the end of the day there is little a Liquidator can do if the information is not voluntarily provided.

Common Alternative Approaches adopted by Insolvency Firms

All practitioners believe an understanding of the director's personal financial circumstances to be helpful information.

Many practitioners apply as much pressure as possible to secure such information.

This informs them as to the prospect of there being sufficient assets available should the Liquidator commence an action against the director.

Although liquidators are to be assisted by the directors in the course of a liquidation there is no legal obligation to supply personal financial information.




The tph Smart Solution

tph will assess the situation, look for solutions and work with directors to achieve the best outcomes. It is important for directors to be informed understand their legal obligations. Once a plan is in place, **tph** will outline the process and the steps to achieve a resolution; this is at the heart of remaining impartial and transparent, it is what separates us from other insolvency firms.

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