

## Lameys Charity Events



Pictured above, Jeremiah's Journey delighted with the contribution presented by Julian Brailey

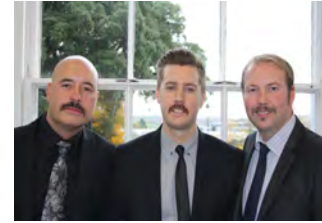
This year, as in previous years, Lameys is proud to have made contributions to a number of well-deserved charities as a result of its participation in various sporting events and 'hair raising' activities.

These events have included the annual Lameys Charity Golf Day, held in association with Loughtons Independent Financial Advisors, which raised money for Rowcroft Hospice, The Army Benevolent Fund and a local children's charity, Balloons. Earlier this summer, a six-a-side cricket tournament organised in conjunction with ES Group commercial valuers and agents, raised funds for the Plymouth based charity, Jeremiahs Journey.



Pictured above, Adam Buck presented Angie Thomas from Rowcroft Hospice with their share of the funds raised

Finally, intrepid (and brave) members of the Lameys team have given their all to take part in Movember, the purpose of which is to raise money and awareness for men's health, by attempting to grow fantastic moustaches. Pictured to the right are the 5 members of the Lameys team showing off their efforts of amazing facial hair – and yes, hair dye has been used by at least one of the team!



Pictured above, Martyn Searle, Adam Buck and Dan Sercombe



Pictured above, Julian Brailey and Simon Hicks

## Problems ahead for law firms

There are certain businesses which have not traditionally been associated with insolvency problems. Solicitors can now be added to the list of those who now are.

### SRA say 141 firms must prepare to shut down.

Lameys recent experiences have been echoed in a report from the Solicitors Regulation Authority ("SRA"), which has indicated many law firms may have to cease trading. A total of 277 firms notified the SRA that they failed to secure professional indemnity insurance by 1 October 2013. At the date of writing, 141 of these had still not obtained insurance and had 5 weeks of an extended policy period to obtain insurance. Firms which do not have insurance in place by 29 December 2013 will have to cease trade.

Many firms will be hastily making the necessary arrangements. Some will obtain the required insurance and others will merge or sell the business. However, most of those which cannot will be faced with insolvency. In order to best deal with this challenging situation, early advice and planning is strongly advised.

### Legal Aid Agency cuts – Practices must adapt.

Government budget cuts have affected the Legal Aid Agency and the most recent consultation with the Ministry of Justice is likely to result in further cuts to Criminal Legal

Aid. The changing market brings significant problems for many criminal legal practices.

### How can Lameys help

Dealing with matters appropriately could be the difference between partners retaining practicing certificates, or not. Keeping control and dealing with matters to the satisfaction of the SRA will reduce the risk of an SRA intervention.

Acting early will mean there are more options available. Recently Lameys has helped law firms caught by the recent insurance problems and facing changes to the legal aid regime via company voluntary arrangements ("CVA") and controlled wind downs.

In the liquidation of Thornleys Solicitors Limited the SRA compliance plan for an orderly shut-down has been adhered to. There has been no intervention and partners have retained their practicing certificates.

A regional criminal legal practice, struggling with the legal aid regime, was saved through a CVA rescue package. The managing partner of the practice stated, ".....We have, with Lameys help, achieved what I thought would have been impossible – increased income and reduced overheads, and the future looks very bright indeed....."

**Lameys is a local independent firm able to offer free and without obligation advice to any businesses that are experiencing financial difficulties. Taking early advice can be the key to avoiding a terminal insolvency procedure and may enable a business survive and prosper.**



## My company is in liquidation. Can I still be a director? Can I still trade a business?

There is a common misconception that someone who is a director of a company that goes into insolvent liquidation cannot be a director again or trade a business in the future.

It is true that there are restrictions placed on directors of a company that enters liquidation, however, the purpose of such legislation is to prevent serial offenders and 'phoenix' operations. In general terms a liquidation does not automatically prevent a person that has been a director of a liquidated company from holding any other directorships. The exception would be if that person becomes subject to a Disqualification Order under the Company Directors Disqualification Act as a result of misconduct in relation to the insolvent company.

There is also no reason why a person who has been a director of a company in liquidation, cannot be involved in trading a business entity, either in the same line of business or something completely different.

The only automatic restriction in this respect, under insolvency legislation, is that a person who has been a director of a company in liquidation is prevented from being involved in a business entity trading with the same (or similar) name, or trading name to the company in liquidation. It is, however, possible to obtain exemption from such restrictions in certain circumstances.

If you have any questions about liquidation and the implications on directors, contact a member of the Lameys team for initial advice.

**Please call**  
**Adam Buck or Peter Simkin**  
**Newton Abbot 01626 366117**

**Julian Brailey or Simon Hicks**  
**Plymouth 01752 254912**  
**Initial advice is always free**

## Tips to avoid a build up of debt at Christmas

Traditionally we have always experienced a number of calls in the early part of the year from people who have overspent at Christmas and are feeling the pinch. Whilst we can always help those individuals, it would be better to avoid it. With Christmas seemingly getting bigger and more extravagant every year there is always the risk that people will overstretch themselves. When taking into account, presents, nights out and a mountain of food and drink to buy, it is a very expensive time of year.

Last year we spent on average £1,000 per household on Christmas and according to the Money Advice Service, one million of us will use a payday loan to cover the cost of Christmas while a third of adults will use credit cards. This may allow you to enjoy a Merry Christmas, but reality will soon kick in when it comes to repaying the debts that have built up.

Christmas should be a time for everyone to enjoy but it is more important than ever to make sure that you do not overstretch yourself which will result in a worse than normal New Year hangover.

Whilst everyone should be able to enjoy the festive period, a few simple tips may help in ensuring debts do not build up:

- = Plan as early as you can. Whether it is buying presents or stockpiling food and drink, try and spread the cost beforehand as much as possible.
- = Shop Around. If you are after a specific gift, try and find it for as cheap as possible.
- = Borrow Smart. If you do have to borrow money to assist, then make sure you are using a reputable lender and you know you will be able to repay the debt. Calculate what the repayments are likely to be and whether this is affordable. If it is not, then you should not borrow the money. If you are thinking of using a pay day loan, don't!
- = Be Organised. Use lists, set limits and decide exactly how much you will be spending on each person and event. This will stop you getting carried away and overspending.

**We take this opportunity to wish you a Merry Christmas and a prosperous New Year.**



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All our Insolvency Practitioners are licensed to act in the United Kingdom by the Institute of Chartered Accountants in England & Wales.

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