

IN THIS ISSUE:

Fewer directors being made to account for their actions

Real time information is here

Martine McCutcheon files for bankruptcy

Signature Dinners

25 Years of loyal service

Competition - WIN 6 bottles of Champagne

NEWSLETTER

SUMMER 2013



GRIFFIN & KING
LICENSED INSOLVENCY PRACTITIONERS

Real time information
is here! Page 2



Martine McCutcheon files
for bankruptcy Pages 2 & 3



Fewer Directors being made to account for their actions

A report issued last year by R3, the Insolvency Trade Body has warned that a shortage of resources at the Insolvency Service has meant that unscrupulous company directors are escaping any action against them.

Only 1,151 of 5,401 reports (21%) sent by Insolvency Practitioners to the Insolvency Service resulted in a disqualification. This compares with 27% in 2011 and 45% ten years ago.

R3's president said "it is not apathy at the Insolvency Services it is lack of resources. We are reporting "misconduct" and the authorities aren't acting. Later on, it results in new victims that could have been protected if it wasn't for the lack of resources. Justice needs to be seen to be done."... "We need to push up the disqualification rates and make sure those who have been disqualified stick to their terms if we are to maintain public confidence."

continued page 2


Keeping you informed

- Company Voluntary Arrangement
- Individual Voluntary Arrangement - Consumer Debt
- Liquidation
- Individual Voluntary Arrangement - Business Debt
- Administration
- Bankruptcy



Cover story continued...



Tim Corfield said "These comments reflect our experience at Griffin & King and is an issue we have been highlighting for some time. But most directors find their companies have to enter an insolvency procedure as a result of external factors that do not amount to any wrongdoing from the directors – they have nothing to fear from this procedure". 

REAL TIME INFORMATION IS HERE!

Like it or not, RTI is now with us! This is a development of the PAYE system to improve and streamline the flow of payroll, National Insurance and tax information between employers and HMRC. Employers are now required to submit payroll information within seven days or on the normal payroll date, whichever is the earlier.



This shift for payroll operations has been described as "the biggest change since the introduction of PAYE in 1944".

RTI applies to most businesses from this April but a concession was granted by HMRC to companies employing fewer than 50


people which are to be delayed until October.

Once again, HMRC are putting more pressure on businesses, particularly small ones. The ICAEW have described the new regime as "at best, unrealistic and at worst, impossible". If a business needs to have flexible arrangements for employments – for example a pub, there would be more regular reporting obligations. Penalties are in place if the rules are not complied with.

There will be no longer any room for employers to manoeuvre with their PAYE payments. Prior to RTI until a P35 was filed (due by 19th May following the tax year) HMRC does not know the extent of any liabilities and this system allowed time for businesses to catch up with a PAYE liability during a year or delayed any collection process commencing.

Being positive, speedier identification of arrears may help those businesses that are going through a temporary cash flow problem and bring about an earlier dialogue with HMRC. Long term struggling companies may be forced to come to

terms with insolvency earlier – which for the overall good of the economy is not a bad thing in the long run. No one gains by companies being allowed to continue to trade only by the fact that they are using unpaid PAYE as their working capital.

With the Coalition's Universal Credit being launched this year, the Department for Work and Pensions will use the RTI system to reduce any benefits if an employee's earning rises at any point during the year. Anita Monteith, technical manager of the Institute for Chartered Accountants' tax faculty, confirmed that this would hit employees, who are getting benefits, when they received a Christmas bonus and would effectively wipe out the perk. Tens of thousands of employers give their staff a bonus in their December wage packet to help cover the cost of the festive period and thank them for their work during the year. Anyone who similarly received a summer or holiday bonus would also suffer. 



Martine McCutcheon files for bankruptcy

The former soap star has recently petitioned for her own bankruptcy at Kingston upon Thames County Court.

McCutcheon starred as Eastender's Tiffany Mitchell during the 1990's and later enjoyed singing success and a number one hit with Perfect Moment. She has also played leading film roles in Love Actually (starring with Hugh Grant) and as Eliza Doolittle in My Fair Lady.

Unsurprisingly, the biggest creditor is HMRC.

Before filing for bankruptcy a debtor needs to think very carefully as to whether it's the right course of action – once an order is made it's a difficult and expensive procedure to reverse.

Someone like Martine McCutcheon would have earned serious

What do we do?

We find solutions for businesses and individuals who have financial problems.

SERVICES FOR LIMITED COMPANIES

- Creditors Voluntary Liquidation
- Pre-Pack Administration
- Company Voluntary Arrangement
- Administration
- Members Voluntary Liquidation

SERVICES FOR CONSUMERS, SOLE TRADERS & PARTNERSHIPS

- Individual Voluntary Arrangement (Consumer Debt)
- Individual Voluntary Arrangements (Business and/or Consumer Debt)
- Partnership Voluntary Arrangements
- Debt Management
- Informal Creditor Arrangements
- Bankruptcy Advice
- Debt Relief Orders

amounts of income and, no doubt, would have used professional advisers. It would be surprising if she did not have any investments or assets at all.

We come across situations where a debtor has filed for bankruptcy

- with a significant interest in his home
- or having gifted his share of his home to his wife in recent years
- or has other investments
- or may have a substantial income

– the existence of any of which could make bankruptcy a bad and expensive decision. An IVA may well have been a better solution.

We always recommend that anyone considering filing for their own bankruptcy should take very careful advice before doing so.

If you know of anyone who is considering such a step, please tell them to call us for a free consultation – we would be pleased to help!



Business briefings

Our next seminar



Next planned seminar:
Tuesday 1 October 2013 at
The Village Hotel, Inspiration Suite,
Tempus Drive, Tempus Ten, Walsall WS2 8TJ
12.30 – 2.30pm.
Full details to follow.

Please check for availability. To reserve a place email:
janet.peacock@griffinandking.co.uk
or book online at www.griffinandking.co.uk

Places limited! Book early

Signature Dinners

These exclusive Signature Dinners are held bi-monthly. The Dinners have been introduced for the benefit of Local



CEOs, Managing Directors, Partners and Senior Managers to get together. They are designed to facilitate networking at a higher level and create and nurture long-standing relationships. Participation at these Signature Dinners is by invitation only.

Forthcoming Signature dinner dates

Last Thursday in the month:
June 27, September 26, November 28



For further information email:

janet.peacock@griffinandking.co.uk

THE LAST WORD...

Emma Wallis - 25 Years of Loyal Service!



Tim Corfield presents an engraved crystal bowl to mark the occasion.


Emma comments, "I joined Griffin & King on 5 April 1988 working directly for one of the original Partners of the practice; John King, who was an ICAEW Licensed Insolvency Practitioner. As a good tutor and mentor, with a wealth of practical insolvency experience, I learnt a great deal about insolvency solutions and business from John and soon realised insolvency was definitely right for me.

After the pound sterling joined the Exchange Rate Mechanism (ERM), the economy fell into recession and that saw record levels of business failures over the next few years, and a very busy working life. In late 1992 interest rates increased by 5% in just one day!

When John King retired in 1997, I started to work directly for Tim Corfield (also an ICAEW Licensed Insolvency Practitioner) on both corporate and personal insolvencies, and expanded my skills. In 1998, I obtained the Certificate of Proficiency in Insolvency (CPI) qualification and my two lovely children were born in 2000 and 2002. After the introduction of the regulatory annual practice compliance reviews in 2005, I have concentrated on this aspect of insolvency.

In 2008, following years of cheap and easy credit, a buoyant housing market and sub-prime mortgages, the global financial crisis took hold and the credit crunch arose.

The economy fell into recession, which has seen the demise of some substantial and well known high street names. Growth of the economy has remained fairly flat for the last four years however, Griffin & King has been well placed to provide insolvency solutions to its valued clients.

I've seen a few changes in the practice over the years, from relocation and renovation to expansion and innovation. I've got married and started a family, and yet still I return to work in insolvency at Griffin & King. The truth is I've always enjoyed the diversity of the work I do, the friends and colleagues with whom I work and the support of a good employer. I hope to continue in my insolvency compliance roll and plan to study for a further insolvency qualification in this area." 

Scan here for our website if you have the app on your mobile device.



Griffin & King Competition

Win 6 bottles of Champagne
or the equivalent in
Marks & Spencer Vouchers



All you need to do is visit www.griffinandking.co.uk and answer the following questions you will automatically be entered into the draw.

1. How many Business Solutions does Griffin & King offer?

2. How many Personal Debt Solutions does Griffin & King offer?

3. Who is the Managing Director of Griffin & King?

4. How many testimonials in March 2013?

Competition closes on 15 August, 2013.
Please staple your business card with your entry if posting in.
Complete your details and either email to:
janet.peacock@griffinandking.co.uk or post, clearly marked for:
Janet Peacock, Griffin & King, 26- 28 Goodall Street, Walsall,
West Midlands, WS1 1QL

Good luck!

Griffin & King last Competition winner

Congratulations to Helena
Urban of Urban Accountancy,
who has chosen M&S
Vouchers £150.

Helena comments:

"Many thanks to Griffin and King for this prize, it was such a lovely surprise to hear I'd won, and so I encourage all readers to enter the next G&K competition."

