

## **Informal Arrangements**

Where possible it is our objective at Central Corporate Recovery to avoid formal recovery and insolvency proceedings as these are by their very nature both expensive, undoubtedly affecting the ability of companies to trade and therefore their continued survival. Additionally they will also have an adverse effect on the credit rating of the organisations as well as individuals.

Although consideration will in all instances be given to dealing with financial difficulties informally, experience suggests that these types of arrangements more often than not are only successful when handling a small number of creditors. Agreement by creditors to the informal proposals put forward will bind them on a contractual basis. In these circumstances Central corporate Recovery will act as an intermediary by putting the proposals to the creditors whilst supervising the informal arrangement. Areas where our involvement can be of particular assistance are often in reaching payment proposals with HMRC who feel more secure of the prospects of the proposals succeeding.