

Focus News

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INSOLVENCY GROUP



April 2012 Newsletter

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Hello

Welcome to Focus News

Hello, and welcome to the April edition of Focus News. It has been a busy first quarter for our profession as our first article shows but I'm pleased to report that here at Focus Insolvency we have had a very positive few months helping both companies and individuals to solve their financial difficulties and move forward towards a brighter future.

We are looking forward to attending the 'Business North West Expo' as mentioned below and I would welcome the opportunity to meet anyone that is attending, so please do not hesitate to call and say hello. Also, don't forget to follow us on Twitter and to take a look at brand new 'Focus Insolvency Group' website that is now live, featuring a new range of downloadable guides and soon to feature our new Blog. Look out for more news soon.



~ **Anthony Fisher**
MIPA, MABRP
Licensed Insolvency Practitioner
Managing Director

First Quarter Shows Retail Administrations up by 15%

[- Focus Team Still in Training for Great Manchester Run](#)



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According to recent research, the number of retailers entering administration in the first quarter of this year has risen by 15%.

With such well-known names as Game, Peacocks, Past Times, La Senza and Blacks entering administration, the first quarter of this year has been a significant period.

Job losses as a result of these administrations have been vast with almost 10,000 out of 22,000 employed by these companies losing their jobs. These figures are significantly up compared with the same period in 2011.

69 retailers entered administration in the first quarter of this year compared with 60 in the same period last year; this was up 64% on the previous quarter which saw 42 retailers enter administration.

In the whole of 2011 and the first quarter of this year, the largest 15 retailers in insolvency had 2,800 stores, only 1,350 have survived, a reduction of 52%.

Overall however, the amount of companies (excluding retailers) entering administration was down 10% on the same period last year from 497 to 447.

Bankrupts Must Hand Over Pensions

A High Court Judge has ruled that if a debtor is of the 'right age', bankruptcy trustee should be allowed to take money from their pension pots to repay creditors.



In a recent court case a judge ruled that a bankrupts pension which had not yet been drawn, but could be drawn due to being the 'right age' can be subject to an income payment order.

Up till now those who have reached retirement age were perceived to have some limited protection over their pension but this decision strips away that protection. The judgment will have a disproportionately adverse impact on more senior citizens who have private pensions whereas younger bankrupts who have not yet reached pensionable age under the scheme will not be subject to such an order depriving them of an element of their pension pot."

Damon Watt, lawyer for the Bankrupt in the recent court case ruling.

Previously, undrawn pension were not considered income therefore could not be touched by creditors in a bankruptcy. However, this ruling means that if a bankrupt is entitled to a pension but has chosen not to draw it yet, this no longer protects them as it is subject to other bankruptcy rules.

This ruling will mostly affect those who are part of a pension scheme and have reached its age requirement, but have not yet reached state pension age and are still working.

This may cause people to have to raid their pension pots in order to satisfy creditors.

Those in Yorkshire and Humber Worry About Debt at Much Lower Levels



The people of Yorkshire and Humber begin to worry about their level of debt at a much lower figure than that of the national average.

The insolvency trade body R3 discovered that; on average, the figure at which people begin to worry that they might have too much debt to handle is around £3,079.

This figure dropped in the age range of 18-24 to £2,153 but was lowest in those residents of Yorkshire and Humber at £1,814.

The survey also discovered that of those people in Yorkshire and Humberside, just under a third (30%) would choose to borrow money from a relative if they needed a loan, however the largest proportion said that the bank would be the first place they would turn at 37%.

Andre Walker, chair of R3 in Yorkshire said, "It's a relief to see that in Yorkshire and Humberside, people are concerned before their debt reaches £2,000. It's also encouraging that throughout the country, young people do not think it is acceptable to get into thousands upon thousands of pounds worth of debt, and in fact have a lower tolerance level than any other age group. However, it is important to point out that even £2,000 is a significant amount of money to owe. Unemployment levels have been increasing and so any amount of debt when you are not earning could be disastrous for your personal finances."

The Latest UK Personal Debt Statistics

- **£56,058** was the average household debt (inc. mortgages) in February 2012
- **£172m** was the daily amount of interest paid on personal debt in February 2012
- **8,518 new debt problems** were dealt with by the CAB each working day over the year to December 2011
- **1,896 people** were made redundant every day between Nov 2011 and Jan 2012
- **855,000 people** had been unemployed for over a year between Nov 2011 and Jan 2012
- **£16.23m** of loans are written-off daily by UK Banks and Building Societies
- Every **15 min 28 seconds** a property is repossessed
- Every **4 min 32 seconds** someone will be declared insolvent or bankrupt
- **£1.361 billion** was the daily value of all plastic card purchases made in January 2012

Statistics from Credit Action

Independent Business Review Service

Focus Insolvency Group is currently offering their much valued 'Business Review' service completely FREE and without obligation to companies within the North-West.



Specifically designed for small to

medium sized businesses, our Business Review Check will allow your clients to assess both the strengths and weaknesses of their company; identify areas of change or improvement and provide them with a clear plan of action on how to move forward.

Our Business Review starts with an initial impartial review meeting with one of our qualified advisors, which will cover:

- Business Performance & Strategy
- Cash flow Management
- Sales Activity
- Asset Utilisation
- Marketing & Competition Analysis
- Plans for the Future

Following the meeting, we will provide your client with a detailed report highlighting areas of action or improvement and outlining suitable advice and suggestions for what is needed moving forward.

If you feel any of your clients could benefit from this service please do not hesitate to get in touch on **01257 251319**.

Business North West Expo Plays Host to Focus Insolvency Group 17th-18th April



This year's event will be held on 17-18th April at Manchester Central (formerly G-Mex)

[Business North West](#) brings together the North West's business community for two days of **networking, learning and face-to-face business** in the heart of

Greater Manchester's business community.

This year Focus Insolvency Group will be exhibiting, if you are also attending please drop by and introduce yourself in person, we will be situated at [Stand 72a](#). If you're not already registered then why not head over to the website now and book your free place. I'm looking forward to meeting you.

Focus Team Still in Training for Great Manchester Run

Four Members of the Focus Team will be taking part in the Great Manchester Run this May and now you can sponsor them!



Andy Platt, Gary Birchall, Rebecca Chamberlain and Michelle Corcoran are donning their running shoes for a 10k run for charity in aid of [Derian House Children's Hospice](#).

The team are now taking sponsorship for the [Great Manchester Run](#) that takes place on May 20th. If you would like to sponsor the team please visit our [Just Giving Online Donation](#) page and remember, any amount large or small will be greatly appreciated as we try to hit our £500 target. All donations are going to a very worthy and deserving cause so dig deep!

***If any of your clients have been affected by the stories in our newsletter or need advice on any other matters, please feel free to contact us.
01257 251319***

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