

# What happens in a Creditors' Voluntary Liquidation

And how we help you through the process



**babr** INSOLVENCY  
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**BABR** is an independent firm which specialises in providing corporate and personal rescue, recovery and insolvency advice to those in financial difficulty.



We understand the extreme demands placed on us all to succeed. Against this backdrop, sudden changes in the environment can leave a business or individual facing unexpected financial pressure.

At BABR we are committed to help you find a solution to your situation.

We will work with you to understand the challenges you face and provide clear, jargon-free, and practical advice.

Creditors' Voluntary Liquidation (CVL) is a process instigated by proactive and responsible directors of an insolvent company where it is clear that there is no reasonable prospect of a recovery of their company's financial position.

It involves a structured cessation of trading to avoid a worsening of the position and the appointment of an independent licensed insolvency practitioner to act as liquidator of the company.

It is the liquidators' duty to realise the company's assets on behalf of creditors and to consider the actions of those who were directors of the company in the period leading to liquidation to ensure that they were reasonable.

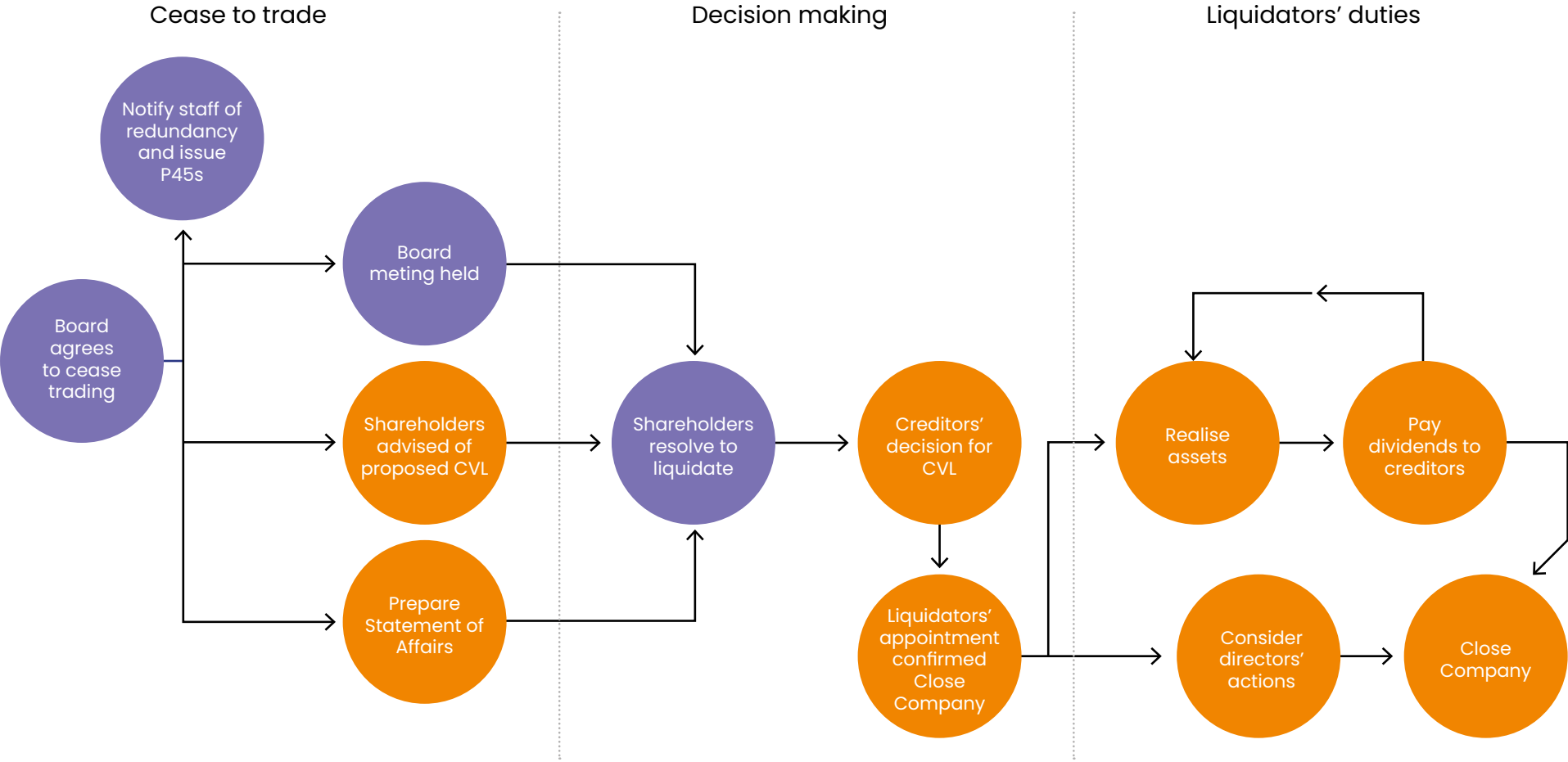
Key to the CVL process is an opportunity for directors to engage with creditors in an open and honest way to that they have acted responsibly throughout.

Once in liquidation, directors can focus their energy and attention more positively on the future, which quite often involves starting again in a new successor company.

The following diagram provides an overview of the key steps involved in placing a company into CVL and the subsequent duties of the liquidator.

If you have any questions, please do not hesitate to contact a member of our team on **020 8662 6070** or by email at **[info@babr.co.uk](mailto:info@babr.co.uk)**.

# The key steps involved in placing a company into CVL and the subsequent duties of the liquidator



Responsibilities: Purple = Director(s) and Shareholders | Orange = BABR

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