



OH B Consulting

BUSINESS RECOVERY & INSOLVENCY SERVICES



Business Recovery and Planning

OH B Consulting Partners have extensive experience in business recovery and have successfully chartered distressed companies back to good health. This involves the agreement of a viable business plan with the directors and appropriate restructuring of the finances of the company. We will determine the current, medium and long term cash requirements of the company.

Business Restructuring

Restructuring may necessitate further investment funding, including the sourcing of venture capital. An assessment of the business operations utilising lean manufacturing and Six Sigma techniques may yield significant savings. Rationalisation of individual business units and the disposal of non core assets may be deemed appropriate.

We specialise in business recovery, planning and restructuring across all market segments including:

manufacturing, export, retail, retail business parks, food, clothing and textile, shipping and port services, freight and logistics, construction, civil engineering, quarrying, mining and exploration, energy and wind farming, motor dealerships, car and coach hire, security, telecommunications, isp, credit card, call centre and customer care.



Charlie O'Hurley
Chartered Accountant, Partner
Email: coh@ohbconsulting.ie
Mobile: 087 253 7419



Conor Kilroy
Chartered Accountant, Partner
Email: ck@ohbconsulting.ie
Mobile: 086 803 9727



Independent Reports to Banks

We provide independent reports to banks who seek advice on whether to continue to support the business or appoint a receiver in an effort to recover their advances. Agreeing a recovery plan between the company and the bank can be mutually beneficial to both parties as the bank can recover its borrowing over a defined period and the company still remains in business. We also act as independent accountants in the petition for the appointment of an examiner.

Insolvency Services

OHB Consulting Partners are available to act as examiners, receivers and liquidators.

We provide technical and professional advice in the following areas:

- **Examinerships**
- **Receiverships**
- **Liquidations**
- **Creditors Representation**
- **Personal Insolvency**
- **Restriction of Directors**
- **Disqualification of Directors**

Examinerships

Companies can apply to the high court for protection of the court whilst an examiner endeavours to formulate a scheme of arrangement with the company's creditors. If the court is satisfied the company has a reasonable prospect of survival, the examiner has a period of 70 days from the petition date to bring a survival plan to the court. This may be extended by a further 30 days. In this period creditors or a receiver are prevented from taking any action against the company.

Receiverships

A receiver is appointed by debenture holders, generally banks, on foot of a debenture document which has been registered against the company assets. The receiver will take possession of the assets, realise these assets and pay off the debenture holder. The receiver can decide to continue to trade with a view to selling the business as a going concern.



ADVICE & IMPLEMENTATION

Members Voluntary Liquidation

A tax efficient process by which a solvent company can be wound up by the directors when they do not wish to continue to trade or are retiring from the business. All creditors are paid in full and the surplus funds returned to the shareholders.

Creditors Voluntary Liquidation

The directors convene a meeting of shareholders and appoint a liquidator. A separate meeting of creditors, usually held on the same day, can accept this nomination. The creditors can appoint an alternative liquidator of their choice.

Creditors Representation

We will represent clients or creditors at creditors meetings and advise on the procedure to be adopted at these meetings.

Court Liquidation

Creditors, minority shareholders and other related parties may petition the high court to appoint a liquidator.

Restriction of Directors

Directors of an insolvent company may be restricted from acting as a director in any other company for a period of up to five years. Restricted directors can only be a director in other companies if the share capital is over €63,487.

Disqualification of Directors

Directors may face automatic disqualification on indictment of a breach of duty as a director, reckless trading and persistent defaults in their duties under the companies acts.

Examinership & Other Options

Availing of court protection by the appointment of an examiner is a very expensive exercise and may be unrealistic unless the company has sufficient cash flow to support the company's operations during the examinership period.

If the liabilities of the company are less than €300,000 an application for an examiner may be made to the Circuit Court which is less expensive.

Section 201 Scheme of Arrangements under the Companies Act 1963 enables companies to negotiate a settlement with creditors for ratification by the court. However, unlike examinership, each class of creditor must vote in favour of the scheme, meaning three quarters of creditors in each class must back the proposal.

One advantage of a Section 201 is that the restructuring is not restricted to 100 days as in the case of an examinership. However, because each class of creditor must approve the scheme it is more difficult to reach a solution.

Section 279 of the Companies Act 1963 provides that any arrangement entered into between a company and its creditors shall be binding on the company if sanctioned by a special resolution and on the creditors provided three-fourths in number and value of the creditors agree to it. It is cheaper to implement, does not require a court application and there are fewer costs involved.



OHB Chartered Accountants

26 Barrington Street, Limerick City, Ireland
Fax: +353 (0)61 400 101 Email: info@ohbconsulting.ie

Call 061 400 515
www.ohbconsulting.ie