

Restructuring to protect your assets

Alright, so let's say you're a business owner who has worked tirelessly to build your company from the ground up. You've got a bunch of assets to your name - like goodwill, property, equipment, intellectual property, and all those other shiny things that make you feel like Scrooge McDuck diving into a pool of gold coins. And then, one day, you find yourself thinking: "Hey, how can I make sure all this awesome stuff is safe and sound if I decide to restructure my business?" Well, you're in luck, because here we dive headfirst into that very topic.

First things first: what the heck is a "restructure"? In the world of business, restructuring is like a giant game of Tetris, where you shuffle around the pieces of your company to create a more solid, efficient, and profitable foundation. This might mean merging with another company, spinning off a division, or changing your business model entirely. Whatever the case, when you restructure, you're basically giving your business a makeover to help it adapt to new challenges or take advantage of new opportunities.

Now, restructuring can be a pretty big deal, and it often involves some risks. You're messing with the very DNA of your company, after all. But here's the good news: with the right strategy, a re-structure can actually help you protect your assets better than ever. How? Let's take a closer look.

Separate the eggs (aka, your assets) into different baskets.

One of the simplest and most effective ways to protect your assets during a restructure is to separate them into different legal entities. Think of it like sorting your different-coloured M&Ms into separate bowls, so that if one bowl gets knocked over, the rest are safe. In the business world, this might mean creating separate legal entities for your various operations, like spinning off a high-risk venture into its own subsidiary company. That way, if things go south in one area of your business, your other assets are safe and sound.

Alternatively, this could be locating your IP in one group company so it is best placed for investment or sale.

Build a sturdy legal fortress.

Another way to protect your assets during a restructure is to make sure they're well-guarded by a strong legal framework. This might involve updating contracts, incorporating protective clauses, or ensuring that your company's assets are held in the most advantageous way possible. It's kind of like building a fortress around your assets, complete with high walls, a moat filled with alligators, and an army of laser-eyed robots to keep out any unwanted guests.

Stay on the right side of the law.

This one might sound like a no-brainer, but it's worth emphasising: when you're restructuring, it's crucial to make sure you're following all the applicable laws and regulations. Why? Because if you don't, you could face fines, lawsuits, or other penalties that could eat away at your assets like a swarm of termites at an all-you-can-eat wooden buffet. So always double-check that your restructure is compliant with the law, and you'll be one step closer to keeping your assets safe.

How can we help?

Now, you might be wondering: "Why on earth should I consult a solicitor during all this?" Well, remember those laser-eyed robots we mentioned earlier? A solicitor is kind of like a genius engineer who designs and programs those robots to make sure they do their job properly. In other words, a solicitor is an expert in the legal aspects of business re-structures, and they can help you navigate the process in a way that best protects your assets.

Here's why consulting a solicitor is so important:

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They know the lay of the land.

Solicitors are like seasoned explorers of the legal landscape, and they can guide you through the murky swamps and treacherous mountains of business law. They'll help you identify potential risks, spot opportunities for asset protection, and ensure that your re-structure is compliant with all the relevant rules and regulations.

They'll tailor a strategy to your specific needs.

Every business is unique, and so is every restructure. That's why it's important to have a solicitor who can tailor a strategy specifically to your company's needs. They'll take the time to understand your business, assess your assets, and develop a plan that aligns with your goals and minimises potential risks. It's like having a bespoke suit made for your assets – it'll fit just right and make you look like a million quid.

They can help you avoid costly mistakes.

Let's face it: legal mistakes can be expensive. Just one misstep could lead to fines, lawsuits, or even the loss of your assets altogether. But when you have a solicitor on your side, they'll help you avoid those costly pitfalls and keep your assets safe and sound. Think of it as a solid investment in the future of your business – and your peace of mind.

So, there you have it. A well-executed restructure can not only help your business adapt and grow, but also protect your hard-earned assets in the process. And when you bring a solicitor on board, you'll have an expert guide to help you navigate the legal labyrinth and ensure your restructure is a smashing success. Because at the end of the day, protecting your assets isn't just about playing defence – it's about setting your business up for a bright and prosperous future. And who wouldn't want that?

For more information on company re-structures or if you have any burning questions you'd like to quiz us on, please feel free to **get in touch**.