

Our expertise Your way



Your Private Client Questions Answered

- Q. I own a small building company which employs staff. Last year I was unexpectedly in hospital for 4 months. My wife wasn't able to access my business account and my suppliers refused to talk to her. All of my bills went unpaid and it put my business at risk. In the event that I am unwell again, I have a friend who knows more about the trade and I think it would be better if he ran my business for me. Is there something that I can do to prepare for this?**
- A.** Yes it is possible to arrange a Lasting Power of Attorney (LPA) for Business to give your friend the legal authority to deal with your business affairs. It is normally straightforward to arrange and tax deductible as well.
- People are increasingly familiar with making LPAs for their private affairs. An LPA – Property and Financial Affairs would cover business interests as well as personal finances however, even if you already have an LPA, the person appointed may lack the relevant skills and abilities to act competently and appropriately in a business capacity. Most personal LPAs appoint family and loved ones but unless they are directly involved in the business they may not be the most appropriate choice.
- You should consider whether your friend is the right person to be your attorney. You mention that he “knows about the trade” but would he have the skills to run your business? Would he for example understand your contractual obligations? appreciate health and safety or insurance issues? know how to deal with employment matters or tax complications?
- You should act now. PowellsLaw are well placed to advise you on the best Business LPA for your circumstances. For any questions or to book an appointment with one of our solicitors to discuss an LPA for your business please contact us on 01934 623501.