

If You Weren't Around, Could Your Business Keep Running?



Making a Lasting Power of Attorney is a precaution that people are increasingly familiar with in their private affairs. But how many business owners or partners consider what would happen to their business if they were unable to make decisions and manage the finances?

Whatever happens there will still be bills and staff to pay. If nobody has the legal power to act on behalf of the business and sign cheques or make withdrawals from the business bank account, there is a real danger that unpaid bills and wages could cause the business to fail.



Sole Traders and Partnerships are particularly vulnerable.

The incapacity of one partner could lead to the bank freezing the Partnership account, even if the remaining partners are fine. Companies are not immune either – imagine the problems if a key director, or substantial shareholder, lost capacity. In most cases, applying for a legally recognised Deputy to be appointed will take too long to be an effective solution.

Naturally, nobody thinks this will happen to them. But why take the chance when a Business Lasting Power of Attorney is normally straightforward to arrange and tax deductible.



A Business LPA has a number of advantages:

- A contingency plan needs to be thought through so it is clear to everyone what will happen if owners, partners or directors lose the capacity to make decisions.
- The business can keep running while longer term arrangements are put in place.
- Families and loved ones are spared the additional distress of having to deal with a crisis in the business alongside what may also be a personal crisis.

Although a personal Lasting Power of Attorney may be in place, the person appointed may lack the relevant skills and abilities to act competently and appropriately in a business capacity.



If you think your business would be vulnerable if you or a business partner lost the capacity to make decisions **you should act now.**

PowellsLaw are extremely experienced in dealing with these situations, making them 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 contact us on: 01934 623 501 or visit www.powellslaw.com for more information.