

What are Receiverships?

A receivership is a process by which a creditor (usually a financial institution), who holds a charge on the assets of a company as security for its debts, appoints a Receiver to recover the money due to it.

A Receiver is appointed to take possession of the assets, subject to the creditor's charge. A Receiver will ordinarily sell off those assets to pay off the debt due to the creditor. A Receiver can continue (in certain circumstances) to trade with a view to increasing the value of the company's assets or, alternatively, the Receiver might sell the business as a going concern.

A Receiver can be appointed over one individual asset (usually property) held either by an individual or company.

Receivers must be lawfully appointed and conduct their affairs in the appropriate manner.

Daly Khurshid Solicitors LLP have vast experience advising in relation to the appointment of receivers and strategies in relation to receiverships.