

The Corporate Escape Route

Don't Dissolve. Don't Liquidate. Sell Your Company & Walk Away.

LiquidationAlternative.com

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CONFIDENTIAL ADVISORY

This document outlines a compliant, legal alternative to Insolvency Proceedings for UK Limited Companies with unsecured debts (including Bounce Back Loans and HMRC liabilities).

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1 Stop! Do Not Liquidate.

If your company is struggling with debt, your first instinct might be to call an insolvency practitioner to "wind it up." **This is a mistake.**

Liquidation is not a safety net; it is a minefield. When you appoint a liquidator, you are handing the keys of your life over to a stranger whose primary legal duty is to your creditors, not to you.

The Unwritten Pitfalls of Liquidation

- **Loss of Control:** As soon as you sign the papers, you lose all authority. The liquidator takes over your bank accounts and assets immediately.
- **Intrusive Investigations:** Liquidators are required by law to investigate the conduct of directors. They will scrutinize every transaction you have made in the last 2-3 years. If they decide a payment wasn't made "in good faith" (even if you thought it was), they can demand you repay it personally.
- **Director Bans:** The liquidator must submit a report to the Department for Business (BEIS) regarding your conduct. This report is frequently used to disqualify individuals from being a company director for up to 15 years.
- **Personal Liability:** If the liquidator finds evidence of "wrongful trading" (trading while knowing the company couldn't pay its debts), the veil of incorporation is pierced. You could be made personally liable for the company's debts.

THE REALITY

Liquidation is expensive (costing £5,000 to £15,000+), stressful, and puts your personal assets and reputation at risk.

2 The Solution: A Trade Sale

There is an alternative. Instead of liquidation, you can legally **sell your company shares** to a third party.

At **Liquidation Alternative**, we act as accredited buyers for distressed UK companies. We purchase the entire corporate entity—warts and all.

How It Works

1. **Share Transfer:** You sell 100% of the issued shares in your company to us.
2. **Resignation:** You resign as a director. We appoint new directors.
3. **Liability Shift:** Once the transaction is completed and updated at Companies House, the company's debts (including Bounce Back Loans, HMRC arrears, and trade creditors) remain with the company. **You walk away.**

Why This Is Superior

- **Fixed Low Cost:** Our fee is £2,500. Significantly cheaper than an Insolvency Practitioner.
- **No Investigation:** We are buying the company, not investigating it. There is no report sent to the BEIS about your conduct.
- **Protect Your Assets:** Before the sale, we help you legally transfer valuable assets (vehicles, tools, stock, IP) into a new company so you can keep trading.
- **Reputation Management:** The sale is private. There are no public Gazette notices announcing your failure.

3 The Transaction Roadmap

We move fast. A typical transaction takes 7 days, but we can complete in 48 hours if you are facing aggressive creditor action.

Step 1: Agreement We sign a fee agreement. You pay **nothing** up front.

Step 2: Asset Review We identify any assets you wish to keep and structure a compliant transfer to your new entity.

Step 3: Due Diligence We conduct a rapid check of liabilities to ensure the company fits our risk profile.

Step 4: Completion We sign the Stock Transfer Form (J30). We update Companies House to remove you as a director and shareholder.

Step 5: Freedom Only once the legal transfer is done do you pay our £2,500 invoice. You are free to move on.

4 Frequently Asked Questions

Is this process legal?

Yes. The sale of shares in a private Limited Company is a standard commercial transaction governed by the Companies Act 2006. It is perfectly legal to sell a company that has debts. The liability for the debt stays with the company, which is now owned by us.

What about the Bounce Back Loan (BBL)?

The BBL is an unsecured debt of the company. It is not a personal loan. Unless you signed a personal guarantee (which is rare for BBLs under £250k), you are not personally liable. When we buy the company, we take on the negotiation with the lender.

What happens to the company afterwards?

We do not liquidate the company immediately. We keep it active. Our team of experts negotiates with creditors using the *Corporate Insolvency and Governance Act 2020* to re-structure the debt. Eventually, the company is absorbed into our larger corporate conglomerate.

Can I use the same company name?

If you liquidate, Section 216 of the Insolvency Act bans you from using a similar name for 5 years. **With a trade sale, this ban does not apply.** You are free to set up a new company with a similar name and continue your business operations seamlessly.

Ready to Walk Away?

Call our Senior Advisors today for a confidential, no-obligation discussion.

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