

Written by editor
Tuesday, 27 July 2021 00:00 -



Business in the East are being urged to take swift action if their finances are under pressure after government figures show corporate insolvencies in June hit their third highest monthly total since the pandemic started.

Corporate insolvencies in England and Wales increased by 19 per cent to 1,207 in June up from 1,014 in May and 63 per cent higher than in the month last year. Eastern chair of insolvency and restructuring trade body R3, Alistair Bacon (photo, right), of AMB Law in the region, said: "The surge in corporate insolvencies between May and June has been driven by a rise in creditors' voluntary liquidations. The government's decision to delay lifting the final Covid restrictions for another month has clearly been a further blow to the business community and may have been particularly unhelpful for the hospitality and retail sectors, which have been hit hardest by trading restrictions and lockdowns."

But he added: "...the news that HMRC will take a supportive approach to rescue proposals from viable businesses is welcome, and we hope will strengthen the profession's efforts to support Covid-hit firms."