



## Business Lasting Powers of Attorney

These documents are similar to Personal Lasting Powers of Attorney but relate solely to your business interests.

A business LPA can be useful in many scenarios, for example:

- if you are away abroad and unable to return to the UK (physical incapacity) due to the continued COVID-19 restrictions in the country you are in, or if you are working remotely abroad and need someone in the UK to be able to make decisions relating to the business on your behalf if you cannot; or
- if you have an accident or medical diagnosis which impacts your ability to make decisions or give directions in relation to the business (mental incapacity).

Who in these circumstances would be empowered to pay suppliers, sign contracts, authorise payroll or access the business bank account? What reputational damage might follow if you are incapacitated and had not considered this possibility?

An existing LPA for financial decisions can be used in relation to business decisions, but it is important to consider if:

- (a) this is appropriate; and
- (b) if it is practicable.

Whilst it may well be appropriate for your spouse or children to make day to day decisions about your finances, does the same apply to your business interests? Do they understand the intricacies of the business you run? Do they have the appropriate expertise or professional qualifications? What provision, if any, do you already have in place in relation to your business in the event of incapacity?

If you are a sole trader then this is fairly straightforward, but if you are a member of a partnership or a director of a limited company with more than one director/shareholder then there are wider considerations to take into account.

For family businesses, the incapacity of a close family member is in itself difficult to navigate, and this can be compounded where there is a business at stake. Our experienced team regularly advises business owners and entrepreneurs on all aspects of Business LPAs, business continuity and crisis planning.

For further information, please don't hesitate to contact us on the details below and ask to speak to the Private Client team.