**CASE LEGAL ANALYSIS**

By[Name]

Course

Professor’s Name

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Location of Institution

Submission Date

**Case Legal Analysis**

This analysis enables accessibility of all-around legal concerns derived from Usman's actions while portraying the notion of business law. The responsibilities and liabilities of Usman in accordance with the materials, such as statutory provisions and case law, are discussed and analysed well. The context explores all rounded levels in legal jurisdictions such as agency law, partnership, insurance and insolvency by evaluating and finding the best ways to overcome integrated challenges. The focus is drawn from how the case is carried out using a strategic approach and risk management techniques that should compare and relate the business compliance with the law.

**Partnership Issues**

Section 1 of the Partnership Act 1890 brings out a clear definition of partnership, and it is related to the created relationship between particular individuals connected through business activities that have a common objective and are driven towards obtaining more profits and strategic trends in the market.[[1]](#footnote-1) The "Colombian Boost," as mentioned in the case, is a business that has all the qualities of being a partnership from the Act. In relation to that, the case is an outstanding way of showing how the statutory boundaries are met the same way parliament sets them. To begin with, Grace and Usman have never officiated their partnership. As seen in partnerships, there are divisions in work input, profits, responsibilities, and decision-making capability. The partnership can be in conflict or confusion due to the absence of a written contract on how work will be done, how profits will be shared, structure, roles, responsibilities, and the goals the organisations intend to achieve. However, the inconsistencies in this case signify the interpretation that interconnects with how everything is put in order. Additionally, this partnership is termed an alliance, which drags in a lot of conflict and is unsatisfactory.

In section 5 of the same Act illustrates how a partner is supposed to carry out the business assigned as long as it does not go against the other partner’s consent as documented in the signed partnership agreement.[[2]](#footnote-2) While there are cases of leasing coffee stores, Grace runs all the activities alone, and this brings an opposite way of how the responsibilities should be handled and divided in a partnership. However, to prevent such situations, the partnerships must have evidence of a signed agreement that drives one to be more responsible and lower the risks resulting from unprescribed tasks under the corporate agreement by defining the duties and decision-making processes. A consensus approach is suggested in a business involved in contractual agreements.

**Agency Law in Fruits**

Usman is seen to have nominated Katie to carry out any tasks related to negotiating the exact cost of blueberries. This portrays a clear intervention that pulls together all the agency law components as one element, especially from an authority dimension. From Usman's angle, he did not authorise the purchase of 5 tons of blueberries, but she went ahead to buy them. This raises some doubtful concerns that take a heavyweight when comparing actual and apparent authority in business environments.

With the case in hand, Mrs Macygod is caught unaware of what is taking place while Katie, who was given clear instructions, fails to follow and takes her own way of handling the matter. From another perspective, if everything could have been brought to everyone's attention, the following actions would have attracted the doctrine of apparent dominance revealed in Hely Hutchinson v Brayhead Ltd [1968] 1 QB 549.[[3]](#footnote-3) Relation to informed authority occurs when the ruler maker conveys relevant information about activities, which later makes a third party believe that the agent can conduct all duties delegated to the principal. Using this approach, Usman communicated with Mrs Macyagod while sending her assurance messages that Katie would be directly working for him as an agent with assigned skills such as negotiation and upholding complex tasks. With all the information, Usman could be held responsible for the transaction made by agency law. This calls for a sketch to identify the definition and the scope of the power given to an agent through effective communication involving third parties. Thus, this minimises the chances of not considering the agent worthy of standing up for the principal's liability.

A potential concern in this matter is portrayed to show that Katie has overused her power. In case of a dispute, one can withdraw from the contract law and disown the oriented responsibilities, leading to the minimisation of liabilities. This proves that Katie went beyond her instructions to assist Usman in cases where Mrs Macyagod initiated legal actions. To avoid any future problems, the interconnection between the client and the agency should be clearly defined in advance. Thus, these agreements should be supported by constant monitoring, checks, and periodic group discussions to ensure agents follow instructions. In addition to the potential for risks, offering compliance and legal training to agents eliminates these risks. The following will also improve accountability, prevent unauthorised transactions, and create a proper system of checks and balances.

**Insurance Law Issues**

Usman violated the responsibility of fair display of the risks under the Insurance Act 2015 when he could not open up about past claims against "Colombian Boost" when renewing his insurance policy with Clapham Insurance Company. Additionally, section 3 of the Act requires the policyholders to speak out of any cases in which they should be aware of any situations that may influence the insurer's decision.[[4]](#footnote-4) The inability to synchronise mechanisms for unveiling misunderstandings and misleads may negatively influence economic stability. Moreover, the scenarios drive to denote the core necessities of insurance, such as fair and clear provision of depicted contracts relating to risk evaluation and other legal requirements.

The Insurance Act 2015 introduced the proportionate remedies section 8 of the Act, which modifies the common law rules that insurers could exclude themselves from the contract where there has been a breach of duty of fair presentation. In relation, this framework ensures that the insurance distribution is equitable and rational and enables one party to make a disclosure unfavourable to the other. Additionally, the quantity and quality relationship also means that proportional remedies ensure that the insurer's response to the breach is equitable. In this way, proportionate remedies assist in warranting higher responsibility and credibility in the insurance industry by reducing the risk of litigation. In conjunction, the policy may be cancelled where the failure to disclose is fraudulent or negligent.

Usman must report and submit insurance applications targeting the future and acquire a declaration of every fact that is considered true material. Future disagreements can be eradicated by having legal professionals with the intellect to understand the insurance disclosures and documentation. Additionally, as illustrated in the insolvency law-22-November-2024 notes, this enhances the quality of reporting compliance in connection with the Insurance Act 2015.[[5]](#footnote-5) On top of that, Usman is supposed to come up with an internalised technique control for keeping records of any business transactions and operations and preparing appropriate output that supports reporting of key material information. Moreover, the constant regeneration of reviews of the insurance policies and the supporting practices will showcase the existing vulnerable points and address them as soon as possible, ensuring gradual compliance with the legal requirements and norms and minimising the level of complexity.

**Implications of Insolvency Law**

In case the liquidator has any concerns, this scenario could be referred to as a transaction at a lower value in terms of section 238 of the Insolvency Act 1986, as long as Ayesha gave the equipment to him at which was worth £10,000 for a consideration of half the price.[[6]](#footnote-6) Additionally, sales of assets involve getting rid of liabilities and assets at a very cheap cost compared to the current market prices, which are important and play a crucial role to creditors. Additionally, the section gives Lucy the mandate to visit the court and have the court work towards getting her back the money since all the transactions made were from assets owned by the company. To this dimension, the court is responsible for investigating and retrieving key information about whether the transaction happened before the insolvency or took off as set by other creditors.

It has been made clear in the study that Usman used a large sum of money which belonged to Tolu with the intention of buying books that he could not afford since he was not aware of the source that was easily available to find the books. According to the notes under topic 5-Corporate Insolvency I, the Insolvency Act of 1986 Section 213, this is an unlawful way of participating in trading. This case indicates all the lost opportunities in the sense of reputational cost, fines, and even being possibly banned from being a director to some aspects of ethical business actions in its pursuit of profits then a liquidator is maybe a compliment to which the directors can be held for the repercussions as well as recoup the funds.

In topic 1 of business organisations under the Limited Liability Partnerships chapter, Companies Act 2006 under Section 386, allowing directors to make arrangements for efficient management of account data in organisations.[[7]](#footnote-7) This has supplemented the decoding of Usman's liabilities at the two phases of liquidation and has exhibited rather poor managerial performance. In preparing Lucy's statement of affairs, the liquidator may state that no documents would have helped the creditor's case or concerning accounting on insolvency. Failing to keep such records exposes one to penalties, director's exclusion or personal legal responsibility where they were involved in the mismanagement, which led to the company's demise. One can overcome such failures in the future if one establishes and maintains a sound accounting system as well as financial records and conducts regular audits whenever they are in the formation of a business entity.

Installing effective financial-related controls and developing an acute approach to threats is obligatory to smoothen its course and avoid getting involved in insolvency troubles, as Usman did. It is useful to consider professional opinions from insolvency practitioners or lawyers where high-risk trading partners are involved or to help the business understand legal compliance. Also, planning to undertake through thin financial periods and where to source emergency funding can go a long way in protecting business. Ethical decision-making and transparency will continue strengthening the organisation's relationship with creditors and everyone with a stake in the business.

**Recommendations**

To eliminate all the possible risks that could have been retrieved from the “Colombian Boost,” Usman should first include an insurance clause against Grace’s estate. In relation to the case, involving the professional lawyer to file claims against Grace’s asset if it is recoverable may at least add muscle to the stand. Additionally, complying with the creditor's agreement through mediation is also among the best methods for dealing with negotiations in a way that will make the price for disputing high while the probability of repaying the debts is higher than going through a lengthy legal procedure. On top of that, arranging risk management procedures such as insurance standards that will cater to a partner's miscreant Act or the liabilities of the company will help off Usman's accounts. It will be of great importance in the future settlement of outstanding plans.

Usman is obligated to adopt clear and simple written contracts with a goal of agreement that is proficiently outlined with the request from the agent's authority and also involves third parties. Moreover, with legal supervision and constant assessment, these actions will showcase a more robust framework to assist in navigating through minimising certain risks linked to agency relations. In addition, frequently reminding agents of the legal and professional expectations is important to ensure compliance with ethical standards. In relation, it enhances trust and productivity in business relations.

Usman is eligible to develop all the contexts about the upcoming application with all the regulations incorporated due to the brilliant observance of the Insurance Act 2015.[[8]](#footnote-8) This means that policyholders should not lose any policy validity and should compensate for any loss likely due to the existing policies formulated across the organisation. Legal advice can be uncovered by seeking the application and all papers, which can offer huge liability reductions and compliance with the pursuant acts. Therefore, existing insurance policies should be subjected to periodic examination insofar as evaluating disparities is concerned. Furthermore, conducting employee training to cover aspects of compliance regularly and formulating a program covering record keeping systematically will enhance accountability regularly. Also, Usman can take a step ahead and sort the problem in a professional way to regain the insurers' confidence and continue receiving reasonable insurance to cover his business adequately.

In the case of further enhancing the company's insolvency risk resistance, Usman requires improving the company's financial control and documentation of the performed works. Some of the legal consultants needed when engaging in complex financial matters or undertaking high-risk operations are among the most vital consultants. This means that Usman should pay much attention to the ideal plan in the development, which is necessary to indicate the list of actions in case of possible financial emergencies, including the availability of additional amounts of money and further actions in managing cash flows. Regarding the last three measures, which are ethical action, communication with creditors, and communication with other stakeholders, Usman can ensure the future of the company by implementing all of the above aspects.

Usman's problem reflects the key aspects of business law, ranging from agency and partnership to sharing responsibilities and insurance matters concerning insolvency control. Practising proactive action, he can comfortably handle legal issues and control the legal structure of all business processes. Additionally, it imposes the role of common law and statutory principles to shield business needs and establish a strong relationship and trust in stakeholders. Ethical standards alongside compliance and governance kits will give a positive drive towards Usman's future business ventures that are legal and in a better position to respond to upcoming issues. Moreover, appropriate strategies will make Usman adopt effective measures to eliminate possible challenges while simultaneously building a healthy setting that is free from risks.

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2. French Derek (ed), Blackstone's Statutes on Company Law 2023-2024 (Oxford University Press 2023) [↑](#footnote-ref-2)
3. Hely-Hutchinson v Brayhead Ltd [1968] 1 QB 549 [↑](#footnote-ref-3)
4. D Fox, R Munday, B Soyer, A Tettenborn, and P Turner, ‘Insurance’ in Oxford University Press eBooks. [↑](#footnote-ref-4)
5. D Fox, R Munday, B Soyer, A Tettenborn, and P Turner, ‘Insurance’ in Oxford University Press eBooks. [↑](#footnote-ref-5)
6. Alan Dignam and John Lowry, Company Law, 12th edition, Chapter 17 [↑](#footnote-ref-6)
7. French Derek (ed), Blackstone's Statutes on Company Law 2023-2024 (Oxford University Press 2023) [↑](#footnote-ref-7)
8. Insurance Act 2015 [↑](#footnote-ref-8)