

## Title:

It May Not Be Too Late To Avoid Bankruptcy

## Word Count:

348

## Summary:

Bankruptcy used to be seen as the absolute final straw if you were in financial difficulty. People would do everything in their power to avoid having to go down this route for many reasons - the fact it is a long, difficult and upsetting process for one and the social implications brought about by being declared bankrupt for two.

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## Keywords:

## Article Body:

Bankruptcy used to be seen as the absolute final straw if you were in financial difficulty. People would do everything in their power to avoid having to go down this route for many reasons - the fact it is a long, difficult and upsetting process for one and the social implications brought about by being declared bankrupt for two.

As credit is made available to more people in more ways and by more lenders, the amount of UK debt is increasing to a staggeringly frightening amount. For the less intelligent borrower, bankruptcy may be seen as the easy option. Your debt is written off without you needing to pay it. However, it does require you to surrender all of your assets which are distributed amongst all of the people you owe. Although it may not add up to the amount outstanding, and so financially you could see yourself as better off, it has real implications for your future.

Up to ten years after you have filed for bankruptcy you can be refused credit. Although you may feel as though you will never want credit again as it is what got you into trouble in the first place, you could change your opinion on this. Credit is required to buy a whole host of household items such as furniture and appliances, to buy a car or even to buy a home. You may be immediately prevented from doing any of these because of your bankruptcy history.

If you are considering filing for bankruptcy I strongly urge you to consider all

of the other available options first. Many companies now advertise on television who offer loans against the value of your home and in some cases will lend you up to £100,000. This may give you the opportunity to consolidate some of your debt and reduce the amount of monthly payments you have to make. In addition to this it will provide a set interest rate, which is considerably lower than that of some credit and store cards, for all of the debt and so reducing the amount you have to pay.