



DEBT RECOVERY

Experts in debt recovery

Every business needs to maintain a healthy cash flow and our debt recovery service can help you keep the wheels turning. There are a range of debt recovery options available to you which we will tailor to suit your specific needs.

**A PASSION
FOR PEOPLE**

**harrison clark
rickerbys**
SOLICITORS

Can you afford to lose money?

If your business is successful in increasing orders, chances are you will see some credit accounts default through no fault of your own. When an account defaults the impact on your business can be catastrophic.

Our team can maximise your debt recovery capabilities by reducing the risk of bad debts and write offs with a range of options including bespoke terms and conditions and fixed fee recovery services. Our team will help you to ensure that you have all the processes, rights and guarantees you need to effectively dissuade debtors before they default and give you the tools to recover your money as quickly and easily as possible.

If you require immediate help, our team can produce an initial letter before action, for a fixed fee of only £50 + VAT. We are then able to deal with every stage of the proceedings. We will present all the available options for any situation to you and advise you on the most effective course of action.

Our team can provide detailed guidance on insolvency and the most effective options in order to place you and your business in the best possible position to recover the debt.

It can be a very stressful time when your company is struggling for working capital with a full order book and customers who are refusing to pay. It calls for a calm and informed approach to claim for a debt or to initiate the County Court process and the procedure should your debtor file a defence to your claim.

Our expert team will guide you through the most appropriate methods of

enforcing any judgment that is obtained, such as:

- Instructing bailiffs or enforcement officers to attend your debtor's premises
- Issuing a Statutory Demand that your debtor pay or face Insolvency proceedings
- Acquiring a Charging Order over any property owned by your debtor
- Obtaining a Third Party Debt Order against your debtor
- Obtaining an Attachment of Earnings order
- Recovering debts from debtors situated abroad

Our aim is to help you recover your money and put you back in control of your business.

Our debt recovery team

The approach our team develops for you will depend upon the specific circumstances of the claim you or your business have. Our experienced team have a flexible approach which allows us to deal with a variety of debts in a range of differing values. Regardless of the number of debts you have, we will tailor our approach in accordance with your business' needs.

We will advise your business on cost effective options and, wherever possible, ensure that any costs are added to the debt along with any contractual or statutory interest that your business is entitled to. Many of our clients are surprised to learn that statutory interest of 8% per annum, or 8.5% per annum in the case of commercial debts, can be added to their claim even if their terms and conditions do not provide for interest on their debt.

For a fixed fee of £50 + VAT we will send an official letter to your debtor demanding payment be made within a specific time period (usually 14 days for companies or 30 days for individuals) to avoid further legal action against them. In most instances a letter of this nature will have the desired effect of prompt payment. However, this is not always the case. Should further action become necessary, fees will be dependent on the course of action taken.

Case Study 1

A waste management company referred a debt of over £69,000 to our team. A letter demanding payment was sent to the debtor, to which the debtor responded explaining they were having cash flow problems. Our team liaised with our client, coming to an agreement of payment by instalments. The debt was cleared in full within three months, and our client's costs were limited to our costs in respect of sending the letter before action to the debtor.

Case Study 2

Our team was referred a debt of around £10,000 from a design company. The debt was owed by two sister companies, one based in London and the other in Luxembourg. The company based in London owed around £3,000 of the debt, while the Luxembourg based company owed the remaining £7,000. Our team decided to issue a Statutory Demand against the London based company, which resulted in full payment of the £3,000 owing. It also prompted the Luxembourg based company to agree to make payment without going to the extra expense of issuing legal proceedings against a debtor based in a foreign jurisdiction.

Letter demanding payment within a specified period for a fixed fee of £50 + VAT

NO PAYMENT

Issue proceedings for a fixed fee and a Court fee. These fees up to £100 as well as compensation for late payment and interest will be added to the debt

NO PAYMENT

Wait to see if there is a response to the Claim within the 14 day time limit

NO RESPONSE TO CLAIM

Request judgment in default for a fixed fee of £22 + VAT

NO PAYMENT

Consider the most appropriate method of enforcement to recover the debt i.e. Charging Order, Attachment of Earnings. Subject to the method of enforcement chosen fees are once again based on the principal of adding Court fee and fixed fees to the debt. We will provide you with details of these costs should enforcement action become necessary.

Payment

We raise our invoice for £50 + VAT and close the file.

Payment

We retain £50 + VAT for the letter before action, the fixed fees and the Court fee, passing the principle debt and the interest along to you. We then close the file.

Payment

Costs will be based on the time spent working on the matter, please see the hourly rates in the attached fees guide. Should this occur we can discuss the likely costs implications with you at the time.

Payment

We retain £50 + VAT for the letter before action, the fixed fees and the Court fee, passing the principle debt and the interest along to you. We then close the file.

Payment

Once again we retain £50 + VAT for the letter before action, the fixed fees and the Court fee, passing the principle debt and the interest along to you. We then close the file.

Letter before action:	£50.00 + VAT
Current hourly rates*:	
Paralegal	£150.00 +VAT
Solicitor	£200.00 +VAT
Senior Associate	£245.00 + VAT
Fixed costs on issuing claim (according to value of debt):	
£25.00 to £500	£50.00 + VAT
£500.01 to £1,000	£70.00 + VAT
£1,000.01 to £5,000	£80.00 + VAT
£5,000.01 to £10,000	£100.00 + VAT
£10,001 to £15,000	£250.00 + VAT
£15,000.01 to £25,000	£350.00 + VAT
£25,000.01 and above	£450.00 + VAT
Fixed costs on requesting judgment:	
Up to £5,000	£22.00 + VAT
Over £5,000	£30.00 + VAT
Court fees on issuing claim (according to value of debt):	
Up to £300	£35.00
£300.01 to £500	£50.00
£500.01 to £1,000	£70.00
£1,000.01 to £1,500	£80.00
£1,500.01 to £3,000	£115.00
£3,000.01 to £5,000	£205.00
£5,000.01 to £10,000	£455.00
Over £10,000	5% of the value of the claim
Court fees on execution of judgment:	
Warrant of execution (bailiffs)	£110.00
Enforcement officers	£66.00
Charging order	£110.00
Attachment of earnings order	£110.00
Third party debt order	£110.00
Order to Obtain Information	£50.00

*Please note that while Court fees and fixed costs up to £100 will be added to the value of a claim, along with interest, other fees cannot be added and may not be recoverable. Fees are subject to amendment from time to time.

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