



Debt Recovery and Prevention Service for Businesses



For many businesses credit control is an on-going issue.

Late or non paying customers can cause serious cash flow issues and threaten the viability of a business as well as the ability to pay suppliers. At the very least it can sour relationships with customers and take up your valuable time.

Coodes understands that credit control is vital to business success and also the need for costs certainty in seeking legal advice. We have therefore introduced two fixed price products **DebtPrevent** and **DebtRecover**.

Our experienced debt recovery team will smooth your path through debt collection and with a respected firm like Coodes you can be sure that your customers will be dealt with sensitively but firmly.

DebtPrevent

For businesses that prefer 'hands on' credit control help at the outset, we can work seamlessly with you to prevent unpaid invoices becoming a risk and cost to your firm.

How does it work?

Prior to the expiry of your invoice payment period the details are passed to our **DebtPrevent** team. We send a formal reminder to the customer on your behalf and further to your instructions continue with a **pre-action letter** if no response is received. We can also provide related telephone advice to you and deal with your customer's requests for payment options.

Where urgent action is required we can send out reminders or pre-action letters the same working day if your instructions are received before 2pm.

You subscribe to a simple rolling monthly agreement with us which can be started or cancelled at any time subject to a month's notice.

What is included?

- Immediate, relevant legal advice on your outstanding invoices.
- Issue of formal reminder letter.
- Issue of pre-action before claim letter.
- Liaison and negotiation with customers with regard to payment.
- Same day response.
- Simple monthly payments designed for your size of business.
- Experienced team in Cornwall's longest established law firm.

How does this help me?

- Improve cash flow.
- Easy budgeting.
- Preserve customer relationships.
- No hidden legal fees.
- More time to spend running or managing the business.
- Take the stress out of credit control.
- Prevents issues before they start.



Abi Lutey
Chartered Legal Executive

Call **Abi Lutey** now for a free discussion to see how we can assist your business.

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| Outstanding debtor accounts or invoices per month | Coodes' Fixed Fee |
|---|-------------------|
| Up to 10 | £50 + VAT |
| 11 to 25 | £150 + VAT |
| 26 to 50 | £300 + VAT |
| 51 to 100 | £500 + VAT |

1. Letter of claim - £25 + VAT

If you have a debt that remains unpaid despite the issuing of payment reminders we have a simple and cost effective service to help you recover it.

This includes, where appropriate:

- taking your instructions and advising on the best course of action for debt recovery.
- carrying out any necessary investigations such as Companies House checks.
- sending a letter of claim which may include additional claims for:
 - interest under your terms of business or Late Payment of Commercial Debts (Interest) Act 1998.
 - any compensation that you may be entitled to.

Where bankruptcy or liquidation action is appropriate we can prepare a Statutory Demand on your behalf. We can draft this at a cost of £250 plus VAT.

2. Issuing court proceedings

Should the **letter of claim** not result in payment we can then prepare and issue court proceedings on your behalf. Our fixed fees for this work depend on the value of the debt claimed.

| Debt Amount (inc. VAT) | Coodes' Fixed Fee (exc. VAT) | Court Fee | Total (exc. VAT) |
|------------------------|------------------------------|------------------------------|------------------|
| Up to £300 | £65 | £35 | £100 |
| £300.01 - £500 | £75 | £50 | £125 |
| £500.01 - £1,000 | £125 | £70 | £195 |
| £1,000.01 - £1,500 | £140 | £80 | £220 |
| £1,500.01 - £3,000 | £140 | £115 | £255 |
| £3,000.01 - £5,000 | £140 | £205 | £345 |
| £5,000.01 - £10,000 | £200 | £455 | £655 |
| £10,000.01 - £200,000 | £210 | 5% of the value of the claim | TBC |
| Claims over £200,000 | £250 | £10,000 | £10,250 |

Note: where successful you are entitled to recover fixed fees such as court fees and in some cases certain legal fees depending on the value of your claim.

3. Applying for Judgment

If the debtor fails to respond to the court proceedings or does not file a defence we can apply to the court for judgment on your behalf.

| Debt Amount (inc. VAT) | Coodes' Fixed Fee (exc. VAT) | Court Fee | Total (exc. VAT) |
|------------------------|------------------------------|-----------|------------------|
| Up To £5,000 | £25 | NIL | £25 |
| £5,000.01 - £100,000 | £35 | NIL | £35 |

4. Enforcement

There are a number of options available for enforcement of a Judgment and we will discuss the most suitable option with you. Below are some of our fixed fees for enforcement – this list is not exhaustive.

| Enforcement method | Coodes' Fixed Fee (exc. VAT) | Court Fee | Total (exc. VAT) |
|---|------------------------------|------------------------------------|------------------|
| Order to attend Court for financial questioning | £100 | £50 or £100 (where bailiff serves) | £150 - £200 |
| 3rd party debt order | £100 | £100 | £200 |
| Warrant of execution | £100 | £100 | £200 |
| Charging order | £350 | £100 | £450 |

Disputed debts

Dealing with a disputed debt can be a stressful experience for business owners who have other things to be concentrating on – like running the business!

We will help you prepare a Defence or Counterclaim and take you through the relevant stages of court proceedings. Fixed fees (which can be agreed in advance) may be available for these stages subject to the complexity of the dispute.