



BUSINESS TO BUSINESS DEBT RECOVERY

These estimates relate to business to business debts where the creditor, at the point of our instruction, provides to us all necessary information in order to pursue the debt on the creditor's behalf and that debt is uncontested.

These estimates are to be read in conjunction with our terms of business which can be found here:-

We have broken our services down into stages:-

- 1. Pre-action**
- 2. Commencement of Proceedings**
- 3. Default Judgment**
- 4. Insolvency Proceedings**

1. Pre-action

What is included?

- An initial meeting or telephone discussion to take your instructions and necessary information in order to set up a file and completion of a debt collection questionnaire.
- Interest calculation for the relevant period
- A letter before claim

How much will this service cost?

£175.00 plus VAT (£35.00)

How long will this service take?

This will depend on whether we can complete the debt collection questionnaire during our meeting/discussion or whether you need to provide further information. In any event however, we aim to prepare and issue your letter before claim (including claim for interest) within 7 days of receipt of the fully completed questionnaire.

We will demand payment of the outstanding balance in full within 14 days of the letter being sent to the debtor. We will diarise this date and speak to you about when payment should be made.

If payment is not made, you will then need to consider whether you want to issue proceedings seeking recovery of the debt.

What is not included?

- Negotiations with the debtor on your behalf.

2. Commencement of Proceedings

What is included?

- Prepare a claim form and particulars of claim
- Submit claim through Money Claims Online

How much will this service cost?

Our costs are likely to be in the region of £150.00 - £250.00 plus VAT (up to £50.00) plus disbursements detailed below:

You must also pay the court fee as a disbursement. This fee is dependent on the level of the claim (EX50 – HMCTS Civil and Family Court fees) and will be advised at our initial meeting.

See the following link for government fee scales:-

<https://www.gov.uk/government/publications/fees-in-the-civil-and-family-courts-main-fees-ex50>

You may be able to make a claim for fixed costs in accordance with Part 45 of the Civil Procedure Rules 1998, or costs in general. You will be advised about this at our initial meeting.

How long will this service take?

We aim to finalise your claim and file this with the court within 7-14 days of your instruction to do so.

It is not possible for us to say how long it will take for the court to issue your claim but we will inform you upon receipt of notification of issue of the claim.

What is not included?

- Negotiations with the debtor on your behalf
- Advice on a defended claim and/or part defence

3. Default Judgment

If the Debtor does not respond to your claim within 14 days of the claim being served by the court or if the Debtor files an acknowledgment of service but then fails to file a response within 28 days of the claim being served by the court then we will be able to apply for Default Judgment.

What is included?

- We will prepare an application for default judgment and file this with the court.

How much will this service cost?

Our costs are likely to be in the region of £125.00 plus VAT (£25.00)

If an application for default judgment is made because the Debtor has failed to acknowledge service or file a defence then it may be possible to claim fixed costs in accordance with Part 45 of the Civil Procedure Rules 1998. You will be advised about this at our initial meeting.

How long will this service take?

We aim to prepare an application for default judgment within 24 hours of the time period for the Debtor to respond.

It is not possible for us to say how long it will take for the court to consider your application for default judgment but we will inform you once we receive a response.

What is not included?

- Any negotiations with the debtor on your behalf
- Advice on a defended claim and/or part defence
- Enforcement of a Judgment debt if default judgment is obtained

4. Insolvency Proceedings

What is included?

- Statutory demand
- Search of company register
- Search of central registry of winding up petitions
- Preparation of winding up petition
- Issuing the winding up petition with the court
- Arranging for service of winding up petition and filing certificate of service with the court
- Giving notice of the petition in the Gazette
- Attending an uncontested hearing

How much will this service cost?

We estimate our costs as follows:

Statutory demand	£350.00-£450.00 plus VAT (up to £90.00)
Winding Up petition	£1,000.00 -£1,250.00 plus VAT (up to £250.00)

Plus the following fees and disbursements:-

The Statutory Demand must be served personally upon the Debtor and we therefore instruct agents to deal with this. Agent's fees can range from £80.00 - £120.00 plus VAT. You will be required to pay this amount in order for the document to be served.

You will also be required to pay the following:

- The court fee (currently £280.00 - <https://www.gov.uk/government/publications/fees-in-the-civil-and-family-courts-main-fees-ex50>).
- The Official Receiver's deposit (currently £1,600.00)
- A search fee (currently £11.00)
- Copy documents (£0.10p per sheet)

Once the petition has been sealed by the court, it needs to be personally served on the Debtor and so we will again instruct agents to deal with this. Fees are likely to be a further £80.00-£120.00 plus VAT.

The petition also needs to be advertised in the Gazette. A fee is payable for this (currently £84.60 plus VAT - <https://www.thegazette.co.uk/place-notice/pricing>)



An agent will be required to attend the hearing which will be heard at The Rolls Building, 7 Rolls Buildings, Fetter Lane, London, EC4A 1NL. You will be required to pay the agents fee which is likely to be in the region of £100.00-150.00 plus VAT.

How long will this service take?

This will depend on whether we can complete the debt collection questionnaire during our meeting/discussion or whether you need to provide further information. In any event, we aim to prepare a Statutory Demand (including a claim for interest) within 7 days of receipt of the fully completed questionnaire.

We will demand payment of the outstanding balanced in full within 21 days of the Statutory Demand being served upon the debtor.

The Statutory Demand will need to be personally served upon the debtor and therefore it is difficult to say how long this may take because we need to instruct a third party but typically, this may take 2-3 days. Once service has been effected, we will diarise the date and speak to you about when payment should be made.

If the Debtor does not pay then you must consider whether you wish to apply to the court to wind up the company.

If you instruct us to do so, we will be required to make certain enquiries and then prepare the petition. We aim to complete this within 7-14 days from the date of your instruction. We will then file this with the court.

It is not possible for us to say how long it will take for the court to issue the petition but we will inform you once we receive sealed copies from the court. At this stage we should receive a hearing date.

We will then need to arrange for the sealed petition to be personally served upon the Debtor. Again, it is difficult to say how long this may take because we need to instruct a third party but typically, this may take 2-3 days. Once served and after 7 days has passed, we will need to advertise the petition with the Gazette. This must be at least 7 days before the hearing.

What is not included?

- Any negotiations with the debtor on your behalf
- Advice on a disputed petition and/or contested hearing



Costs Recovery

It may be possible for you to recover your legal costs in the event that you're successful in your claim. That said, costs are always at the discretion of the court and in the event that your claim is for less than £10,000.00, it is very unlikely that the court will make an order for costs over and above those fixed costs which are allowed in accordance with Part 45 of the Civil Procedure Rules 1998.

Our Litigation and Dispute Resolution Team

For information about the professionals involved in providing the services detailed in this guide see the following links:-

[Associate - George Lonsdale LLB](#)

[Associate - Stephanie Walker FCilex](#)