



**DEBT  
RECOVERY**



Worthingtons  
Solicitors



# Debt Recovery

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There is often little point instigating debt action if the debtor is a 'man of straw' i.e. has no income or assets to discharge the debt.

There are a number of important questions, which you must consider therefore before commencing legal proceedings...

# Look Before You Leap

1. Are your own Credit Control measures sufficient?
2. Do you have suitable Terms and Conditions? For instance, in the event of a dispute, is there a condition reserving jurisdiction to Northern Ireland?  
If not, - we can help?
3. How and when did the debt arise? You have 6 years from the date of any Agreement/Contract/Invoice or breach thereof to instigate court proceedings to recover a debt
4. Has the debtor sufficient income or assets to discharge the debt?
5. Do you know whether the debtor owns property jointly or otherwise?
6. Are there any previous Court Judgments against the debtor? Have they been paid?
7. Have Enforcement Proceedings been instituted against the debtor by other creditors?
8. What evidence exists to prove the debt?  
For example...
  - Invoice,
  - terms and conditions,
  - correspondence,
  - retention of title clause,
  - verbal evidence only?
9. There are a number of other issues which could be considered depending on the status of the debtor
  - (a) If the debtor is a limited company;
    - what is its full title, registered office and other trading addresses?
    - does the company own or lease the premises?
    - What assets does it own?
    - do you have any knowledge of its general performance and/or credit history?
  - (b) If the debtor is a Partnership;
    - what is the full trading title and business address?
    - what are the names of the various partners?
    - do you have any knowledge of the general performance and/or credit history?
  - (c) If the debtor is an individual/sole-trader;
    - What is his/her full name and trading address?
    - what is his/her home address?
    - what assets are owned?
    - do you have any knowledge of his/her credit history?
    - is the debtor in gainful employment?
10. If the debt is in respect of rent arrears, is there a guarantor?

# Preliminary Steps

There are a number of Preliminary Steps which you may wish to consider before instigating full court proceedings...



## Option 1: Letter Before Action

A relatively inexpensive measure is to send a Solicitor's Letter Before Action (LBA). This letter demands payment within seven days and puts the debtor on written notice that failure to pay will lead to legal proceedings being instigated without further notice or warning. It is our practice to issue the LBA upon the day we are instructed (assuming instructions are received in good time). We will send a reminder letter to the debtor after seven days.

## This letter may prompt payment!

However, If there is no satisfactory response within 3 days of the reminder letter, we will revert to you for your instructions.

Unless otherwise provided for by fixed fees, all other work undertaken or advices provided shall be charged at £75.00 + VAT per hour.

## LETTER BEFORE ACTION (excludes VAT)

LBA and reminder;	£50.00
any debt any amount	

\*These fees may be discounted for volume instructions.

## Option 2: Status Checking on the Debtor

Status checking or credit checking on a Debtor before instigating court proceedings is highly recommended. You may consider credit enquiries in addition to, or as an alternative to an LBA. There are a number of preliminary enquiries that may be undertaken and which may help guide you in deciding whether to instigate proceedings. These costs are not recoverable from the debtor.

Action	Fees (Ex VAT)	Outlay
EJO Search	£15.00	£11.00
Bankruptcy Search	£15.00	£25.00
Company Search	£15.00	£25-£35 <sup>1</sup>
Registry of Deeds Search	£20.00	£50.00
Land Registry Search	£20.00	£7-£19.00
Worth Sue Report <sup>2</sup>	£100.00	£175-£200

<sup>1</sup> Depending on the document charge per item.  
<sup>2</sup> The Worth Sue Report includes all of the above searches.

1. **EJO** and **Bankruptcy Searches** should help indicate whether the debtor is already a bankrupt, or whether there are Enforcement Proceedings registered against them.
2. A **Company Search** may help in identify the Directors, registered office, when accounts were last filed etc.
3. If the property is registered in the **Registry of Deeds** then a Registry of Deeds Search may help to identify whether property is actually owned by the debtor.

However, a computer search will only show negative actions, such as mortgages and other charges, against a particular property, and only after computer records began in 1990. It will not show any results if a property has been bought outright, without a Mortgage.

4. If the property is registered in the **Land Registry**, a Land Registry Search may help to show any mortgages/charges and any pending dealings on Folios.
5. The **Worth Sue Report** includes all of the above searches and may assist in determining the likelihood of obtaining payment if Court proceedings are instigated. We would recommend that a Worth Sue Report is obtained where the debt exceeds £2,000.

N.B If proceedings are issued and/or judgment is obtained, and/or Enforcement Proceedings commenced, and ultimately the debtor proves to have insufficient income or assets, you still remain liable for our legal costs.



# Small Claims Court Proceedings

Small Claims Debts	Debts up to £3,000
County Court	Debts up to £30,000
High Court	Debts exceeding £30,000

Your case will only be heard if the claim is disputed, a counterclaim issued, or an unacceptable repayment proposal is made by the debtor. Most cases are undefended and you will not need to attend court. Remember no professional fees are awarded in the small claims court.

We will prepare and submit the Application, together with the appropriate court outlay (please see table on page 6). This outlay is added to the debt if your application is successful and judgment awarded.

The Application will be endorsed by the Court office with a return date, and sent to the debtor. We will receive a copy along with an Applicant's Information Pack. The debtor must lodge a dispute, counterclaim or make payment prior to the return date. The progress of the Application can be followed online.

## 1. Should the debtor pay:

they are liable to pay total amount claimed, and applicable interest, together with the court outlay incurred. The debtor will not be liable for our fees or any search outlay.



## 2. Should the debtor fail to respond:

we will obtain Judgment in Default, which will then be served on the debtor by first class post. The Judgment will include the amount awarded by the court together with the Court Outlay, applicable interest. It will not include our fees. The Judgment may affect the debtor's ability to obtain credit in the future. If the debtor does not make payment, you may wish to consider Enforcement Proceedings (see Enforcement Section).

## 3. Should the debtor lodge a dispute or a counterclaim:

your case will be given a date for hearing before the District Judge. It is imperative that you or your representative attend this hearing and bring all paperwork to prove the debt. These proceedings are relatively informal and you can represent yourself at the Small Claims Court but you may also have legal representation. Should you request legal representation, win or lose, you will be responsible for paying our costs.



#### 4. Should the debtor lodge an Acceptance of Liability:

this means that the debtor has admitted that they owe the debt but are unable to make full immediate payment to settle this matter, and may seek time to pay

- Should you not accept this offer, the matter will be listed before the District Judge for directions.
- Should you agree to the offer, a Stay of Execution will be attached to the Order.  
Please note that enforcement is not possible until this has been removed.
- Should the debtor then default in any weekly/ monthly payments, the Stay of Execution can be removed by way of signed Affidavit, a full Judgment obtained and served on the debtor.
- If the debtor does not make payment, you may wish to consider Enforcement Proceedings (see Enforcement Section)

#### Remember

- (1) The court does not pay the amount that is awarded, it only decides who is liable.
- (2) No legal fees are awarded by the Small Claims Court.

**We will gladly provide a fee proposal in each case. Please contact our Debt Department and/or email [info@worthingtonslaw.co.uk](mailto:info@worthingtonslaw.co.uk)**

Small Claims Court Outlay:		
Debt Amount:		Court Outlay
Up to £300		£39.00
Up to £500		£65.00
Up to £1000		£91.00
Up to £3000		£130.00





# County Court Proceedings



## Debts up to £30,000

Unless your claim is disputed, you will not have to attend Court and Judgment may be obtained by completion of the relevant documentation.

We will prepare the Civil Bill, and submit to the courts together with a cheque for the court outlay. It will then be stamped by the court and served on the debtor. The Debtor has 21 working days after service to lodge a Notice of Intention to Defend.

### 1. Should the debtor pay

within 21 days of receiving the Civil Bill, they will be liable to repay the original debt, applicable interest and recoverable fees awarded by the court (these are known as **21 day costs**, which are fixed by statute and are detailed on page 14).

### 2. If the matter is undefended, i.e.

the debtor fails to respond within 21 days, we will send an Affidavit of Debt to you, which must be sworn in the presence of a solicitor. We will then submit all the relevant paperwork together with a cheque for the court fee of £98.00 (£151 if equitable) to extract County Court Judgment (CCJ)

obtained. This option does not normally require your attendance at court. Once a County Court Judgment has been obtained the debtor is liable to pay the principal sum, applicable interest and a higher scale of recoverable costs.

Where an equitable remedy is sought (repossession, vehicle recovery) a formal hearing will be convened and counsel will often attend, albeit there is no provision for Counsel's fees in the County Court Rules for undefended matters.

### 3. If a Notice of Intention to Defend

is received, then the issue of costs is one to consider very carefully, as our fees for a contested matter are marked in accordance with the County Court Scale Fees, which are significant and which remain your responsibility in the first instance. If you were to lose a contested case, you would be liable for not only our costs but also the debtor's legal costs. Should a Notice of Intention to Defend be served, we will discuss the costs implications of proceeding further

In a contested case, if you are successful, additional professional fees, as appear in the County Court Rules will be added to the Debt and may be recoverable from the Debtor, if recovery is secured ultimately.

<b>County Court Outlay:</b>	
Civil Bill up to £5,000	£216.00
Civil Bill up to £30,000	£242.00
Mark Judgment	£98.00 (£151 if equitable)
Affidavit	£7.00
Certificate of Readiness	£327.00

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# High Court Proceedings

## Debts Exceeding £30,000

A Writ of Summons may be issued in the High Court for any debt above £600, but may be transferred to the County Court, should the debtor object. Again unless your claim is disputed you will not have to attend Court and Judgment may be obtained by completion of the relevant documentation

High Court Outlay:	
Writ	£261.00
Judgment	£98.00
Affidavit & Exhibit	£9.50
Set-Down Fee (if required)	£392.00

We will prepare the Writ of Summons, and send to the court together with a cheque for £261.00, in respect of the court outlay; It will then be stamped by the court and a copy served on the debtor. The Debtor has 14 working days after service in which to lodge a Memorandum of Appearance.

- 1. Should the debtor pay** within 14 days of receiving the Writ, the Debtor will be liable for the principal sum, applicable interest and recoverable costs.
- 2. If the matter is undefended, i.e.,** the debtor fails to respond, we will submit the relevant papers together with payment of £98.00 to the court and a High Court Judgment will be obtained. Once a Judgment has been obtained, the debtor is liable to pay the principal sum, applicable interest and a higher scale of recoverable costs.
- 3. If a Memorandum of Appearance** is received, then the Debtor has effectively signalled their intention to dispute the debt. In this event, the issue of costs is one to consider carefully as if you were unsuccessful, you would be liable for not only our costs but also the debtor's legal costs, which can be considerable. If the Writ has been issued for less than £30,000, then the action may be remitted to the County Court, to save costs.

The recoverable costs will be added to the debt and should be recoverable from the debtor, if recovery is achieved ultimately.

If the debtor fails to pay after Judgment, you may wish to consider Enforcement Proceedings (please see Enforcement Section) or Insolvency action.

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# The Enforcement of Judgments Office

Should a debtor fail to pay following Judgment, one method of pursuing further recovery is to refer the matter to the Enforcement of Judgments Office, or the EJO, as it is known.

The EJO is a statutory body, empowered to recover or enforce Judgments, where possible, upon payment of a scale fee, which is based on the amount of debt to be recovered. Remember that the EJO cannot recover what is not there, and you may wish to apply for a Discovery Order as to the debtor's means at the appropriate stage (see page 10).

The EJO has various powers;

- It can seize assets belonging to the Debtor,
- Affix an Attachment of Earnings Order whereby part of the Debtor's wages are paid direct to the EJO,
- Attach an Instalment Order, should the debtor own their own business,
- Impose an Order Charging Land on the debtor's property.

Other powers exist particularly in relation to securing business assets/stocks/shares and other financial gains received or due to be received by the debtor.

## Procedure

### 1. Notice of Intention to Enforce a Money Judgment

We will prepare the appropriate Notice, which must be issued and served prior to an Application for Full Enforcement, or Discovery. This is sent to the EJO in duplicate, together with the EJO outlay of £26.00, and served upon the debtor by the EJO. The Notice will make a claim for:

- the Judgment sum
- interest thereon @ 8% per annum
- any costs awarded by the Court
- and the EJO outlay of £26.00

No further action may be taken for 10 days from the date of service of the Notice. If there is no response the next step is to make an Application for Full Enforcement or an Application for Discovery. (N.B. the Notice will be valid for a period of three months only and will lapse if unserved)

### 2. Application for Full Enforcement

We will prepare the Application for Full Enforcement/Discovery and lodge with the EJO on receipt of the EJO Fee, which is calculated with reference to the amount of the debt. The initial EJO Fee of £26 and the Application Fee will be added to the total amount to be pursued by the EJO. However, the EJO will only allow a nominal fee in respect of our professional fees; the remainder will remain your responsibility.

Details of the EJO Fees appear on page 15.



Upon receipt of an Application for Full Enforcement/ Discovery and the appropriate fee, the EJO will request that the debtor attend for interview, to ascertain their financial status and produce a "Means Report". If the debtor fails to attend, the EJO can issue a Warrant for Arrest against the debtor.

The debtor will be reported in "Stubbs Gazette" and this may well have a negative impact on their ability to continue trading and/or obtain credit.

Depending on the results of the Means Report, the EJO will, if possible, implement appropriate measures to try and to secure payment.

N.B. the EJO cannot guarantee recovery, especially if the Debtor has judgments registered against them which predate yours, or if they have disposed of their assets to avoid payment.

Please also note, the EJO process may take a considerable period of time, and the EJO outlay, although recoverable from the Debtor if enforcement is successful, can be substantial. Our own professional fees are not recoverable.

You do not want to throw good money after bad. Careful consideration must be given to whether an enforcement application is worthwhile.

### 3. Application for Discovery

Should the debt exceed £3,000, you may wish to consider an Application for Discovery prior to Full Enforcement Application. This is where the EJO will prepare a "Means Report" on the debtor's financial status, for a set fee, currently £195.00. The Report may help you to make a more informed decision on whether the debtor is a "good mark" for recovery and whether a full Enforcement Application is worthwhile.

On receipt of the discovery report, you have 10 days to decide whether to pursue a Full Enforcement Application. If you decide to pursue Full Enforcement you will maintain your priority ahead of any subsequent applications and the fee of £195.00 will be deducted from the EJO application fee. Should you decide not to pursue, you will lose your position and the £195.00 fee.

### EJO Orders

#### Attachment of Earnings Order:

If the debtor is currently employed and cannot afford to pay the debt in full, the EJO may serve an Attachment of Earnings Order upon their employer. This will oblige the employer to deduct a specified sum from the debtor's wages and forward to the EJO for onward payment to the Creditor.

#### Instalment Orders

If the debtor is self-employed, his Income cannot be subject to an Attachment of Earnings Order. The EJO will instead request payment by way of an Instalment Order which will specify the date and amount of payment. Should the debtor default for no good reason one option is to issue Committal Proceedings to have the debtor imprisoned. (However this may require separate proceedings which can be expensive.)

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### **Seizure Order:**

As the name suggests, the order permits the EJO to seize sufficient goods or assets from the debtor to secure payment for the debt. The following goods cannot be seized:

- debtors clothes and household furniture;
- any goods subject to HP Agreements;
- tools of the trade to the value of £100;
- any goods in the hands of a Receiver which have been appointed by Court.

### **Order Charging Land:**

If a debtor owns property, whether jointly or otherwise, we can request that the EJO issue a Charge on the land, in an effort to secure payment. Only when the Order has been registered against the property and the property sold/remortgaged, will payment be secured from the net proceeds of the sale. An Order forcing sale can only be made if there are no other legal or equitable interests in the property (e.g. Spouse). Please note that the Order Charging Land only survives for a period of 12 years from the date of Judgment. Should the debt not be paid within this period a fresh Order will not issue.

### **Order Appointing Receiver:**

If the debtor receives additional monies from another source for example from a personal injury claim or from a remortgage, the EJO can serve this Order on the Third Party, thereby appointing them the Receiver. Once served on the Receiver, the Receiver is obliged to forward the net monies, to the EJO, who will forward payment to whichever creditor has priority.

### **Please Note:**

The EJO process may be ineffective if ultimately the debtor has insufficient means to discharge the debt and a Certificate of Unenforceability results. This is why it maybe be worthwhile obtaining a Worth Suing Report or making an Application for Discovery, prior to Full Enforcement action.

N.B. if there is more than one Judgment being Enforced, the EJO will deal with each Application in the order they are received by their office. If the EJO secures monies from the debtor, these monies will be used to discharge whichever debt has priority.

Particulars of the EJO fees are listed on page 15. Additional professional fees are chargeable for dealing with orders and summons issued by the EJO.



# Insolvency

## BANKRUPTCY/WINDING-UP PROCEEDINGS

Insolvency proceedings directed against an individual are known as bankruptcy proceedings and those against a Limited Company are known as Winding-Up Proceedings.

The first step is to prepare and serve a the Statutory Demand. A Statutory Demand cannot be issued if the debt is less than £5000 for an individual or £750 for a company or if the matter is disputed.

### Procedure:-

We will draft the Statutory Demand and arrange to have it served personally on the Debtor. The debtor has 21 days after service to pay in full, failing which you can instigate formal insolvency proceedings. There is no obligation on you to proceed to the next step unless you wish to do so.

1. Should the debtor make payment within 21 days you are entitled to the amount claimed together with interest. N.B., the Professional Fees & outlay are not recoverable at this stage.
2. If the debtor raises a valid dispute, an application may be made, within 18 days, to have the Statutory Demand set aside. Thereafter civil proceedings will have to be issued.
3. If the debt remains unpaid after 21 days, you may wish to pursue formal insolvency proceedings, but be warned that to declare a debtor bankrupt or to place a company in liquidation could be resigning yourself to the fact that you are unlikely to secure full recovery. Insolvency proceedings are not just for your own debt, but for all debts owed to all creditors. You take no precedence over other creditors just because you instigated the proceedings. All creditors rank equally in an insolvency situation, apart from preferential creditors such as the Inland Revenue.

If you decide to proceed with insolvency proceedings, we will draft the bankruptcy or winding-up petition. The details in this petition must be verified by you by way of a Sworn Affidavit. We will prepare the relevant documents, obtain the appropriate search certificates and publish the necessary advertisements, all of which will be filed in court and a date obtained for hearing. Only when a Petition is issued are you entitled to Professional Fees and additional outlays.



The petition must then be served personally on the debtor, and in the case of winding-up proceedings, the petition is advertised in the Belfast Gazette. This will alert other creditors.

The solicitor, or other legal representative must attend the court hearing, and usually there is no need for you to attend. If the documentation and all procedural requirements are in order, and if no payments or dispute has been raised by the debtor, then the Master should grant the Order.

Thereafter, the proceedings fall under the remit of the Official Receiver's office, which will appoint an Insolvency Practitioner: Trustee in Bankruptcy or a Liquidator, and convene a meeting of creditors. From this point, control of the proceedings passes to the Insolvency Practitioner, and it may be some months before you hear anything further. The Trustee/Liquidator will realise any assets, discharge any fees and if any monies remain, these will be distributed, first to preferential creditors and then to unsecured creditors. Even then, any dividend is not likely to be payable for some time after the date of the Order.

Insolvency proceedings are costly and although you are entitled to payment of your legal costs once the petition has been filed in court, payment may only be made if there are sufficient funds available. Even then, you may not receive anything for a significant period of time.

Ultimately, you are responsible for payment of our fees and outlay in the first instance, and must seek reimbursement from the Trustee/Liquidator. Consideration should be given before taking the decision to proceed with bankruptcy or winding-up.

**We will gladly provide a fee proposal in each case. Please contact our Debt Department and/or email [info@worthingtonslaw.co.uk](mailto:info@worthingtonslaw.co.uk)**





## Professional Fees

- Fees for obtaining Default Judgment following County Court proceedings, appear below.
- The Table below details the court outlay and recoverable fees awarded by the Courts.  
For a full assessment of likely fees, please contact our Debt Department and/or email [info@worthingtonslaw.co.uk](mailto:info@worthingtonslaw.co.uk)

Amount of Debt	Initial Court Outlay	Judgment Outlay	Professional Fees Awarded by Court at Judgment (recoverable fees)
£500 - £1000 <i>but does not exceed £1,000</i>	£195	£98	£107
exceeds £1000 <i>but does not exceed £5,000</i>	£216	£98	£197
exceeds £5,000 <i>but does not exceed £10,000</i>	£242	£98	£298
exceeds £10,000 <i>but does not exceed £15,000</i>	£242	£98	£383
exceeds £15,000 <i>but does not exceed £20,000</i>	£242	£98	£453
exceeds £20,000 <i>but does not exceed £25,000</i>	£242	£98	£513
exceeds £25,000 <i>but does not exceed £30,000</i>	£242	£98	£583

### PLEASE NOTE:

1. Initial Court Outlay and Judgment Outlay detail only those court fees which are recoverable from the debtor, (assuming the debtor pays or has sufficient means against which payment might be secured). Please note that all other outlay such as EJO Searches, Trace Reports, Worth Sue Reports, Bankruptcy Searches etc are not recoverable from the debtor and remain the responsibility of the client.
2. Should proceedings be issued in the County Court (i.e. for more than £3000 but less than £30,000), and Judgment obtained, the court will award the applicable professional fees depending on the level of debt/award, plus VAT, plus recoverable outlay [Initial Court Outlay + Judgment Outlay + postage]. Should payment be made prior to Judgment, only 50% of these fees will be awarded + VAT together with the Initial Court Outlay + postage. These are known as 21 day costs.
3. Please note that interest on the debt is calculated at the rate of 8% p.a. once proceedings are issued.

## ENFORCEMENT PROCEDURES

Enforcement Procedures	Professional Fees (excluding VAT <sup>1</sup> )	Outlay <sup>2</sup>
Notice of Intent to Enforce (Form 1)	£35.00	£26.00
Discovery Application (Form 6)	£85.00	£195.00
Full Enforcement Application (Form 3)	£85.00	(a sliding scale applies) see below*
Conditional Order	£50.00	Agents Fee for Personal Service £75-£100+ Viaticum c.£25
Substituted Service of Conditional Order	£50.00	Viaticum c.£25
Attachment of Earnings Order	£30.00	Nil
Order Charging Land	£175.00	£90.00 (Land Registry) £15.00 (Registry of Deeds)

### PLEASE NOTE:

- For all other advice or work which is not otherwise provided for above, such work will be undertaken at £75.00 per hour.
- Professional fees are not recoverable and remain the responsibility of the client. The EJO do however award nominal fees for the appropriate procedures, which sum is added to the total debt to be enforced. These EJO fees are subject to change.
- Only those items of outlay with an asterisk are added to the total amount to be recovered.
- A Viaticum is a sum tendered in respect of travel expenses (average £15)

## ENFORCEMENT FEES

The Fees payable to the Enforcement of Judgments Office for instigating Full Enforcement proceedings vary with the amount of the Judgment + costs + interest.

Thereafter for debts of up to £300, for every £1.00 added onto the debt 39p is added to the enforcement fee, subject to minimum fee of £20. For Example:		For debts in excess of £300 the enforcement fee is £127 and rises by £16 for every additional £100 or part thereof of the debt. This applies up to £1000. For example:		For debts in excess of £1000 the enforcement fee is £273 and rises by £12 for every additional £100 or part thereof of the debt. This applies to debts of up to £3000. For Example:		For debts in excess of £3000 the enforcement fee is £568 and rises by £3 for every additional £100 or part thereof of the debt. This applies for debts of up to £10000. For Example	
Debt	Fee	Debt	Fee	Debt	Fee	Debt	Fee
£51.00	£20.00	£400.00	£143.00	£1,100	£285.00	£3,100	£571.00
£52.00	£20.28	£500.00	£159.00	£1,200	£297.00	£3,200	£574.00
£53.00	£20.67	£600.00	£175.00	£1,300	£309.00	£3,300	£577.00
£54.00	£21.06	£1,000	£239.00	£3,000	£513.00	£10,000	£778.00
£300.00	£117.00						

For debts in excess of £10,000 the enforcement fee is £841.00 plus £2.00 for every additional £100 or part thereof of the Debt. These fees are subject to change.





## INSOLVENCY FEES & OUTLAY

We will gladly provide a fee proposal in each case. Please contact our Debt Department and/or email [info@worthingtonslaw.co.uk](mailto:info@worthingtonslaw.co.uk)

<b>Statutory Demand:</b>	
Professional Fees (excludes VAT)	Outlay
£200 - £250	<ul style="list-style-type: none"> <li>• £75-100</li> </ul>
	(personal service fee depending on location)
<b>Bankruptcy:</b>	
Professional Fees (excludes VAT)	Outlay
Preparation and filing of bankruptcy petition	<ul style="list-style-type: none"> <li>• Deposit to Official Receiver £700.00*</li> </ul>
and up to first court appearance £800.00	<ul style="list-style-type: none"> <li>• Court Stamp £195.00</li> </ul>
Every court appearance thereafter £150.00	<ul style="list-style-type: none"> <li>• Search £25.00</li> </ul>
<b>Winding-Up:</b>	
Professional Fees (excludes VAT)	Outlay
£1,000.00, plus £150.00 for every court hearing	<ul style="list-style-type: none"> <li>• Deposit to Official Receiver £1165.00*</li> </ul>
	<ul style="list-style-type: none"> <li>• Court Stamp £195.00</li> </ul>
	<ul style="list-style-type: none"> <li>• Search Fees £10 - £35</li> </ul>
	<ul style="list-style-type: none"> <li>• Service Fee for Petition £100.00 (approx)</li> </ul>
	<ul style="list-style-type: none"> <li>• Advertisement Fee £50 - £80</li> </ul>

\*Deposit refundable if case withdrawn

N.B. Outlay may be increased by the relevant authorities

## Notes on Fees & Expenses

1. This guide sets out the normal professional fees ("the fees") charged by Worthingtons for Debt Recovery work. It also details the expenses payable to third parties such as Courts, searchers, summons servers, enforcement authorities and others ("the Outlay").
2. Unless otherwise provided for by fixed fees, all other work undertaken or advices provided shall be charged at £75.00 per hour.
3. All Outlay remains your responsibility. These costs may be increased from time to time beyond our control. We invoice Outlay required as it is to be incurred.
4. Delay in payment of outlay will result in delay in the recovery action.
5. Most Court Outlay expenses are added to the overall cost and are recoverable from the Debtor and will be refunded to the client if recovery is successful.
6. We are able to handle high volume recovery. We can offer a percentage discount for volume instructions received, the level of which will depend on the actual volumes received.
7. All Fees detailed are exclusive of VAT
8. We believe our fees are competitive and are conditional on settlement being made within 28 days of invoice; thereafter interest at the rate of 1% per month will be charged on outstanding balances pursuant to the Solicitor's Remuneration Order (NI) 1977.
9. The client agrees that we may deduct our fees due from any monies recovered from a debtor before payment of any balance to the client.



## Interest

- Unless you have a legitimate Interest clause in your Terms & Conditions (properly notified to the debtor), you can only claim interest at the statutory rate of 8% p.a. from the date of Invoice/Agreement.
- The Courts have a discretion to pay interest at the statutory rate, provided same has been properly included in the court proceedings.
- After Judgment, interest will continue at the statutory rate until payment.
- However the **Late Payment of Commercial Debts (Interest) Act 1998**, applies to those contracts for the supply of goods and services, where the purchase and supplier are each acting in the course of business, and no interest is specified whereupon the act fixes a rate of statutory interest of 8% over the "official dealing rate" and provides for compensatory sums dependent on the amount of debt.

Less than £1,000	£40.00
£1,000 to £9,999.99	£70.00
£10,000+	£100.00



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