

# M Simpson Associates

## A Straight Talking Consultancy

Business specialists with the ability to see through the smoke and get to the bottom line quickly

### Exclusive Business Insight from M Simpson

- 1 BACKGROUND TO LATE PAYMENT LEGISLATION
- 2 COMPENSATION CHARGES FOR LATE PAYMENT
- 3 NEW INNOVATIVE DEBT RECOVERY SERVICE
- 4 WHY USE THIS METHOD OF COMMERCIAL DEBT RECOVERY
- 5 KEY FEATURES
- 6 HOW M SIMPSON ASSOCIATES CAN HELP YOUR BUSINESS

To ensure the success of your business plans, you need a flexible supply of funds to make them happen. M Simpson Associates can help your business by offering a wide range of cash flow and asset finance solutions designed to help you take your business forward.

M Simpson Associates will review the DETAIL of your Business and offer genuine support.

## ABOUT THIS DOCUMENT

### **New Innovative & Free Commercial Debt Recovery**

Through our trusted network we can assist companies improve their cash flow by better management of their **OVERDUE** invoices.

To ensure the success of your business plans, you need a flexible supply of funds to make them happen. M Simpson Associates can help your business by offering a wide range of cash flow and asset finance solutions designed to help you take your business forward.

M Simpson Associates through its trusted business network specialise in the provision of finance to small and medium sized businesses offering **free** impartial advice without obligation. Our innovative product portfolio focuses on one basic business need - the need to keep cash flowing, equipment up to date and the ability to fund large orders on an ad hoc basis without using the companies own resources.

## BACKGROUND TO LATE PAYMENT LEGISLATION

1

**In November 1998**, the UK Government introduced legislation to give businesses a statutory right to claim interest from other businesses for the late payment of commercial debt. The UK was one of the first countries in the EU to introduce late payment legislation to help promote a culture of prompt payment.

**On 7 August 2002**, the Late Payment of Commercial Debts (Interest) Act 1998 was amended so all business owners and managers could claim reasonable debt recovery costs and can benefit from the simplification of the calculation of Statutory Interest. Additionally small and medium sized enterprises could ask a representative body to challenge grossly unfair contract terms used by their customers which do not provide a substantial remedy for late payment of commercial debts.

**On 16 March 2013** further amendments were made to the existing legislation requiring private businesses to pay within 60 days and public within 30 days. Additional fees could also be charged for recovery and plus other changes.

## COMPENSATION CHARGES FOR LATE PAYMENT

2

**Under the Compensation for Late Payment Legislation businesses are able to charge an Administration charge and Interest on invoices that are paid late. The table below shows the scale of charges that will be added to your customers invoice by our partners.**

**The compensation table does not apply to contracts concluded before 16th March 2013**

**The compensation entitlement varies in accordance with the size of the debt:**

Size of unpaid debt	Sum to be paid to the creditor
Up to £999.99	£40.00
£1,000.00 to £9,999.99	£70.00
£10,000.00 or more	£100.00

	The six month period
The Bank of England base rate on 31st December will be the reference rate for:	1st January to 30th June
The Bank of England base rate on 30th June will be the reference rate for:	1st July to 31st December

## NEW INNOVATIVE DEBT RECOVERY SERVICE

3

**Through our trusted network we can assist companies improve their cash flow by better management of their OVERDUE invoices.**

The service offered unlike factoring has **NO** upfront fees and is **FREE** – there are no costs to you.

You give instructions to pursue each individual debtor for payment, which will be conducted in a proven streamline 14 day process.

You will receive a personal service & regular reports updating you on developments

## WHY USE THIS METHOD OF COMMERCIAL DEBT RECOVERY

4

### The service includes

- A FREE detailed 'Risk Assessment' (including company credit checks and commercial debtor tracking) of your aged debtors which is returned to you within 48 hours, together with the full report detailing realistically recoupable debts which we will discuss with you.
- Non-retrieval of debt within this time period results in instruction of Legal 500 Law Firm to instigate legal proceedings for recovery of monies owed to you, at no cost – win or lose.
- Upon successful recovery of your monies, full payment of your outstanding debt will be swiftly paid in to your business account.

## KEY FEATURES

5

- FREE, Fast, Effective, Efficient & Commercial Debt Recovery
- Professional Streamline Service
- NO Recovery Fees Payable by You
- Fully Backed By 'Legal 500' Law Firm
- Legal Fees Covered – no cost to you

## HOW M SIMPSON ASSOCIATES CAN HELP YOUR BUSINESS

6

At M Simpson Associates we have over 25 years' experience of managing working capital in many different industries in both SME & International Groups

We offer advice on how best to manage working capital (Debtors / Stocks / Creditors) within your business & how to release the "Free Cash"

We can assist you prepare a cash forecast, recommend ways to improve your management in the area of working capital management, train your staff & carry out a Business Risk Assessment.

It's now time to sort out the right funding solution for your business! You can have a **free** non-obligatory discussion Call today on **07717 281076**  
Or Email: [info@msimpsonassociates.com](mailto:info@msimpsonassociates.com)