



Contested Insolvency

In today's economic climate, it is a sad fact that a number of businesses and individuals are struggling to pay their debts as they fall due and may well be insolvent. Insolvency proceedings are an extremely aggressive and serious action. However, it is not always appropriate for insolvency proceedings to be threatened or commenced.

We act for both creditors and debtors in relation to contested insolvency matters, including statutory demands bankruptcy petitions and winding up petitions.

The threshold for commencing a Creditors Petition against a company is only £750. This means that many unpaid invoices and outstanding sums can be pursued through the insolvency process. They should not be commenced lightly. If a Judge dismisses them, for example because he is satisfied the debt claimed is disputed he may well order that the party pursuing the proceedings pay the other parties legal costs.

Given the relatively low threshold of £750, many businesses are using statutory demands and petitions as a way to recover their debts. Knowing when to use them is key.

Litigation Services

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- Probate, will and inheritance disputes
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- Contested insolvency
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