

Individual Voluntary Arrangement



Our Client

Through no fault of his own John was struggling to meet his monthly credit card repayments.

This had an impact on his every day life – he was constantly receiving letters and telephone calls asking for money that he simply did not have.

Why they chose us

John came to us because he had met Clive Williams at a business networking event.

Privacy and confidentiality was of paramount importance to John and he knew, through Clive's reputation, that he was a man he could trust.

The Situation

John's business failed when he lost a large contract.

He didn't want to lay staff off, and so continued to fund the business using personal credit cards.

The monthly repayments eventually became impossible to meet.

HMRC were also chasing John for tax payments.

Increasing calls and letters were coming in every day, chasing payment and threatening legal action.

John could not sleep and his relationships were under a great strain.

Our Solution

- After a thorough review of his financial situation, we decided that an Individual Voluntary Arrangement (IVA) was the most appropriate route for John.
- An IVA is a formal, legally binding agreement between you and your creditors. It sets out how much you'll repay over a fixed period of time.

What we did

- John had a house with some equity, a small boat and was due an inheritance from his mother.
- We negotiated repayment of a smaller percentage of the total amount owed because John had a lump sum.
- We proposed payment to his creditors of 26p in the pound, which he paid them when the assets were realised.

The Outcome

- Over the course of two years John was able to repay a smaller percentage of the overall debt in various lump sums.
- John successfully completed his IVA to the satisfaction of his creditors and he is now debt free.
- He is allowed to put a 200 word statement on his credit file to this effect, which is viewed positively by future lenders.
- With our help, John went from sleepless nights, to being debt free.

If you make informal arrangements with creditors yourself, they are not legally binding and your creditors can still take action against you. It is only Licensed Insolvency Practitioners that are empowered to make this legally binding contract with creditors.