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### **DECREES AGAINST COMPANIES SKYROCKET**

The number of debt decrees registered against Scottish companies sharply rose during the first quarter of 2018, according to figures released today by Registry Trust.

Registry Trust is the non-profit organisation which collects decree and judgment information from jurisdictions across the British Isles and Ireland. In Scotland it collects information on small claims, summary, ordinary cause and simple procedure sheriff's court decrees. A decree is incontrovertible proof that debt has not been managed.

There were 750 decrees issued against all businesses in Scotland during Q1 2018, four percent more than during the same period of the previous year.

A massive 39 percent rise in the number of decrees issued against companies accounted for this increase; the number of decrees registered against the generally smaller, unincorporated businesses sharply decreased by 42 percent.

The rise in the number of decrees issued, coupled with a marginal one percent increase in average value caused the total value of business decrees to increase five percent.

During Q1 2018, 7,259 debt decrees were registered against Scottish consumers, six percent more than in Q1 2017. Despite rising in number, a 14 percent fall in average value led the combined value of all consumer decrees to drop nine percent compared to the first quarter of the year before.

A seven percent increase occurred in the number of consumer small claims and summary cause decrees issued. In contrast, the number of consumer ordinary cause decrees fell by seven percent.

Only 3.17 percent of decrees were marked as satisfied during Q1 2018, far lower than the 13.14 percent of satisfied debt judgments in England and Wales, where satisfaction rates are generally higher owing to legal differences.

Trust chairman Malcolm Hurlston CBE advised people who had paid back: "If you have satisfied a decree, tell Registry Trust and we shall let credit reference agencies know. Then you are likely to find borrowing easier and cheaper. You need to tell us, it doesn't happen automatically. Fewer than a quarter of the people in Scotland who pay back are getting the recognition they deserve."

In Q1 2018 Registry Trust received 9,122 requests to search the register for Scotland online at [www.truonline.org.uk](http://www.truonline.org.uk). TrustOnline allows anyone to search for judgments and similar information registered against consumers and businesses in any jurisdiction across the British Isles and Ireland.

Mr Hurlston said: "If you are considering any business transaction you would be wise to check for decrees or judgments first. It is fast, cheap and easy to look on TrustOnline."

Ends

### **Business statistics**

- Q1 2018 Decrees against all businesses (compared with Q1 2017)
  - Total: 750 (up four percent)
  - Total value: £3,225,839 (up five percent)
  - Average value: £4,301 (up one percent)
  - Median: £1,548 (up one percent)
- Q1 2018 Decrees against incorporated businesses
  - Total: 566 (up 39 percent)
  - Total value: £1,907,153 (down seven percent)
  - Average value: £3,370 (down 33 percent)
  - Median: £1,500 (down nine percent)
- Q1 2018 Decrees against unincorporated businesses
  - Total: 184 (down 42 percent)
  - Total value: £1,318,686 (up 28 percent)
  - Average value: £7,167 (up 119 percent)
  - Median: £1,925 (up 46 percent)

### **Consumer statistics**

- Q1 2018 All consumer decrees (compared with Q1 2017)
  - Total: 7,259 (up six percent)
  - Total value: £16,782,924 (down nine percent)
  - Average value: £2,312 (down 14 percent)
  - Median: £1,179 (up four percent)
- Q1 2018 Small claims and summary cause decrees
  - Total: 6,747 (up seven percent)
  - Total value: £9,756,100 (down five percent)
  - Average value: £1,446 (down 11 percent)
  - Median: £1,082 (up five percent)
- Q1 2018 Ordinary cause decrees
  - Total number: 512 (down seven percent)
  - Total value: £7,026,824 (down 15 percent)
  - Average value: £13,724 (down eight percent)

- Median: £8,319 (up ten percent)

### **For more information please contact**

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### **Notes for editors**

Registry Trust is a non-profit company established in 1985 to become the Registrar of County Court Judgments. It maintains public records of decree and judgment information for jurisdictions in the British Isles and Ireland. These records are an important factor in avoiding debt and in supporting responsible lending decisions, which in turn underpin a modern and stable economy.

Registry Trust holds a public register of Scottish decrees. By agreement with the Scottish Courts Administration Service it collects details of undefended money decrees entered in the small claims, summary and ordinary causes sheriffs' courts in Scotland.

From November 28 2016, a change to Scottish law was evoked whereby 'simple procedure' replaced the previous small claims procedure and part of the summary cause procedure. Simple procedure is a court process designed to provide a speedy, inexpensive and informal way to resolve disputes where the monetary value does not exceed £5,000.

Registry Trust regularly provides its licensed credit reference agencies with an update on outstanding judgment debts. This information affects the ability of all enterprises to borrow.

Decrees are removed from the register if paid in full within one calendar month of the issue date and Registry Trust is informed, but will otherwise remain registered for six years. If fully paid outside the one calendar month, defendants can apply to have the record marked as 'satisfied' to improve their credit rating. Failure to pay within one month is proof of unmanaged debt.

To have a paid decree marked as satisfied, defendants need to send evidence of payment to Registry Trust. The written evidence, which will be available from the claimant or the claimant's solicitor, should include the decree's: case number, date, amount, and the date when the debt was repaid in full. Defendants should add confirmation of their name and address when the decree was issued and send it to: Registry Trust, 153-157 Cleveland Street, London, W1T 6QW. An administration fee of £6.00 is payable for each named person or business at a specified address or limited company name. Cheques should be made out to: Registry Trust.

Anyone may search for entries against a named person or business at a stated address or a corporate body in the British Isles and the Republic of Ireland by visiting Registry Trust's website [www.trustonline.org.uk](http://www.trustonline.org.uk) or by writing to Registry Trust, 153-157 Cleveland Street, London W1T 6QW.

To view the full set of statistics, visit [www.trustonline.org.uk/press](http://www.trustonline.org.uk/press).

There is currently no register of liability orders which leads to relative underpayment of council tax and business rates. For more information about Registry Trust's aims, structure and accountability as well as information about its range of products beyond the register of

decrees and judgments visit [www.registry-trust.org.uk](http://www.registry-trust.org.uk). The site includes RT View—free interactive mapping software which displays aggregated decree and judgment data for Scotland, England and Wales by region, local authority and ward back to 2001.