

Bankruptcy Annulment Service

An overview



FREE Phone Advice
Call **0800 169 1536**

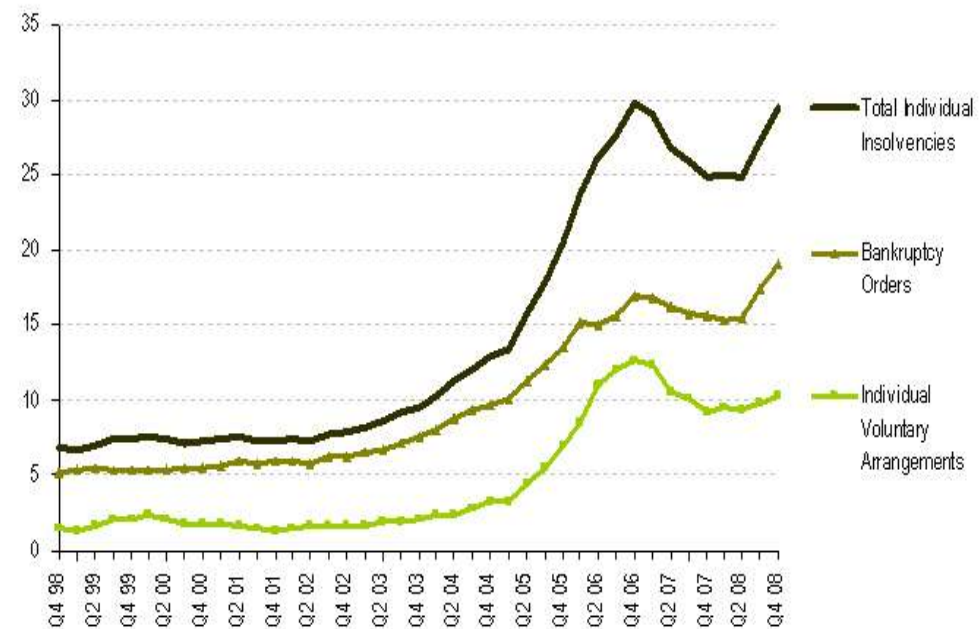


Individual Insolvencies

- There will be well over 100,000 personal insolvencies this year in England & Wales
- Over 70,000 will be bankruptcies (2008: 67,500)
- Of these, about 10,000 are creditor petitions; 75% from HMR&C and Local authorities – who target property owners who have equity to pay off their debts

Figure 2. Individual insolvencies in England & Wales

Thousands, seasonally adjusted



Source: Insolvency Service



Who Should Consider Annulment?

- Bankrupt
- Property owners
- People who want to get out of bankruptcy
- With sufficient equity and/or disposable income to either:
 - Pay debts in full, or
 - Pay a better dividend to creditors than would be achieved in bankruptcy



Cost of Staying Bankrupt

- All assets and bank accounts frozen on day of bankruptcy order
- All debts and expenses have to be repaid
- The Official Receiver takes control of the assets
Creditors meeting convened to appoint an insolvency practitioner as trustee
- The bankruptcy trustee sells assets to repay debts
Proceeds paid into an Insolvency Service account
- There is a fee of 17% on all money paid in
Paid to the Government
- The Official Receiver charges a fee of £1,715



Cost of Staying Bankrupt

- Independent trustee has no cap on fees and seeks approval on a time cost basis (£80 to £500 per hour) – not unusual for fees to quickly reach £7,500 to £20,000
- Solicitors fees - range from £nil to several thousand pounds
- Petitioning creditor's costs – range from £950 to £3,500
- Interest on debts at 8% p.a.
- The bankrupt cannot re-mortgage therefore can lose their home
 - A forced sale often realises a lower price
 - Plus estate agents, legal & associated costs
- The bankruptcy remains on the record for 6 years



Cost of Staying Bankrupt

- **Someone with debts of only £10,000 could easily find themselves having to raise £30,000 to get out of bankruptcy**
- **Doing nothing can be a very expensive mistake!**



Common Misconceptions

I'll just pay off the petitioning creditor's debt and ask for an annulment

I'll seek advice from my accountant or financial advisor



The Official Receiver or Trustee will help me and tell me what to do

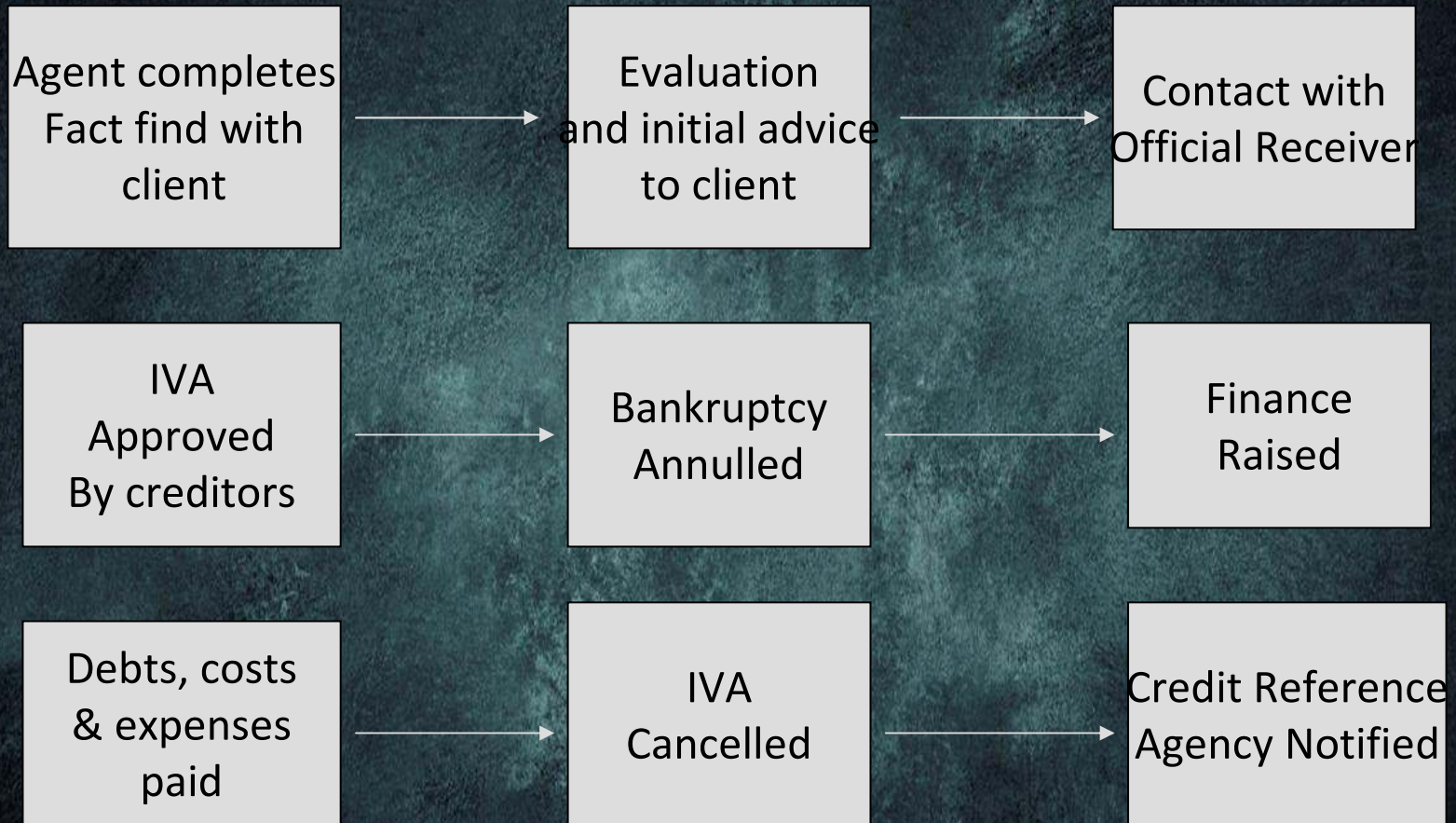
I'll ask my solicitor or Citizens Advice Bureau to sort this out for me



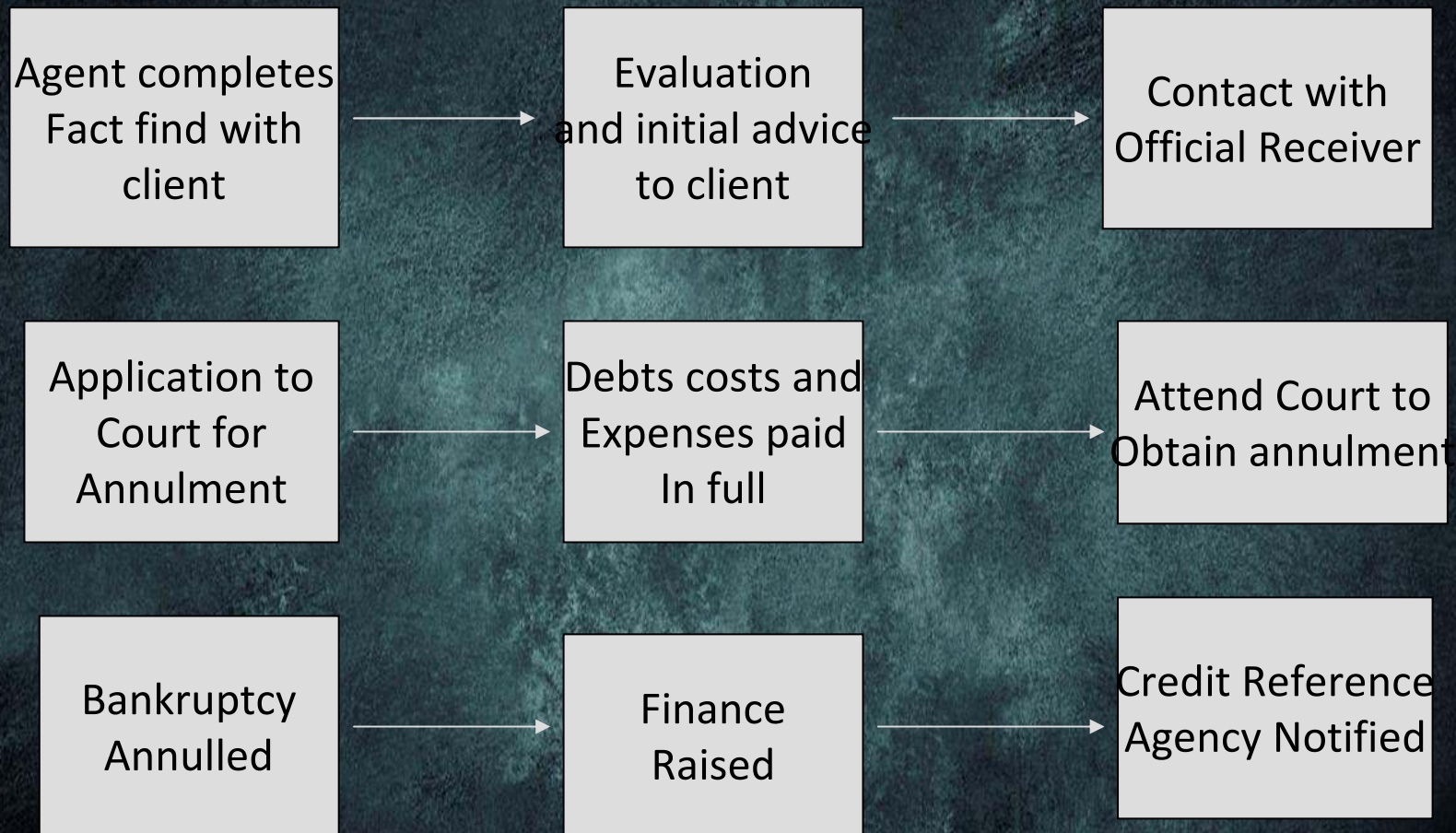
Benefits of Using Our Service



Summary of sec261 Process



Summary of Sec282 Process



Who are DRS?

DRS (GB) Limited was incorporated at the start of the boom in consumer debt in 2001.

- The company has two trading divisions, Debt Restructuring Solutions and Turnaround Finance, and a preferred association with Re10, Insolvency Practitioners.

Debt Restructuring Solutions (DRS):

- DRS employs a team of experts who provide free advice to the general public on the full range of debt solutions available.
- DRS is regulated by the Office of Fair Trading Consumer Credit Licence Registration No 511357 and by the Ministry of Justice in respect of regulated claims management activities. Registration No CRM17994

Turnaround Finance:

- Turnaround Finance employs a team of CeMAP qualified financial experts who provide free advice on obtaining finance in the form of loans, mortgages, bridging finance. The company has exclusive access to a bankruptcy annulment fund for funding payment of bankruptcy debts and costs for people who have been made bankrupt.
- Turnaround Finance is authorised and regulated by the Financial Services Authority. Registration No 300872



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