



The LPL Newsletter

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Be careful.....it's DAYLIGHT ROBBERY!



'LONG FIRM' fraud is back and increasing.....

The late 1940's saw the start of a clever business fraud. It involved criminals setting up a legitimate limited company, properly registered at Companies House. It would then trade for perhaps a few months to one year, building up a legitimate credit record with suppliers, usually those manufacturing or supplying white goods and electrical products. Then they would strike; ordering a mass of goods from the unsuspecting supplier, then transporting those goods to a place unknown, selling them on and then disappearing from the original trading address, never to be seen again. Now the scam is back, only more sophisticated. Of course with the ability to credit check many businesses, setting up without a trading or credit record is not so easy BUT clever criminals are creating false accounts and filing them at Companies House over a one or two year period, building a credit record with unsuspecting Credit Reference Agencies! Watch out for the warning signs:

IF YOU ARE APPROACHED BY A NEW CUSTOMER - OUT OF THE BLUE

- Does the order seem disproportionate?
- Very often, in these circumstances, you may be asked to deliver goods to a service address or a location a long way from the originating order or office - do not.
- They will ask if they can pick the goods up from your premises, even with their own 'heavy' transport - do not let them.
- If you feel suspicious you are probably right to be so.

Although a credit check may support the customer you can ask LPL to double check some of the information, such as checking the Auditor's details, trading addresses and director's private addresses for legitimacy.

Are you charging interest?

The Late Payment of Commercial Debts (Interest) Act 1998 has now been fully operational since August 2002. It allows businesses to add the UK reference rate (*Bank of England minimum base lending rate -fixed for 6 months*) + 8%. At the time of publication interest is 13% per annum. Compensation can also be added as follows: **Unpaid debt up to £999.99 add £40. £1000 - £9,999.99 add £70. £10,000 and above add £100.** This compensation can be added to each invoice if they constitute separate contracts/purchase deals. You may have adequate penalty clauses within your existing Terms and Condition- if so, you must, under normal circumstances, rely on your contract terms only. Many clients now refer to these statutory clauses within their own terms. **For more information on all items in this Newsletter - call 020 8597 2229.**

ADD THESE CHARGES TO YOUR LPL INSTRUCTIONS

LPL also offer

YOU CAN INSTRUCT LPL BY EMAIL, either by a simple standard Email correspondence or via an Excel Spreadsheet attachment. We will acknowledge your instruction by return. Email: info@lplgroup.com.

SALES LEDGER MANAGEMENT - Have you thought about letting LPL send out your monthly statements, mail-shots, sales amendments or Terms and Conditions Updates. All correspondence sent in your name at costs that will amaze you. Even postage costs are discounted. Email: glevene@lplgroup.com or call: 020 8597 2229 for more information.

FACTORING AND INVOICE DISCOUNTING - If you feel that your cash flow is not sufficient enough to give you adequate working capital when it is really needed then an **85% advance of cash** as soon as your invoices are raised could be the best answer. LPL can give you the service you need. CALL 020 8597 2229 for more information or Email: slewis@lplgroup.com.

LPL's 1st Stage Service
Call : Steve or Gavin
020 8597 2229

Voucher Instruction Your Check List

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Use Block Capitals when
instructing.

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You do not need to enclose copy
invoices or query letters with
your instruction voucher,
unless requested.

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As soon as payment is received
please inform LPL. The debtor is
instructed to send payment
directly to you.

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LPL recommends that you add
any interest and charges
applicable, but contact LPL if
you need advice.

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Further 2nd Stage action will not
be taken until we receive your
signed authorization.

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LPL's Flat Fee Charges from
£6.00 - £16.00
per account handled

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In-depth (2nd Stage)
Collection Services

No Collection-No Fee within the
UK from 10%