



Civil Resolution Tribunal

Date Issued: May 31, 2018

File: SC-2017-005715

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Smith v. Jim Perkins doing business as FairTradeWorks*,
2018 BCCRT 222

B E T W E E N :

Peter Smith

APPLICANT

A N D :

Jim Perkins doing business as FairTradeWorks

RESPONDENT

REASONS FOR DECISION

Tribunal Member:

Shelley Lopez, Vice Chair

INTRODUCTION

1. The respondent, Jim Perkins doing business as FairTradeWorks, hired the applicant Peter Smith (doing business as Anyone Architecture + Design) to

provide architectural services. This dispute is about the applicant's outstanding balance on his October 23, 2015 invoice, for \$1,806.30 plus GST. The applicant also claims contractual interest of 2.5% per month.

2. In his Dispute Response, the respondent made general statements that the applicant had failed to provide adequate service and that customers had complained. However, the respondent later expressly advised that it would not provide any evidence or submissions for this decision. The respondent did not file a counterclaim. The parties are self-represented.

JURISDICTION AND PROCEDURE

3. These are the formal written reasons of the Civil Resolution Tribunal (tribunal). The tribunal has jurisdiction over small claims brought under section 3.1 of the *Civil Resolution Tribunal Act* (Act). The tribunal's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the tribunal must apply principles of law and fairness, and recognize any relationships between parties to a dispute that will likely continue after the dispute resolution process has ended.
4. The tribunal has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. I decided to hear this dispute through written submissions, because I find that there are no significant issues of credibility or other reasons that might require an oral hearing. An oral hearing was not requested.
5. The tribunal may accept as evidence information that it considers relevant, necessary and appropriate, whether or not the information would be admissible in a court of law. The tribunal may also ask questions of the parties and witnesses and inform itself in any other way it considers appropriate.
6. Under tribunal rule 126, in resolving this dispute the tribunal may: order a party to do or stop doing something, order a party to pay money, or order any other terms or conditions the tribunal considers appropriate.

ISSUE

7. The issues in this dispute are to what extent is the applicant entitled to payment of
a) his invoice, which has an outstanding balance of \$1,806.30 plus GST, and b)
contractual interest?

EVIDENCE AND ANALYSIS

8. I have only commented upon the evidence and submissions to the extent necessary to give context to these reasons. In a civil dispute such as this, the applicant bears the burden of proof on a balance of probabilities.
9. On September 15, 2015, the respondent hired the applicant to provide architectural design services in order to obtain a building permit for his customer's renovation. The parties' written contract stated that completion of drawings was expected to take 2 to 3 weeks. The agreed contract price was \$2,000, plus applicable taxes. The respondent paid the applicant a \$300 retainer. There is no mention in the contract of contractual interest for outstanding balances.
10. According to the applicant's timeline, which is undisputed, he delivered the completed drawings on October 6, 2015, which was within the expected timeframe. He completed revisions requested by the respondent within 2 days.
11. On October 23, 2015, the applicant sent his invoice 15041-002 for \$1,806.30, broken down as follows: \$2,000 plus \$100 in tax, \$6.30 in printing and tax, less the \$300 retainer. I find this invoice reflects the services provided under the parties' contract. The invoice stated the payment due date was November 23, 2015.
12. On November 25, 2015, the respondent received its building permit relevant to the applicant's work.
13. The applicant re-sent his invoice again on December 3, 2015 and January 5, 2016, showing it was overdue. The invoices do not say anything about interest on outstanding balances.

14. I place no weight on the respondent's general comments in his Dispute Response. In particular, the respondent's allegations of "poor quality of work", "dissatisfied clients", and "never reaches promised deadlines and so forth" were not substantiated. Further, those allegations are inconsistent with the applicant's documentary evidence before me. In the Dispute Response, the respondent also stated it had collected written statements for "when this gets to trial". Yet, no statements were ever provided. As noted above, the respondent was given the opportunity to provide evidence and submissions in support of this decision and expressly advised the tribunal that he would not do so.
15. Based on the applicant's evidence and submissions, including his timeline of the work done, I accept that he completed the work as agreed and in a timely manner. The respondent received the building permit, but never paid the applicant the outstanding invoice balance. I find the respondent must pay the applicant the claimed \$1806.30.
16. What about the applicant's claim for 2.5% monthly interest? The applicant says he feels it is warranted because the respondent used the invoice funds in his business and profited from it. However, contractual interest was not agreed upon by the parties at the time the contract was signed, nor was it mentioned in the applicant's invoice. I find the applicant is entitled to pre-judgment interest under the *Court Order Interest Act* (COIA) on the \$1806.30, from November 23, 2015 when the invoice was due.
17. In accordance with the Act and the tribunal rules, the successful party is usually entitled to reimbursement of tribunal fees paid and any reasonable dispute-related expenses. I see no reason to deviate from that general rule here. The applicant was successful and is entitled to reimbursement of \$125 in tribunal fees paid. He is also entitled to reimbursement of the \$10.50 dispute-related expense for service of the Dispute Notice on the respondent.

ORDERS

18. I find the respondent must immediately pay the applicant a total of \$1,977.70, broken down as follows:
 - a. \$1,806.30 for payment of the balance owing on the applicant's invoice dated October 23, 2015,
 - b. \$35.90 in pre-judgment interest under the COIA,
 - c. \$125 in tribunal fees, and
 - d. \$10.50 in dispute-related expenses.
19. The applicant is entitled to post-judgment interest, as applicable.
20. Under section 48 of the Act, the tribunal will not provide the parties with the Order giving final effect to this decision until the time for making a notice of objection under section 56.1(2) has expired and no notice of objection has been made. The time for filing a notice of objection is 28 days after the party receives notice of the tribunal's final decision.
21. Under section 58.1 of the Act, a validated copy of the tribunal's order can be enforced through the Provincial Court of British Columbia. A tribunal order can only be enforced if it is an approved consent resolution order, or, if no objection has been made and the time for filing a notice of objection has passed. Once filed, a tribunal order has the same force and effect as an order of the Provincial Court of British Columbia.

Shelley Lopez, Vice Chair