



Civil Resolution Tribunal

Date Issued: March 5, 2024

File: SC-2022-010052

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Watkins v. Farmer*, 2024 BCCRT 219

BETWEEN:

STEPHEN ANTHONY WATKINS

APPLICANT

AND:

NATALIE ANN FARMER

RESPONDENT

REASONS FOR DECISION

Tribunal Member:

Andrea Ritchie, Vice Chair

INTRODUCTION

1. This dispute is about a personal loan. The applicant, Stephen Anthony Watkins, loaned the respondent, Natalie Ann Farmer, \$1,200. Mr. Watkins says Mrs. Farmer only made one \$200 payment, so he seeks reimbursement of the loan's \$1,000 balance.

2. Mrs. Farmer says Mr. Watkins failed to pay his share of rent in Mrs. Farmer's store, so she reduced the loan's balance instead. She denies owing Mr. Watkins any money.
3. The parties each represent themselves.

JURISDICTION AND PROCEDURE

4. These are the formal written reasons of the Civil Resolution Tribunal (CRT). The CRT has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). Section 2 of the CRTA states that the CRT's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the CRT must apply principles of law and fairness.
5. Section 39 of the CRTA says that the CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. In some respects, the parties in this dispute call into question the credibility, or truthfulness, of the other. Here, I find that I am properly able to assess and weigh the documentary evidence and submissions before me. Further, bearing in mind the CRT's mandate that includes proportionality and a speedy resolution of disputes, I find that an oral hearing is not necessary in the interests of justice.
6. Section 42 of the CRTA says that the CRT may accept as evidence information that it considers relevant, necessary and appropriate, whether or not the information would be admissible in court.
7. Where permitted by section 118 of the CRTA, in resolving this dispute, the CRT may order a party to do or stop doing something, pay money, or make an order that includes any terms or conditions the CRT considers appropriate.

ISSUE

8. The issue in this dispute is whether Mrs. Farmer owes Mr. Watkins \$1,000 for an unpaid loan.

EVIDENCE AND ANALYSIS

9. In a civil claim such as this, the applicant Mr. Watkins must prove his claims on a balance of probabilities (meaning “more likely than not”). While I have read all of the parties’ submitted evidence and arguments, I have only addressed those necessary to explain my decision. Mrs. Farmer did not provide any documentary evidence, despite the opportunity to do so.
10. The parties agree that in September 2022, Mr. Watkins loaned Mrs. Farmer \$1,200, to be repaid in \$200 instalments over 6 months. Mrs. Farmer made a \$200 payment on October 15, 2022, but has not paid anything else towards the loan. The parties signed a loan agreement that says if a payment is missed, Mr. Watkins could demand immediate payment of the loan’s balance. So, when Mrs. Farmer missed her November 2022 payment, he asked for the \$1,000 balance.
11. Mrs. Farmer agrees she borrowed the money. However, she says Mr. Watkins owed her rent for a shared storefront, which he failed to pay. So, she says she reduced the balance owing on the loan by Mr. Watkins’ rent, and she does not owe Mr. Watkins anything else. The problem for Mrs. Farmer is she provided no supporting evidence that the parties had any rental agreement. To the extent she argues a set-off against the loan, I find she has not proven she was entitled to deduct any money from the loan’s balance. I note Mrs. Farmer also alleges Mr. Watkins owes her additional rent money for vacating the store early. She did not file a counterclaim but says in submissions she will pursue one in the future, so I will not address this allegation further in this decision.
12. Mr. Watkins is entitled to reimbursement of the loan’s \$1,000 outstanding balance. Mr. Watkins is also entitled to pre-judgment interest under the *Court Order Interest Act*. Calculated from November 15, 2022, the missed payment date, this equals \$58.47.
13. Under section 49 of the CRTA, and the CRT rules, a successful party is generally entitled to the recovery of their tribunal fees and dispute-related expenses. As Mr.

Watkins was successful, I find that he is entitled to reimbursement of the \$125 he paid in tribunal fees. Mr. Watkins is also entitled to his reasonable dispute-related expenses for serving the Dispute Notice, which total \$136.13 and are supported by receipts.

ORDERS

14. Within 21 days of the date of this decision, I order Mrs. Farmer to pay Mr. Watkins a total of \$1,319.60, broken down as follows:
 - a. \$1,000 in debt,
 - b. \$58.47 in pre-judgment interest under the *Court Order Interest Act*,
 - c. \$125 in tribunal fees; and
 - d. \$136.13 in dispute-related expenses.
15. Mr. Watkins is also entitled to post-judgment interest, as applicable.
16. This is a validated decision and order. Under section 58.1 of the CRTA, a validated copy of the CRT's order can be enforced through the Provincial Court of British Columbia. Once filed, a CRT order has the same force and effect as an order of the Provincial Court of British Columbia.

Andrea Ritchie, Vice Chair