

LIQ03

Notice of progress report in voluntary winding up



Companies House

TUESDAY



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27/08/2019

#102

COMPANIES HOUSE

1 Company details

Company number 0 0 6 6 0 7 4 1

Company name in full CL Estates and Management Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Nicola J

Surname Meadows

3 Liquidator's address

Building name/number Charlotte House

Street Stanier Way

Post town Wyvern Business Park

County/Region Derby

Postcode D E 2 1 6 B F

Country

4 Liquidator's name ①

Full forename(s) Martin FP

Surname Smith

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Charlotte House

Street Stanier Way

Post town Wyvern Business Park

County/Region Derby

Postcode D E 2 1 6 B F

Country

② Other liquidator
Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 0	^d 2	^m 0	^m 7	^y 2	^y 0	^y 1	^y 8
To date	^d 0	^d 1	^m 0	^m 7	^y 2	^y 0	^y 1	^y 9

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X  X

Signature date

^d 2	^d 3	^m 0	^m 8	^y 2	^y 0	^y 1	^y 9
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LIQ03

Notice of progress report in voluntary winding up



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Tracey O'Hare

Company name Dains Business Recovery Limited

Address 15 Colmore Row
Birmingham

Post town B3 2BH

County/Region

Postcode

Country

DX

Telephone 0121 200 7900



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

CL ESTATES AND MANAGEMENT LIMITED – IN MEMBERS VOLUNTARY LIQUIDATION

LIQUIDATORS' PROGRESS REPORT TO MEMBERS

For the period 2 July 2018 to 1 July 2019

STATUTORY INFORMATION

Company name:	CL Estates and Management Limited
Registered office:	Charlotte House Stanier Way The Wyvern Business Park Derby DE21 6BF
Former registered office:	One Six Six First Floor 166 College Road Harrow HA1 1BH
Registered number:	00660741
Joint Liquidators' names:	Nicola J Meadows and Martin FP Smith
Joint Liquidators' address:	Charlotte House Stanier way The Wyvern Business Park Derby DE21 6BF
Joint Liquidators' date of appointment:	2 July 2018
Actions of Joint Liquidators'	Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both of the Liquidators acting jointly or alone.

LIQUIDATORS' ACTIONS SINCE APPOINTMENT

In the period covered by this report I have realised Company assets in line with those specified on the Statutory Declaration of Solvency which are shown on the attached receipts and payments account. I have also made distributions to members.

The Company owned two investment properties known as Butterley Croft and Sandham Lane which were registered at HM Land Registry.

Together they were valued at £1,325,000 by Innes England and were shown on the Declaration of Solvency.

I had engaged Matthew Timmis of Derek Bridges and Co, Solicitors prior to the date of Liquidation as the properties would need to be transferred immediately upon appointment. Draft documents were prepared and these were executed once the Liquidation paperwork had been completed and the meetings of directors and members had taken place. Both investment properties were transferred to Lyall Cresswell as part of the process of distributing in specie to Members.

The Company held with Charles Stanley an investment portfolio which consisted of share holdings with several companies which were valued on the Declaration of Solvency at £220,589. A value was obtained approximately 24 hours prior to the Liquidation which was used for the Declaration of Solvency. The value at the date of Liquidation for the share holdings was £224,988. Charles Stanley were aware of the pending Liquidation, and again, upon receipt of the signed documents, authorisation was given for them to make a transfer to Lyall Cresswell as a distribution in specie to members.

Other assets consisted of cash held in bank accounts and intercompany loans. Requests were made to Santander to transfer the cash into a Liquidation bank account which I had opened, so that I could then distribute it to the three minority shareholders. There was an initial delay in this process as Santander incorrectly transferred the funds into a different account and were required to retrieve and resend the cash.

The intercompany loans were also distributed in specie to Members.

A balance remains in the Liquidation account pending final clearances being received which has earned gross bank interest in the year of £70.06.

As with all liquidations, I wrote to HM Revenue and Customs ("HMRC") to deregister the VAT for the Company. HMRC could not deregister the VAT as the Company was part of a VAT group which included Cute Lingerie MFG and Southend Knitting. I made further enquiries and found that the two companies, Cute Lingerie and Southend Knitting had ceased trading many years ago. I instructed the Company Accountant to write to HMRC to confirm this matter and to remove the two companies from the tax group. Once they were removed from the group I was able to complete the deregistration process.

Also as part of my Liquidator's duties, I am required to submit a return to the Pension Protection Fund to ensure there are no pension schemes held by the Company. I was informed that there was a possibility of a pension scheme and therefore I was required to make further enquiries into this matter. I received confirmation from the Company Accountant and Director that the Company did not hold a pension scheme.

A VAT refund of £2,582 was expected to be received from HMRC. Owing to timing differences of this amount being calculated prior to the Liquidation and additional invoices being raised immediately prior to Liquidation the sum of £42.60 has been received into the Liquidation account. I have requested tax clearance from HMRC in respect of VAT, along with a further refund of £1,225.09 which is still being processed.

The day after my appointment as Liquidator, I received from the Company accountant, a letter from Thompsons Solicitors informing the Company of their instructions to act on behalf of a previous employee in respect of a personal injury claim. Thompsons solicitors required a defence by 7 July 2018. I therefore was required to make urgent enquiries into this matter with the Company's insurer, Aviva and their solicitors, Keoghs and to confirm that the Company was now in Liquidation. This claim has now been settled by Aviva.

Following my appointment and sending the statutory letters to HMRC, I was informed by HMRC that there was a s455 corporation tax liability in respect of an overdrawn directors loan account for the accounting period ending 31 July 2017. As this was a liability prior to my appointment as Liquidator, I corresponded with HMRC and requested information from the Company accountant.

HMRC's enquiries have continued for several months as HMRC required further information in respect of the property transfers and the accounts that had been prepared prior to the date of liquidation.

An initial demand demand was issued by HMRC for the sum of £90,350 in respect of the s455 claim. Together with a corporate tax director at Dains LLP the Company Accountant agreed a strategy in respect of the s455 claim. This resulted in further correspondence and telephone calls to HMRC who eventually agreed not tot pursue the question of penalties any further but interest had to paid in respect of the overdue amount. This matter was further complicated by the retirement of the officer dealing with claim near the end of negotiations.

HMRC confirmed that they were happy with the property transfers but they upheld their investigations into the Director's loan account and found that the claim to relief pursuant to S458 CTA 2010 in respect of the overdrawn balance of £278,000 as at 31 July 2017 was erroneous and tax under section 455 CTA 2010 of £90,350 should have been paid by the Company to HMRC on 1 May 2018.

It was agreed that as Liquidator, I would reclaim the section 455 tax on the basis the loan account was distributed (in effect repaid) upon entering liquidation and a payment of £5,000 for interest would be paid to HMRC from the MVL estate in full and final settlement. The sum of £5,000 was paid to HMRC in June 2019 and I am now waiting for tax clearance from HMRC in respect of corporation tax.

Until such time, I have received clearance form HMRC, I will be unable to submit the Joint Liquidators' final account to Companies House and obtain our release.

There is certain work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the Company. A description of the routine work undertaken since my appointment as Liquidator is contained in Appendix 1.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 2 July 2018 to 1 July 2019 is attached at Appendix 2. The balance of funds are held in an interest bearing estate bank account.

ASSETS

Investment Properties

The investment properties were transferred on the day of the liquidation, 2 July 2018 and distributed to all members in specie.

Investments

The investment portfolio was transferred on the day of liquidation, 2 July 2018 and distributed to all members in specie.

Trade Debtor, TEG Loan Account, Courier Exchange, CHS Investment company

The above were distributed to members in specie upon Liquidation.

Director's Loan Account

The Director's Loan account was partly satisfied to the sum of £392,619 on the day of liquidation, 2 July 2018 and distributed to all members in specie. A final distribution will be made shortly of the remaining balance. Whilst the s455 claim was ongoing, there was a possibility of this having to be repaid in cash to the company.

VAT Refund

A VAT refund of £42.60 has been received into the liquidation account. As detailed above we are waiting the final repayment.

Cash at Bank – Santander

Cash of £475,593.35 held in an account with Santander was realised into the liquidation account.

Cash at Bank – Charkes Stanley

Cash of £13,105.73 held in an account with Charles Stanley was realised into the liquidation account.

Bank Interest Gross

The investment of estate funds has earned gross bank interest of £70.06.

LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company had no current charges over its assets.

Preferential Creditors

There are no preferential creditors in this matter.

Crown Creditors

The Declaration of Solvency did not include a liability owing to HMRC. However following my appointment as Liquidator, I submitted statutory forms to HMRC who informed me that there was a corporation tax liability for the accounting period ending 31 July 2017. It was agreed that as Liquidator, I would reclaim the section 455 tax on the basis the loan account was distributed (in effect repaid) upon entering liquidation and a payment of £5,000 for interest would be paid to HMRC from the MVL estate in full and final settlement.

Unsecured Creditors

The Declaration of Solvency did not include any unsecured creditors. However, a claim was received from HMRC which is now settled as shown above. I was also informed of a public liability claim against the Company for a former employee which has now been settled by the insurance company, Aviva.

Share Capital

The following distributions were made to the Members with Ordinary shares and "A" shares:

Date	Amount distribution	Rate of distribution per share
2 July 2018	£4,669,875	£315 per share

LIQUIDATORS' REMUNERATION

My remuneration was previously authorised by Directors and Members to be drawn as a fixed fee of £7,500 plus disbursements and VAT. This was paid prior to Liquidation. I subsequently agreed with the Director and Shareholders a further fee of £2,000 in respect of the additional work which was incurred in addition to the standard MVL procedure.

Additional Information in relation to liquidator's fees in accordance with SIP 9 is attached at appendix 3. This provides details of the firm's policy in relation to staffing, the use of sub-contractors and disbursements. Please note, in common with all professional firms, the charge out rates may increase from time to time over the period of the administration of each insolvency case

LIQUIDATORS' EXPENSES

I have incurred the following expenses in the period since my appointment as Liquidator:-

Type of expense	Amount incurred
Specific Bond Insurance	£945.00
Office Holders Fees	£2,000.00
Office Holders Expenses	£54.29
Accountant's Fees	£2,900.00
HMRC Tax Settlement	£5,000.00
Stationery and Postage	£13.14
Statutory Advertising	£213.00

FURTHER INFORMATION



A Member may, with the permission of the court or with at least 5% of the total voting rights of all the Members having the right to vote at general meetings of the company request further details of the Joint Liquidators' remuneration and expenses, within 21 days of receipt of this report.

A Member may, with the permission of the court or with at least 10% of the total voting rights of all the Members having the right to vote at general meetings of the company, apply to Court to challenge the amount of remuneration charged by the Joint Liquidators as being excessive, and/or the basis of the Joint Liquidators' remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report.

To comply with the Provision of Services Regulations, some general information about Dains Business Recovery Limited can be found in the attached summary sheet at appendix 4.

The Liquidation will remain open until HMRC have received all tax submissions and I have received the necessary tax clearances I estimate that this will take approximately three months and once resolved the Liquidation will be finalised and our files will be closed.

In the event of any queries regarding the conduct of the liquidation or you require hard copies of any of the documents made available on-line, please contact Tracey O'Hare on 0845 555 8844 or by email at tohare@dains.com


 **Nicola J Meadows**
Joint Liquidator

Appendix 1

Administration

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Case planning - devising an appropriate strategy for dealing with the case and giving *instructions to the staff to undertake the work on the case*.
- Setting up physical/electronic case files
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to Members and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Convening and holding a general meeting of Members.
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing annual progress report to Members.
- *Filing returns at Companies House.*
- Preparing and filing Corporation Tax returns.

Creditors

Claims of creditors - the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

- Dealing with correspondence, emails and telephone conversations from HMRC regarding their claim.
- Requesting additional information from HMRC in support of their claim
- Attending meetings with Company Accountant in respect of claim form HMRC
- Corresponding with Company Accountant in respect of final accounts, figures for the declaration of solvency and the claim from HMRC
- Payment of settlement of £5,000 to HMRC

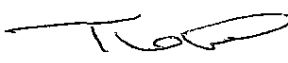
Asset, Realisations and Distributions

This represents the work involved in realising assets and making distributions to Members.

- Realising cash at bank
- Requesting closure of bank accounts
- Calculating and paying a distribution to Members in specie and in cash
- Obtaining VAT refund

CL Estates and Management Limited
In Liquidation
Joint Liquidators' Summary of Receipts & Payments
To 01/07/2019

Dec of Sol £		£	£
	ASSET REALISATIONS		
1,325,000.00	Investment Properties	1,325,000.00	
220,589.00	Investments	224,988.00	
703.00	Trade Debtor	3,359.00	
2,204,759.00	TEG Loan Account	2,204,759.00	
42,626.00	Courier Exchange	42,626.00	
13,474.00	CHS Investment Co	13,474.00	
580,213.00	Directors Loan Account	392,619.00	
2,582.00	VAT Refund	42.60	
475,395.00	Cash at Bank - Santander	475,593.35	
13,106.00	Cash - Charles Stanley	13,105.73	
	Bank Interest Gross	70.06	
			4,695,636.74
	COST OF REALISATIONS		
	Specific Bond	945.00	
	Office Holders Fees	2,000.00	
	Office Holders Expenses	54.29	
	Accountants Fees	2,900.00	
	HMRC Tax Settlement	5,000.00	
	Stationery & Postage	13.14	
	Statutory Advertising	213.00	
			(11,125.43)
	DISTRIBUTIONS		
14,825.00	Ordinary Shareholders	4,669,875.00	
			(4,669,875.00)
4,893,272.00			14,636.31
	REPRESENTED BY		
	Vat Receivable		1,225.09
	Floating Current A/c		13,411.22
			14,636.31


 Nicola J Meadows
 Joint Liquidator

Practice Fee Recovery Policy for Dains Business Recovery Limited

Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <https://www.r3.org.uk/what-we-do/publications/professional/fees>. Alternatively a hard copy may be requested from Dains Business Recovery Limited, Charlotte House, Stanier Way, The Wyvern Business Park, Derby, DE21 6BF. Please note that we have provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Chargeout Rates

Grade of staff	Previous charge-out rate per hour, effective from 1 April 2012 £	Previous charge-out rate per hour, effective from 1 April 2013 £	Current charge-out rate per hour, effective from 1 April 2014 £
Partner – appointment taker	380	390	405
Director	340	350	365
Senior Manager	310	320	330
Manager	235	240	245
Supervisor	200	205	225
Case Administrator	185	190	210
Cashier & Support Staff	75 - 165	77 - 190	80 - 195

Continued...

Where necessary and appropriate, members of staff from other departments of the practice will undertake work on a case. They will be charged at their normal charge out rate for undertaking such work.)

These charge-out rates charged are reviewed on 1 April each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Administration and Planning
- Investigations
- Realisation of Assets
- Creditors
- Trading
- Case specific matters
- Employee matters

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and on new appointments we now only seek time costs for the following categories:

- Case specific matters
- Investigations
- Trading

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken, or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee

Continued...

as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Fixed fee

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Members' voluntary liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

Continued...

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Disbursements

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Dains Business Recovery Limited, Charlotte House, Stanier Way, The Wyvern Business Park, Derby, DE21 6BF, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements are recovered:

Mileage is charged at a rate of up to 45p per mile
External disbursements are recovered at cost

PROVISION OF SERVICES REGULATIONS SUMMARY SHEET FOR DAINS BUSINESS RECOVERY LIMITED

The following information is designed to draw the attention of interested parties to the information required to be disclosed by the Provision of Services Regulations 2009.

Trading Name

Dains Business Recovery Limited – Registered Company number 10115314 (also trading as "DBRL"). Registered office at St. Johns Court, Wiltell Road, Lichfield, Staffordshire, WS14 9DS. Registered in England and Wales.

Licensing Body

Martin Frederick Peter Smith and Nicola Joanne Meadows are licensed to act as Insolvency Practitioners in the United Kingdom by the Institute of Chartered Accountants in England and Wales ("ICAEW").

Martin FP Smith is a fellow of the ICAEW ("FCA") and fellow of Association of Business Recovery Professionals ("FABRP").

Nicola J Meadows is an affiliate of the ICAEW, a fellow of Association of Certified Chartered Accountants ("FCCA") and a fellow of Association of Business Recovery Professionals ("FABRP").

Rules Governing Actions

All IPs are bound by the rules of their professional body, including any that relate specifically to insolvency. The rules of the professional body that licences Martin FP Smith and Nicola J Meadows can be found at <http://www.icaew.com/en/members/regulations-standards-and-guidance/insolvency/insolvency-regulations-and-guidance>. In addition, IPs are bound by the Statements of Insolvency Practice (SIPs), details of which can be found at <https://www.r3.org.uk/what-we-do/publications/professional/statements-of-insolvency-practice>.

Ethics

All IPs are required to comply with the Insolvency Code of Ethics and a copy of the Code can be found at which the Code of Ethics can be found at <http://www.icaew.com/en/technical/insolvency/insolvency-regulations-and-standards>.

Data Protection Act and Copyright

Dains Business Recovery Limited uses personal information in order to fulfil the legal obligations of our *Insolvency Practitioners under the Insolvency Act and other relevant legislation*, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how Dains Business Recovery Limited uses your personal information on our website at www.dains.com/privacy.

Bribery Act 2010

Dains Business Recovery Limited is committed to applying the highest standards of ethical conduct and integrity in its business activities. Every employee and individual acting on Dains Business Recovery Limited's behalf is responsible for maintaining our reputation and for conducting company business honestly and professionally.

Dains Business Recovery Limited take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate.

Continued...

Dains Business Recovery Limited requires all those who are associated with it to observe the highest standards of impartiality, integrity and objectivity.

Dains Business Recovery Limited prohibits anyone acting on its behalf from:

- bribing another person. A bribe includes the offering, promising or giving of any financial or other type of advantage;
- accepting a bribe. This includes requesting, agreeing to receive or accepting any financial, or another kind of advantage;
- bribing a foreign public official; and
- condoning the offering or acceptance of bribes.

Dains Business Recovery Limited will:

- avoid doing business with others who do not accept our values and who may harm our reputation;
- maintain processes, procedures and records that limit the risk of direct or indirect bribery;
- promote awareness of this policy amongst its staff, those acting on its behalf and entities with which it has any commercial dealings;
- investigate all instances of alleged bribery, and will assist the police, and other authorities when appropriate, in any resultant prosecutions. In addition, disciplinary action will be considered against individual members of staff;
- review this policy regularly and update it when necessary.

Complaints

At Dains Business Recovery Limited we always strive to provide a professional and efficient service. However, we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. As such, should you have any comments or complaints regarding the administration of a particular case then in the first instance you should contact the IP acting as office holder.

If you consider that the IP has not dealt with your comments or complaint appropriately you should then put details of your concerns in writing to our complaints officer, MFP Smith, Dains Business Recovery Limited, Charlotte House, Stanier Way, The Wyvern Business Park, Derby, DE21 6BF. This will then formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner; or you can email insolvency.enquiryline@insolvency.gov.uk; or you may phone 0300 678 0015 - calls are charged at up to 10p per minute from a land line, or for mobiles, between 3p and 55p per minute if you're calling from the UK.

Professional Indemnity Insurance

Dains Business Recovery Limited's Professional Indemnity Insurance is provided by CNA Insurance. This professional indemnity insurance provides worldwide coverage, [excluding professional business carried out from an office in the United States of America or Canada, and any action for a claim brought in any court in the United States of America or Canada].

VAT

Dains Business Recovery Limited is registered for VAT under registration no. 241 1416 53.