

The Insolvency Act 1986

Notice of move from administration to
dissolution

2.35B

Name of Company IMPEX CREATIVE CRAFTS LIMITED	Company number 01165448
In the High Court of Justice [full name of court]	Court case number 5728 of 2011

- (a) Insert name(s) and address(es) of administrator(s) We (a) N A Bennett & M C Healy of Leonard Curtis
One Great Cumberland Place, Marble Arch, London W1H 7LW
- (b) Insert name and address of registered office of company having been appointed administrator(s) of (b) IMPEX CREATIVE CRAFTS LIMITED
One Great Cumberland Place, Marble Arch, London W1H 7LW
- (c) Insert date of appointment
- (d) Insert name of applicant / appointor on (c) 14 July 2011 by (d) David Goodrich

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 apply

I / we attach a copy of the final progress report

Signed 
Joint Administrator

Dated 5 July 2012

Contact Details:

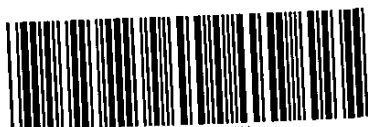
You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Leonard Curtis	
One Great Cumberland Place, Marble Arch, London W1H 7LW	
18/MC	Tel 020 7535 7000
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at

Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff



A1CKVQZ4

A10

06/07/2012

#331

COMPANIES HOUSE

FRIDAY



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**IMPEX CREATIVE CRAFTS LIMITED
(IN ADMINISTRATION)**

Registered Number: 01165448

**Joint Administrators' Second and Final Progress Report to Creditors
for the period from 14 January 2012 to 5 July 2012**

5 July 2012

Leonard Curtis
One Great Cumberland Place, Marble Arch,
London W1H 7LW
Tel 020 7535 7000 Fax 020 7723 6059
solutions@leonardcurtis.co.uk
Ref L/18/MC/SIMP06/1010

CONTENTS

- 1 Statutory Information
- 2 Steps taken during the Administration and Progress to Date
- 3 Achieving the Purpose of Administration
- 4 Joint Administrators' Remuneration and Disbursements
- 5 Pre-Administration Costs
- 6 Creditors' Rights
- 7 Extension of Administration
- 8 Further Assets to be Realised
- 9 Other Relevant Information and Outcome for Creditors
- 10 Ending the Administration

APPENDICES

- A Joint Administrators' Proposals as approved
- B Final Summary of Joint Administrators' Receipts and Payments from 14 July 2011 to 5 July 2012
- C Final Summary of Joint Administrators' Time Costs from 14 July 2011 to 5 July 2012
- D Information Detailing Charge Out Rates and Policy regarding Staff Allocation, Support Staff, the use of Subcontractors and the Recharge of Disbursements
- E Notice of Move from Administration to Dissolution

TO. ALL CREDITORS, THE COURT AND THE REGISTRAR OF COMPANIES

1 STATUTORY INFORMATION

- 11 I was appointed Joint Administrator of Impex Creative Crafts Limited ("the Company") together with M C Healy on 14 July 2011. We are both licensed in the UK by the Insolvency Practitioners Association. The appointment of the Joint Administrators ("the Joint Administrators") was made by David Goodrich ("Mr Goodrich") of 63 Grand Avenue, Muswell Hill, London N10 3BS a director of the Company.
- 12 The Administration proceedings are under the jurisdiction of the High Court of Justice under Court reference number 5728 of 2011.
- 13 In accordance with paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 ("the Act"), the function of the Joint Administrators may be exercised by either or both, acting jointly or alone. There have been no changes in office-holder and the initial period of the Joint Administrators' appointment has not been extended.
- 14 The Company traded as a wholesaler supplier of craft items and was purchased by Mr Goodrich and Peter Jackson ("Mr Jackson") in March 2008 by way of a share buyout. The Company experienced cash flow difficulties shortly after the purchase and was unable to bulk order stock from the Far East leading to customers seeking other suppliers. Difficulties with HMRC, the factoring account and personal disputes between the directors led to further difficulties with the Company's finances.
- 15 The Company's registered office was changed from 1st Floor Sheraton House, Lower Road, Chorleywood, Hertfordshire WD3 5LH to One Great Cumberland Place, Marble Arch, London W1H 7LW following our appointment. The registered number is 01165448.
- 16 On 24 August 2011 we sent a statement of the Joint Administrators' proposals to all creditors of the Company. In accordance with paragraph 52 of Schedule B1 of the Act, a meeting of creditors was not called as we thought that, on the basis of information available at the time, the Company would have insufficient property after costs to enable a distribution to be made to unsecured creditors other than by virtue of Section 176(A)(2)(a) of the Act (prescribed part). No meeting of creditors was requisitioned and the proposals were therefore deemed to have been approved on 5 September 2011. There have been no major amendments to, or deviations from, those proposals.
- 17 The Company's main centre of operations is based in the UK. The EC Regulation on Insolvency Proceedings applies and the proceedings are main proceedings under the Regulation.

2 STEPS TAKEN DURING THE ADMINISTRATION AND PROGRESS TO DATE

- 21 This report should be read in conjunction with the Joint Administrators' previous reports dated 25 July 2011, 24 August 2011 and 18 January 2012.

2.2 Sale of the Business

As previously reported the assets of the company were sold to Groves of Thame Limited ("Groves") on 14 July 2011 for £60,000. The initial consideration of £55,000 was received on the date of completion and the remaining £5,000 was received following the assignment of the trademarks which completed on 28 July 2011.

2.3 Computer Equipment

Shortly prior to the Administration, the Company ordered a new computer system by obtaining finance through a hire purchase company. The transaction was not completed, however the equipment was purchased by the Company's IT provider. £30,000 was paid for the equipment and, following deductions for installation, a remaining balance of £197.50 was payable. This was paid from the Administration and the Joint Administrators' agents took possession and sold the equipment. The equipment realised £2,500.

2.4 Debtors

The Company had a book debt ledger which was subject to a factoring agreement with Aldermore Invoice Finance ("Aldermore"). At the date of Administration the gross value of the outstanding ledger was £183,957 with £139,045 due to Aldermore. They have advised that debt collections to date total £139,045. They are coming to the end of the collection process and do not expect any further substantial recoveries. After the addition of termination and other charges, £28,303 will still be due to Aldermore with a corresponding debtor ledger of £16,033. No book debts were paid to the Administration.

2.5 Premises

The trading premises were surrendered to the landlord in October 2011. No premium was received.

2.6 Secured Creditors

Barclays Bank PLC ("Barclays") hold a debenture incorporating fixed and floating charges in respect of the Company's overdraft and credit card facility. Barclays are owed an estimated £9,547 and have received a distribution of £6,000 under their fixed charge. It is not anticipated that any further funds will be available to distribute to Barclays.

Aldermore also hold a debenture incorporating fixed and floating charges in respect of any sums owing in relation to the invoice discount facility the Company operated. It is anticipated that they will suffer a shortfall after allowing for bad debts and any termination charges.

2.7 Investigations

2.7.1 We have complied with our statutory obligations under the Company Directors Disqualification Act 1986 and a report has been submitted to the appropriate authority.

2.7.2 We have carried out enquiries that we considered to be proportionate to the circumstances of the case. After completing these we were of the opinion that there were no matters that might lead to recoveries for the estate and that no further investigation was appropriate.

2.8 Attached as Appendix B is a final summary of the Joint Administrators' receipts and payments account for the period of the Administration from 14 July 2011 to 5 July 2012. This shows what assets of the Company were realised and for what value and what payments were made to creditors or others.

2.9 It also shows details of expenses incurred and paid during the period of this report. No expenses have been incurred but not paid.

2.10 No monies were paid to unsecured creditors by virtue of the application of Section 176A of the Act (prescribed part).

3 ACHIEVING THE PURPOSE OF ADMINISTRATION

3.1 As advised in our previous report dated 24 August 2011, the Joint Administrators must perform their functions with the purpose of achieving one of the following objectives

- (a) rescuing the Company as a going concern, or (if this cannot be achieved)
- (b) achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), or (if (a) and (b) cannot be achieved)
- (c) realising property in order to make a distribution to one or more secured or preferential creditors

3.2 We are obliged to perform our functions in the interests of the Company's creditors as a whole and, where the objective of the Administration is to realise property in order to make a distribution to secured or preferential creditors, we have a duty not to unnecessarily harm the interests of the creditors as a whole

3.3 In our opinion, it was not possible to achieve the first objective. The Company had severe cash flow difficulties and required a significant cash injection in order to continue trading. As no third party funder could be identified, the Company was unable to continue trading in order to propose a Company Voluntary Arrangement.

3.4 We believe that as we were unable to secure a sale of the business as a going concern, the second objective has not been achieved. The sale of the assets has not resulted in a better return for creditors, than would have been likely if the Company had been wound up.

3.5 In our opinion, the third objective, namely realising property to make a distribution to one or more secured or preferential creditors, has been achieved as both Aldermore and Barclays have received distributions.

3.6 The Administration was financed by monies received from asset realisations.

4 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

4.1 The Joint Administrators' proposals, as approved, stated that "The Joint Administrators think that the Company will have insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of Section 176(A)(2)(a) of the Insolvency Act 1986 (prescribed part, if any)".

4.2 In view of this the Joint Administrators' remuneration is required to be fixed with the approval of

- (a) each secured creditor of the Company and, if we have made or intend to make a distribution to preferential creditors,
- (b) preferential creditors whose debts amount to more than 50% of the preferential debts of the Company, disregarding debts of any creditors who do not respond to an invitation to give or withhold approval.

4.3 In accordance with the provisions of Rule 2.106(2) of the Insolvency Rules 1986 it may be fixed as a percentage of the assets realised and distributed in the Administration, as a set amount or by reference to the time spent. In this case, the above creditors have approved the last mentioned. As it is unlikely

that any funds will be available for preferential creditors, sanction has only been sought from Barclays and Aldermore as the secured creditors

- 4 4 As advised in our previous report dated 18 January 2012, the Joint Administrators' time costs at 13 January 2012 were £24,052 50. Since that time further costs of £5,994 50 have been incurred. These combined costs are summarised at Appendix C and comprise 162 50 hours at an average rate of £184 90 per hour. In accordance with the approval given, £27,858 46 has been paid on account of these costs and the balance will be written off.
- 4 5 Further details of our company's charge out rates and policy regarding the recharge of disbursements, staff allocation, support staff and the use of subcontractors are attached at Appendix D.
- 4 6 The Joint Administrators have also received approval from those creditors mentioned in paragraph 4 2 above of the basis upon which we recharge internal disbursements that include an element of allocated costs. These are known as Category 2 costs and the basis of their recharge is also attached at Appendix D. Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as "category 1 disbursement". Category 1 disbursements will generally comprise items such as identifiable telephone calls, postage, advertising, invoiced travel and properly reimbursed expenses, including car mileage at 45p a mile, incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and storage.
- 4 7 In this case the following Category 2 costs have been incurred during the period of this report and, where shown, reimbursed to our company.

Type	Incurred £	Paid £	- Unpaid £
Internal photocopying @ 10p per copy	225 60	225 60	-
General stationery, postage, telephone etc @ £100 per 100 creditors/ members or part thereof	100 00	100 00	-
Room hire @£100 per meeting	-	-	-
Storage of office files (6 years) £88 75 per box	177 50	177 50	-
Other	-	-	-
Total	503 10	503 10	-

- 4 8 On this assignment the Joint Administrators used the following professional advisors, including subcontractors:

Name of Professional Advisor	Service Provided	Basis of Fees
Shakespeares Solicitors	Legal Advice	Time Costs Basis
Edward Symmons LLP	Valuation Advice	Time Costs Basis
ERA Solutions	Employee Advice	Time Costs Basis
Alexander Forbes Trustee Services	Pension Advice	Fixed Fee

- 4 9 Details of our company's charge out rates and policy regarding recharge of disbursements, staff allocation, support staff and the use of subcontractors are attached at Appendix D. Further information may be found in "A Creditors Guide to Administrators' Fees". This is available from our office free of charge or may be downloaded from www.leonardcurtis.co.uk/index.php/downloads/Creditors-Guides.

5 PRE-ADMINISTRATION COSTS

5.1 The following amounts in respect of pre-administration costs were approved by Barclays and Aldermore

Charged by	Services provided	Total charged £	Amount paid £	Identity of person making payment	Amount unpaid £
Leonard Curtis	Meetings with directors, assessing that Administration was the appropriate route, instructing agents and solicitors and liaising re marketing of the business including extensive negotiations of the sales	£10,017.50	£10,017.50	n/a	nil
Edward Symmons LLP	Providing a report and valuation of assets, preparing sales pack, marketing the business for sale and negotiating with interested parties	£5,000	£5,000	n/a	nil
Shakespeares Solicitors	Preparing sales contract, corresponding with the purchaser and Aldermore regarding release of their charge	£2,468	£2,468	n/a	nil

6 CREDITORS' RIGHTS

6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Joint Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report

6.2 Within 14 days of receipt of the request, the Joint Administrators must provide all of the information asked for, except so far as they consider that -

- i) the time or cost of preparation of the information would be excessive, or
- ii) disclosure of the information would be prejudicial to the conduct of the Administration or might reasonably be expected to lead to violence against any person, or
- iii) we are subject to an obligation of confidentiality in respect of the information

The Joint Administrators must also give reasons for not providing all of the information

6.3 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to Court on the grounds that the basis fixed for the Joint Administrators' remuneration, the remuneration charged or the expenses incurred by the Joint Administrator as set out in this progress report are excessive

7 EXTENSION OF ADMINISTRATION

7 1 The appointment of the Joint Administrators ceases to have effect at the end of the period of one year beginning with the date on which it takes effect

7 2 However, it is possible to extend the period of the Joint Administrators' term of office for a specified period not exceeding six months. If this is deemed appropriate, the Joint Administrators may seek consent of the following to such an extension

- (a) each secured creditor of the Company and, if we think that a distribution may be made to preferential creditors,
- (b) preferential creditors whose debts amount to more than 50% of the Company's preferential debts, disregarding debts of any creditor who does not respond to an invitation to give or withhold consent for such extension

7 3 In this case we did not seek an extension

8 FURTHER ASSETS TO BE REALISED

There are no further assets to be realised

9 OTHER RELEVANT INFORMATION AND OUTCOME FOR CREDITORS

9 1 No funds were available to distribute to preferential creditors

9 2 There is no prospect of a dividend being paid to ordinary unsecured creditors

9 3 There is no other information that we consider to be relevant

10 ENDING THE ADMINISTRATION

10 1 The Company is now being moved from Administration to Dissolution and formal Notice, attached at Appendix E, is being filed with the Registrar of Companies

10 2 Following registration of this notice the appointment of the Joint Administrators will cease to have effect

10 3 Also, in accordance with the resolutions approved by those creditors referred to in paragraph 4 2 above we will be discharged from liability in respect of any action(s) of ours as Joint Administrators immediately upon our appointment ceasing to have effect

Impex Creative Crafts Limited – In Administration

Creditors requiring further information should contact my office, in writing. Electronic communications should also contain a full postal address.

for and on behalf of

IMPEX CREATIVE CRAFTS LIMITED



N A BENNETT

Joint Administrator

Licensed in the UK by the Insolvency Practitioners Association

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

JOINT ADMINISTRATORS' PROPOSALS AS APPROVED

It is proposed that

- 1 The Joint Administrators continues to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration
- 2 In the event that there are no monies remaining to be distributed to creditors the Company be dissolved as soon as all matters relating to the Administration have been completed
- 3 If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation with a view to distributing the available funds. It is further proposed that N A Bennett be appointed Liquidator of the Company. The Joint Administrators think that the Company will have insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of Section 176(A)(2)(a) of the Insolvency Act 1986 (prescribed part), if any
- 4 The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company

APPENDIX B

**Final Summary of Joint Administrators' Receipts and Payments
from 14 July 2011 to 5 July 2012**

	Statement of Affairs	Brought Forward 14/7/11 to 13/1/12		This Period 14/1/12 to 5/7/12		Total	
	£	Fixed £	Floating £	Fixed £	Floating £	Fixed £	Floating £
RECEIPTS							
Trademarks, Patents and Intellectual Property	7,500	7,500 00	-	-	-	7,500 00	-
Debtors	137,968	139,045 00	-	3,844 00	-	142,889 00	-
Stock	50,500	-	50,500 00	-	-	-	50,500 00
Fixtures and Fittings and Equipment	2,000	-	2,000 00	-	-	-	2,000 00
	197,968	146,545 00	52,500 00	3,844 00	-	150,389 00	52,500 00
Sundry Refunds		-	2,254 72		2,866 83	-	5,121 55
Deposit Interest		2 15	13 80		12 01	2 15	25 81
Computer Equipment		-	-	-	2,500 00	-	2,500 00
VAT Payable		1,500 00	(206 46)	-	(1,293 54)	1,500 00	(1,500 00)
		148,047 15	54,562 06	3,844 00	4,085 30	151,891 15	58,647 36
PAYMENTS							
Solicitors' Fees and Expenses		-	4,581 50	-	736 00	-	5,317 50
Agents' Fees and Expenses		-	839 29	-	678 00	-	1,517 29
Storage Charges		-	1,018 95	-	593 07	-	1,612 02
Other Professional Fees		-	1,800 00	-	-	-	1,800 00
Bordereau Fee		-	135 00	-	-	-	135 00
IT Licence Fee		-	75 00	-	-	-	75 00
Sundry Disbursements		-	463 76	-	180 23	-	643 99
Creditor Settlement		-	-	-	197 50	-	197 50
Corporation Tax		-	-	-	5 59	-	5 59
Bank Charges		-	-	-	1 66	-	1 66
Joint Administrators' Remuneration		3,002 15	18,777 07	-	6,079 24	3,002 15	24,856 31
Cost of preparing Statement of Affairs		-	5,000 00	-	-	-	5,000 00
Pre Appointment Costs		-	17,485 50	-	-	-	17,485 50
		3,002 15	50,176 07	-	8,471 29	3,002 15	58,647 36
DISTRIBUTIONS							
Aldermore Invoice Finance		139,045 00	-	3,844 00	-	142,889 00	-
Barclays Bank PLC		6,000 00	-	-	-	6,000 00	-
Balance in Hand		-	4,385 99	-	(4,385 99)	-	-

APPENDIX C

Final Summary of Joint Administrators' Time Costs from 14 July 2011 to 5 July 2012

	Director		Senior Manager		Manager 1		Administrator 2		Administrator 3		Administrator 4		Total		Average
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Hourly Rate £
Statutory & Review			18	630 00	15	487 50	20	350 00	-	-	-	-	53	1,467 50	276 89
Receipts & Payments		-			7	227 50	5	87 50	15	225 00	-	-	27	540 00	200 00
Assets	20	900 00	-		5	162 50	136	2,422 00	243	3,645 00	-	-	404	7,129 50	176 47
Liabilities	-	-	-		-	-	5	105 00	45	675 00	-	-	50	780 00	156 00
Landlords	-	-	-		-	-	25	437 50	-	-	-	-	25	437 50	175 00
Debenture Holder	10	450 00	-		5	162 50	-	-	70	1,050 00	-	-	85	1,662 50	195 59
General Administration	-	-	-		10	325 00	12	210 00	65	975 00	-	-	87	1,510 00	173 56
Appointment	-	-	-		-	-	-	-	80	1,200 00	118	1,180 00	198	2 380 00	120 20
Post Appointment Creditor Reporting	50	2,250 00	66	2,310 00	22	715 00	110	1,925 00	280	4,200 00	-	-	528	11,400 00	215 91
Investigations	-	-	-		-	-	88	1,540 00	80	1,200 00	-	-	168	2,740 00	163 10
Total	80	3,600 00	84	2,940 00	64	2,080 00	401	7,077 00	878	13,170 00	118	1,180 00	1,625	30,047 00	
Average Hourly Rate (£)		<u>450 00</u>		<u>350 00</u>		<u>325 00</u>		<u>176 48</u>		<u>150 00</u>		<u>100 00</u>		<u>184 90</u>	

All Units are 6 minutes

Summary of Joint Administrators' Time Costs from 13 January 2012 to 5 July 2012

	Director		Senior Manager		Manager 1		Administrator 2		Administrator 3		Administrator 4		Total		Average
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Hourly Rate £
Statutory & Review	-	-	-		-		-		-		-		-		-
Receipts & Payments	-	-	-		4	130	-		-		-		4	130 00	325 00
Assets	10	450	-		5	163	136	2,422	-		-		151	3,034 50	200 96
Liabilities	-	-	-		-		5	105	-		-		5	105 00	210 00
Landlords	-	-	-		-		-		-		-		-		-
Debenture Holder	-	-	-		-		-		-		-		-		-
General Administration	-	-	-		-		7	123	-		-		7	122 50	175 00
Appointment	-	-	-		-		-		-		-		-		-
Post Appointment Creditor Reporting	10	450	-		7	228	110	1,925	-		-		127	2,602 50	204 92
Investigations	-	-	-		-		-		-		-		-		-
Total	20	900 00	-	-	16	520 00	258	4,574 50	-	-	-	-	294	5,994 50	
Average Hourly Rate (£)		<u>450 00</u>		<u>-</u>		<u>325 00</u>		<u>177 31</u>		<u>-</u>		<u>-</u>		<u>203 89</u>	

ADDITIONAL INFORMATION IN RELATION TO THE POLICY OF LEONARD CURTIS REGARDING FEES AND DISBURSEMENTS

The following information relating to the policy of Leonard Curtis is considered to be relevant to creditors

Staff Allocation and Support Staff

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution of the secured and/or preferential creditors, a creditors' committee or creditors generally, that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters arising in the appointment, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the office holders reserve the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

With effect from 7 May 2012 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

	Previous Rates			New Rates	
	Standard	Complex		Standard	Complex
	£	£		£	£
Director	450	563	Director	425	531
Associate Director	350	438	Senior Manager	385	481
Senior Manager	325	406	Manager 1	330	413
Manager 1	250	313	Manager 2	285	356
Manager 2	200	250	Administrator 1	230	288
Manager 3	175	219	Administrator 2	210	263
Senior Administrator	150	188	Administrator 3	190	238
Administrator	100	125	Administrator 4	135	169
Support	0	0			

Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holders or their staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Disbursements

- Category 1 disbursements. These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, including car mileage at 45p a mile, and equivalent costs reimbursed to the office holder or his or her staff.
- Category 2 disbursements. These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£88.75 per box
Room hire	£100