

**Liquidator's Progress
Report****S.192****Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986**

To the Registrar of Companies

Company Number

1456545

Name of Company

Broadside Colours & Chemicals Ltd

I / We

Christopher J Brown, Europa Link, Sheffield Business Park, Sheffield, S9 1XU

Emma Legdon, Europa Link, Sheffield Business Park, Sheffield, S9 1XU

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 10/09/2013 to 09/03/2014

Signed

Date

20/05/14

Hart Shaw LLP
Europa Link
Sheffield Business Park
Sheffield
S9 1XU

Ref B88409/CJB/EL

FRIDAY

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A25	*A3AX8S2R*	27/06/2014	#277
COMPANIES HOUSE			
A09	*A39AAJBD*	03/06/2014	#170
COMPANIES HOUSE			

Broadside Colours & Chemicals Ltd
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 10/09/2013 To 09/03/2014	From 10/09/2004 To 09/03/2014
	SECURED ASSETS		
15,963 91	Book Debts	NIL	NIL
(15,963 91)	Capital Bank Cashflow Finance Ltd	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
2,305 00	Laboratory & Warehouse Equipment	NIL	4,924 67
182 00	Office Equipment	NIL	NIL
3,100 00	Stock	NIL	NIL
	Cash recovered from Court	NIL	2,372 80
100 00	Investment in GD Co 11 Ltd	NIL	0 23
50 00	Investment in GD Co 12 Ltd	NIL	5,000 00
	Bank Interest Net of Tax	0 22	731 33
	Payment to Joint Owner of Asset	NIL	(1,410 00)
		0 22	11,619 03
	COST OF REALISATIONS		
	DTI Cheque Fees	NIL	22 70
	Specific Bond	NIL	80 00
	Mileage	NIL	137 67
	Company Search	NIL	31 50
	Agents/Valuers Fees (1)	NIL	967 47
	Legal Fees (1)	NIL	7,444 27
	Legal fees (2)	NIL	NIL
	Corporation Tax	NIL	89 73
	Non Recoverable VAT	NIL	19 26
	Stationery & Postage	NIL	64 08
	Photocopying	NIL	90 92
	Statutory Advertising	NIL	698 07
	Bank Charges	NIL	513 00
	CCJ Search	NIL	4 50
		NIL	(10,163 17)
	PREFERENTIAL CREDITORS		
(23,519 79)	Employees Wage Arrears	NIL	NIL
(19,356 58)	Employees Holiday Pay	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDITORS		
(586 93)	Yorkshire Bank plc	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(44,775 58)	Trade & Expense Creditors	NIL	NIL
(47,942 25)	Employees	NIL	NIL
(23,826 27)	Inland Revenue	NIL	NIL
(9,178 84)	H M Customs & Excise	NIL	NIL
(102,421 56)	GD Co 11 Ltd	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(4,000 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL

(269,870.80)

0.22

1,455.86

REPRESENTED BY

VAT Receivable
Bank 2 - Current
VAT Payable

772 45
1,026 34
(342 93)

1,455.86



Christopher J Brown
Joint Liquidator


Notice of Annual Meeting**Pursuant to Section 105 of the Insolvency Act 1986****Broadside Colours & Chemicals Ltd****Company No. 1456545****(In Liquidation)****Registered Office:****The Hart Shaw Building, Europa Link, Sheffield Business Park, Sheffield S9 1XU****Former Principal Trading Address:****Rook Lane Mills, Law Street, Dudley Hill, Bradford BD4 9NF**

NOTICE IS HEREBY GIVEN that a General Meeting of the Members of Broadside Colours & Chemicals Ltd will be held at 11 30 a.m. on 16 June 2014, to be followed at 12 noon on the same day by a meeting of the creditors of the company. The meetings will be held at The Hart Shaw Building, Europa Link, Sheffield Business Park, Sheffield, S9 1XU.

The meetings are called pursuant to Section 105 of the Insolvency Act 1986 for the purpose of enabling the liquidator to present an account showing the manner in which the winding-up of the company has been conducted in the preceding year and to give any explanation that he may consider necessary. A member or creditor entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member or creditor.

Proxies and hither to unlodged proofs to be used at the meeting should be lodged at Europa Link, Sheffield Business Park, Sheffield, S9 1XU no later than 12 noon on the working day immediately before the meetings.

Christopher J Brown (IP No. 8973) and Emma Legdon (IP No. 10754) of Hart Shaw, Europa Link, Sheffield Business Park, Sheffield, S9 1XU were appointed Joint Liquidator of the Company on 10 September 2004 and 22 November 2013 respectively. They may be contacted on 0114 251 8850 or email: advice@hartshaw.co.uk

Signed  _____

Christopher J Brown
Joint Liquidator

Date: 15 May, 2014

**BROADSIDE COLOURS AND CHEMICALS LTD - IN LIQUIDATION ("THE
COMPANY")
LIQUIDATOR'S ANNUAL REPORT TO MEMBERS AND CREDITORS
FOR THE YEARS ENDING 9 SEPTEMBER 2012 AND 9 SEPTEMBER 2013**

STATUTORY INFORMATION

Company Name: Broadside Colours and Chemicals Ltd

Registered Office: The Hart Shaw Building, Europa Link, Sheffield Business Park
Sheffield, S9 1XU

Former Registered Office: Rook Lane Mills, Law Street, Dudley Hill, Bradford BD4 9NF

Registered Number: 10456545

Liquidator's Details:

Name	Date Appointed	Date Removed
Andrew Johnson Maybery	10/09/2009	22/11/2013
Christopher John Brown	10/09/2009	
Emma Louise Legdon	22/11/2013	

Liquidators' Address: Hart Shaw LLP, Europa Link, Sheffield Business Park, Sheffield
S9 1XU

INTRODUCTION

At meetings of members and creditors held on 10 September 2004 it was resolved that Christopher J Brown and Andrew Johnson Maybery of Hart Shaw LLP were appointed Joint Liquidators of Broadside Colours and Chemicals Ltd

CHANGE OF INSOLVENCY PRACTITIONER.

On 31 March 2013 Andrew Johnson Maybery retired as a partner of Hart Shaw LLP and did not renew his insolvency licence when it expired on 31 December 2013. From 1 January 2014 Mr Maybery is no longer able to act as an insolvency practitioner and therefore an application was made to the Leeds District Registry of the High Court to remove him from all of his insolvency appointment and where appropriate transfer his appointments to either Emma Louise Legdon or Christopher John Brown

Please accept this report as notice that on 22 November 2013 His Honour Judge Mark Raeside QC sitting as a Judge of the High Court in the Leeds District Registry (No. 1426 of 2013) transferred Andrew Johnson Maybery's appointment as the Joint Liquidator of the Company to Emma Louise Legdon.

The effect of this Order is that Andrew Johnson Maybery has been removed as the Joint Liquidator of the Company and that Emma Louise Legdon has been appointed by the Court in his place. Emma Louise Legdon will act alongside Christopher John Brown the existing Joint Liquidator.

Paragraph 12 of the Order of His Honour Judge Mark Raeside QC appointing Emma Louise Legdon in place of Andrew Johnson Maybery provides that each creditor has the liberty to apply to vary or discharge the Order within 21 days of receipt of this notice.

The Order of His Honour Judge Mark Raeside QC provides for the costs in making the application to Court, together with the costs of publishing in the London Gazette a composite notice relating to all the new appointments, to be apportioned between those estates with sufficient funds to discharge the costs.

In addition the cost of transferring the specific bond from Andrew Maybery to Emma Legdon will be charged to each estate and this sum is £10.

RECEIPTS AND PAYMENTS ACCOUNT

A Receipts & Payments Account for the period from 10 September 2004 to 9 September 2013, showing transactions for the period 10 September 2011 to 9 September 2012 and 10 September 2012 to 9 September 2013 is attached.

ASSETS

Laboratory & Warehouse Equipment, Office Equipment & Stock

The fixed assets of the company were valued by Ellis Willis & Beckett of Sheffield for a total amount of £5,587, made up of £2,305, £182 and £3,100. An offer was received from James Button's company, who was a former director, for this amount plus VAT which was accepted. However only £232.67 was received for the laboratory and warehouse equipment, £182 was received for the office equipment whilst the stock was paid for in full. Ellis Willis & Beckett and the joint liquidators pursue James Button for the balance but this was not forthcoming.

Jointly Owned Equipment

There was a specialised item of equipment that was jointly owned by the company and a third party. Ellis Willis & Beckett sold this item to Mr Button's company for £2,820, Mr Button paid £1,410 which was paid to the joint owner and the balance of £1,410 remained unpaid despite Ellis Willis & Beckett and the joint liquidators pursuing.

Shares in GD CO 11 Ltd and GD CO 12 Ltd

The company held shares in these two companies and the shares were offered for sale to the respective directors of the companies. However GD CO 11 Ltd was dissolved at Companies House on 25 April 2006 and therefore no monies were forthcoming for this asset source. The joint liquidators entered into negotiations for the sale of the shares of GD CO 12 Ltd and realised £5,000.

Overdrawn Directors Loan Accounts

Whilst carrying out the investigation into the company's books and records the joint liquidators discovered two overdrawn directors loan accounts of the director, Geoffrey Button, and the former director, James Button, for £58,711.75 and £68,636.95 respectively, making a total of £127,348.70.

HLW Solicitors of Sheffield were instructed to assist the joint liquidation in pursuing the directors to repay these accounts. Claims were made against both Messrs Button and proceedings were issued in the High Court on 9 September 2010 and the Court held that Geoffrey Button and James Button owed the company £57,546.50 and £65,375.91 and interest of £10,358.37 and £11,767.66 respectively. In addition to this the Directors had been ordered to pay costs of £33,859.60.

Negotiations took place between HLW Solicitors and Geoffrey Button and it has been agreed that he pays £50 per month from June 2011. Mr Button has continued to pay this amount on a regular basis and the joint liquidators have assigned the monies to HLW to cover their costs in this matter.

During 2011 the Solicitors tried unsuccessfully to contact James Button. Charterfields Ltd were instructed to value the properties of James Button and the Solicitors were instructed to place interim charging orders against the properties and if no offers were forthcoming then to apply for possession and sale of the properties. In the meantime Mr Button's representative made contact with the Solicitors with regards to having the judgment set aside.

In 2012 Mr Button applied to Court to have the Judgment set aside which was granted. This matter continued through 2012 with extensive correspondence between the joint liquidators' solicitors and Mr Button's representatives. Following legal advice and the lack of available funds in the liquidation to pay for a further Court case it was decided to abandon the claim against Mr Button.

Funds recovered from Court

In the early 1990's the company brought a case against a supplier for which they paid an amount of £1,000 to Court on account for costs. The Courts Funds Office contacted the joint liquidators as this amount plus interest was still being held, a claim was therefore made to the Court to refund the money and a total amount of £2,372.80 was received into the liquidation.

LIABILITIES

Secured Liabilities

An examination of the company's mortgage register held by the Registrar of Companies, shows the following charges against the company:

Yorkshire Bank plc have a debenture secured on the company's assets which was created on 22 November 1982 and registered on 24 November 1982. Yorkshire Bank were owed £586.93 in respect of an overdrawn bank account.

Capital Bank Cashflow Finance Ltd (formerly known as Kellock Ltd) has a fixed and floating charge against the company's assets in respect of a factoring agreement created on 20 December 1995 and registered at Companies House on 23 December 1995.

London York Fund Managers have a debenture against the company's assets created on 18 December 1997 and registered on 8 January 1998.

Preferential Creditors

The director's statement of affairs anticipated preferential creditors in the sum of £42,876.37 in respect of arrears of pay and holiday pay. A preferential claim of £ 14,300.30 has been received from Redundancy Payments in respect of wages and holiday pay.

Crown Creditors

The director's statement of affairs included a total sum of £23,826.27 and £9,178.84 owed to HM Revenue & Customs ("HMRC") in respect of PAYE/NIC contributions and VAT. The final claim of HMRC in respect of PAYE/NIC of £24,076.27 has been received and the final claim in respect of VAT of £12,735.78 has been received

Unsecured Creditors

Claims totalling £107,924.45 have been received in the liquidation but haven't been admitted for dividend purposes. There are still a number of creditors who have yet to submit a claim but as a dividend will not be declared in this matter these will not be pursued.

LIQUIDATOR'S ACTIONS SINCE APPOINTMENT

The nature of the assignment was to realise the assets of the Company, which had effectively ceased trading prior to the liquidation. The Joint Liquidators initial strategy was to seek to realise the best value for the creditors with minimum costs

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

Investigations have been concluded into the affairs of the Company and its directors during the three years prior to insolvency and a confidential report has been submitted to the Department for Business Innovation and Skills, formerly the Department for Trade & Industry, in accordance with the liquidators duties under the Company Directors Disqualification Act 1986.

PRE-APPOINTMENT REMUNERATION

At the meetings held on 10 September 2004, the members and creditors authorised the payment of a fee of £5,000 plus disbursements plus VAT to Hart Shaw LLP for assistance with the statement of affairs and producing and circulating the notices for the meetings of members and creditors prior to the Liquidators appointment

LIQUIDATOR'S REMUNERATION

At the meeting of creditors held on 10 September 2004 the Liquidators remuneration was approved to be drawn on a time cost basis To 9 September 2013 time costs of £41,145 08 amounting to 216 35 hours of chargeable time have been incurred, against which nothing been drawn in remuneration

It is the policy of the Liquidators to delegate routine work to more junior grades of staff in order to maximise the cost effectiveness of the work performed, such staff being supervised by senior staff and the Liquidators, with any complex or significant matters to be dealt with by senior staff or the Liquidators.

In common with all professional firms, scale rates increase from time to time over the period of the administration of each insolvency case and full details of the current charge out rates and disbursements are enclosed with this report.

In accordance with SIP9, below are a schedule of the time costs of the Liquidators and staff in dealing with this case since the date of their appointment

Classification Of Work Function	Hours				Total Time Costs £	Average Hourly Rate £
	Partner / Manager	Senior Staff	Support Staff	Total Hours		
Administration & Planning	15.50	61.50	25 25	102 25	20,320.33	198 73
Investigations	7.45	21.00	2.50	30.95	5,502 50	177.79
Realisation of Assets	11.75	52 70	2.40	66.85	12,894.50	192 89
Trading	-	-	-	-	-	-
Creditors	-	11.60	4.70	16 30	2,427.75	148.94
Total	34.70	146.80	34.85	216.35	41,145.08	190.18

A description of the routine work undertaken in the liquidation to date is as follows:

1. Administration and Planning
 - Preparing the documentation and dealing with the formalities of appointment.
 - Statutory notifications and advertising.
 - Preparing documentation required.
 - Dealing with all routine correspondence.
 - Maintaining physical case files and electronic case details on IPS.
 - Review and storage
 - Case bordereau.
 - Case planning and administration
 - Preparing reports to members and creditors.
 - Convening and holding meetings of members and creditors.
2. Cashiering
 - Maintaining and managing the liquidator's cashbook and bank account.
 - Ensuring statutory lodgements and tax lodgement obligations are met
3. Creditors
 - Dealing with creditor correspondence and telephone conversations
 - Preparing reports to creditors.
 - Maintaining creditor information on IPS.

- Reviewing and adjudicating on proofs of debt received from creditors

4 Investigations

- Review and storage of books and records.
- Prepare a return pursuant to the Company Directors Disqualification Act
- Conduct investigations into suspicious transactions.
- Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors.

5. Realisation of Assets

- Corresponding with debtors and attempting to collect outstanding book debts.
- Liaising with the Solicitors re proceedings against directors.

A copy of 'A Creditors Guide to Liquidators' Fees' published by the Association of Business Recovery Professionals and 'A Statement of Insolvency Practice 9 (Revised)' can be found in the download section of our website www.hartshaw-bri.co.uk

LIQUIDATOR'S EXPENSES

Summary of Category 2 Disbursements incurred by Hart Shaw LLP.

Classification Of Expenses.	Rate.	Total
Photocopying	10 pence per sheet for circulars and other bulk copying	86.40
Mileage	Up to 40 pence per mile.	131.49
Document Storage	£5 per bankers box per year.	
Total		217.89

The following agents or professional advisors have been utilised in this matter.

Professional Advisor	Nature of Work	Fee Arrangement
HLW keeble hawson	Solicitors	Time costs

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

DIVIDEND PROSPECTS

Secured creditors

A distribution has not been paid to any secured creditor.

Preferential creditors

It has not been possible to declare a dividend to preferential creditors in this matter.

Ordinary unsecured creditors

It has not been possible to declare a dividend to unsecured creditors in this matter.

MEETINGS OF MEMBERS AND CREDITORS

The annual meetings of members and creditors of the company will take place as specified on the notice enclosed with this report and will consider the resolutions detailed on the enclosed proxy form for use at the meeting. **Creditors are not required to attend the meeting in person but are asked to return the completed proxy form to my office prior to the meeting of creditors. The purpose of the meeting is to receive this report and no further information will be available.**

SUMMARY

The Liquidators will be in a position to conclude the administration of the liquidation once clearance has been received from HM Revenue & Customs and the Redundancy Payments Office. A draft report will then be prepared and a final meeting of members and creditors will be convened. It is anticipated that the final meetings will be held within the next three months.

Should you have any queries regarding this matter please contact Emma Legdon on 0114 251 8850.



Christopher J Brown
Joint Liquidator

BROADSIDE COLOURS & CHEMICALS LIMITED - IN LIQUIDATION

RECEIPTS AND PAYMENTS ACCOUNT TO 9TH SEPTEMBER 2012

	£	£	£
	Statement of	Period	Total as at
	Affairs as at	10.09.2011	9.09.2012
	10.09.2004	to 9.09.2012	
Receipts			
Laboratory & Warehouse Equipment	2,305.00	-	232.67
Office Equipment	182.00	-	182 00
Stock	3,100 00	-	3,100.00
Investment in GD Co 11 Ltd	100 00	-	-
Investment in GD Co 12 Ltd	50 00	-	5,000 00
Cash Recovered From Court		-	2,372.80
Jointly Owned Asset		-	1,410 00
Bank Interest Net of Tax		- 46 11	706.93
	<u>5,737 00</u>	<u>- 46 11</u>	<u>13,004 40</u>
Payments			
Payment to Owner of Joint Asset		-	1,410.00
DTI Cheque Fees		0.15	2.70
Specific Bond		-	80 00
Mileage		-	137 67
Photocopying		1 20	90 92
Postage		11.88	64.08
Company Search		1.00	31.50
Legal Fees		5,000.00	5,300.00
Agents / Valuers fees		225 00	967.47
Statutory Advertising		-	698 07
Bank Charges		46 00	533 00
Corporation Tax		3 26	89 73
Register County Court Judgments		-	4.50
Irrecoverable VAT		19.26	19.26
		<u>5,307 75</u>	<u>9,428 90</u>
VAT Receivables		1,028 56	1,048.48
Balance at Bank		- 2,220.11	2,573.13
ISA NIB		- 4,070 09	-
		<u>46 11</u>	<u>13,050.51</u>

Notes.

The basis of the office holder's remuneration is disclosed in the main body of the report

The Company was registered for VAT Receipts & Payments have been shown net of VAT and the relevant amount of VAT payable or receivable has either been accounted for or is shown above and will be accounted for in due course

BROADSIDE COLOURS & CHEMICALS LIMITED - IN LIQUIDATION

RECEIPTS AND PAYMENTS ACCOUNT TO 9TH SEPTEMBER 2013

	£	£	£
	Statement of	Period	Total as at
	Affairs as at	10.09.2012	9.09.2013
	10.09.2004	to 9.09.2013	
Receipts			
Laboratory & Warehouse Equipment	2,305.00	-	232 67
Office Equipment	182 00	-	182 00
Stock	3,100 00	-	3,100 00
Investment in GD Co 11 Ltd	100.00	-	-
Investment in GD Co 12 Ltd	50.00	-	5,000.00
Cash Recovered From Court		-	2,372.80
Jointly Owned Asset		-	1,410 00
Bank Interest Net of Tax		- 21 70	731 34
	<u>5,737.00</u>	<u>- 21 70</u>	<u>13,028.81</u>
Payments			
Payment to Owner of Joint Asset		-	1,410.00
DTI Cheque Fees		-	2 70
Specific Bond		-	80 00
Mileage		-	137 67
Photocopying		-	90 92
Postage		-	64 08
Company Search		-	31.50
Legal Fees		2,144.27	7,444.27
Agents / Valuers fees		-	967.47
Statutory Advertising		-	698.07
Bank Charges		-	533 00
Corporation Tax		-	89 73
Register County Court Judgments		-	4.50
Irrecoverable VAT		-	19.26
		<u>2,144.27</u>	<u>11,573.17</u>
VAT Receivables		- 618.96	429.52
Balance at Bank		- 1,547 01	1,026.12
ISA NIB		-	-
		<u>- 21 70</u>	<u>13,028.81</u>

Notes.

The basis of the office holder's remuneration is disclosed in the main body of the report

The Company was registered for VAT Receipts & Payments have been shown net of VAT and the relevant amount of VAT payable or receivable has either been accounted for or is shown above and will be accounted for in due course

Proxy (Members' or Creditors' Voluntary Winding Up)

Broadside Colours & Chemicals Ltd

Please give full name
and address for
communication

Name of Creditor/Member _____

Address _____

Please insert name of person
(who must be 18 or over) or
the chairman of the meeting
(see note below) if you wish
to provide for alternative
proxy holders in the
circumstances that your first
choice is unable to attend
please state the name(s) of the
alternatives as well

Name of Proxy Holder

1 _____

2 _____

3 _____

Please delete words in
brackets if the proxy holder is
only to vote as directed i.e. he
has no discretion

I appoint the above person to be my/the creditor's/member's proxy holder at the meeting of
creditors/members to be held on 16 June 2014, or at any adjournment of that meeting. The
proxy holder is to propose or vote as instructed below (and in respect of any resolution for
which no specific instruction is given, may vote or abstain at his/her discretion)

* Please delete as applicable

Voting Instructions for resolutions

1 That the Liquidator's Receipts and Payments Account and Report of the administration of the
Liquidation to date is approved

* For / Against

Any other resolutions which
the proxy-holder is to propose
or vote in favour of or against
should be set out in numbered
paragraphs in the space
provided below paragraph 1
If more room is required
please use the other side of
this form

This form must be signed

Signature _____ Date _____

Name in CAPITAL LETTERS _____

Only to be completed if the
creditor/member has not
signed in person

Position with creditor/member or relationship to creditor/member or other authority for
signature _____

Please note that if you nominate the chairman of the meeting to be your proxy-holder he
will either be a director of the company or the current liquidator.
Remember: there may be resolutions on the other side of this form

**HART SHAW CHARTERED ACCOUNTANTS.
BUSINESS RECOVERY & INSOLVENCY.**

**Disclosure Of Charge Out Rates And Disbursements In Accordance With Statement Of
Insolvency Practice 9 (SIP9).**

From 3 September 2012.

Charge Out Rates For Staff Who May Be Involved With This Case.

Grade Of Staff.	Hourly Rate (excluding VAT)
Partner.	£290 to £296 per hour.
Manager	£255 per hour
Senior Administrator.	£203 per hour.
Junior Administrator.	£130 25 per hour.
Support Staff.	£85 per hour.

Time costs are calculated using 6 minute units.

Time spent by support and secretarial staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead of the firm. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

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

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) 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 Hart Shaw LLP, 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 Hart Shaw LLP 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 by Hart Shaw LLP.

Type.	Rate (excluding VAT)
Woskow Brown LLP, solicitors	Should this firm of solicitors be instructed then since Christopher Brown, a member in Hart Shaw LLP, is a close relative of members in Woskow Brown LLP then the payment of any fees to Woskow Brown will constitute a category 2 expense for which approval is required. Woskow Brown will apply their normal charge out basis and rates charged to their clients.
Photocopying.	10 pence per sheet, but only charged for circulars and other bulk copying
Mileage.	Up to 45 pence per mile depending upon engine capacity
Meeting Room Hire	£120 for the initial creditors meeting, £60 for subsequent meetings
Document Storage	£5 per bankers box per month.