

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 2 5 7 0 6 8 3

Company name in full FGI Realisations Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Kerry

Surname Bailey

### 3 Liquidator's address

Building name/number 3 Hardman Street

Street Spinningfields

Post town Manchester

County/Region

Postcode M 3 3 A T

Country

### 4 Liquidator's name ①

Full forename(s) Martha

Surname Thompson

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 55 Baker Street

Street London

Post town

County/Region

Postcode W 1 U 7 E U


Country

#### ② Other liquidator

Use this section to tell us about  
another liquidator.

# LIQ03

## Notice of progress report in voluntary winding up

|   |   |   |              |   |              |   |              |   |              |   |              |   |              |   |              |   |
|---|---|---|--------------|---|--------------|---|--------------|---|--------------|---|--------------|---|--------------|---|--------------|---|
| <b>6</b>  | <b>Period of progress report</b>  |   |              |   |              |   |              |   |              |   |              |   |              |   |              |   |
| From date   | <sup>d</sup>  | 1 | <sup>d</sup> | 5 | <sup>m</sup> | 0 | <sup>m</sup> | 1 | <sup>y</sup> | 2 | <sup>y</sup> | 0 | <sup>y</sup> | 2 | <sup>y</sup> | 0 |
| To date   | <sup>d</sup>  | 1 | <sup>d</sup> | 4 | <sup>m</sup> | 0 | <sup>m</sup> | 1 | <sup>y</sup> | 2 | <sup>y</sup> | 0 | <sup>y</sup> | 2 | <sup>y</sup> | 1 |
| <b>7</b>  | <b>Progress report</b>  |   |              |   |              |   |              |   |              |   |              |   |              |   |              |   |
| <input checked="" type="checkbox"/> The progress report is attached |   |   |              |   |              |   |              |   |              |   |              |   |              |   |              |   |
| <b>8</b>  | <b>Sign and date</b>  |   |              |   |              |   |              |   |              |   |              |   |              |   |              |   |
| Liquidator's signature  | <div>Signature</div> <div>  </div> |   |              |   |              |   |              |   |              |   |              |   |              |   |              |   |
| Signature date  | <sup>d</sup>  | 1 | <sup>d</sup> | 0 | <sup>m</sup> | 0 | <sup>m</sup> | 3 | <sup>y</sup> | 2 | <sup>y</sup> | 0 | <sup>y</sup> | 2 | <sup>y</sup> | 1 |

**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 Philip Jordan

Company name BDO LLP

Address 5 Temple Square

Temple Street

Post town Liverpool

County/Region

Postcode L 2 5 R H

Country

DX

Telephone 01512 374 500

**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

FGI Realisations Limited  
(In Liquidation)  
Joint Liquidators' Summary of Receipts & Payments

| Statement<br>of Affairs<br>£ | From 15/01/2020<br>To 14/01/2021<br>£ | From 15/01/2019<br>To 14/01/2021<br>£ |
|------------------------------|---------------------------------------|---------------------------------------|
| ASSET REALISATIONS           |                                       |                                       |
| Bank Interest Gross          | 154.77                                | 784.61                                |
| Surplus from Administration  | NIL                                   | 244,249.53                            |
|                              | 154.77                                | 245,034.14                            |
| COST OF REALISATIONS         |                                       |                                       |
| Administrators Fees & Disbs  | 14,220.15                             | 144,999.93                            |
| Bank Charges                 | NIL                                   | 0.35                                  |
| Legal Fees & Disbursements   | NIL                                   | 5,024.06                              |
|                              | (14,220.15)                           | (150,024.34)                          |
|                              | (14,065.38)                           | 95,009.80                             |
| REPRESENTED BY               |                                       |                                       |
| Bank 2 Current               |                                       | 92,165.77                             |
| Vat Control Account          |                                       | 2,844.03                              |
|                              |                                       | 95,009.80                             |

TO ALL KNOWN CREDITORS AND MEMBERS

10 March 2021

Our Ref KFB/CK/00290440/C

Please ask for  
Chris Kalogritsas  
0151 237 4603  
[BRCMTNorthandScotland@bdo.co.uk](mailto:BRCMTNorthandScotland@bdo.co.uk)

Dear Madams/Sirs

**FGI Realisations Limited - In Creditors' Voluntary Liquidation ('the Company')**  
**Registered number: 02570683**

I set out below an annual progress report in accordance with Section 104A of the Insolvency Act 1986 and Rule 18.4 of the Insolvency (England and Wales) Rules 2016 ('the Rules'). This report covers the period from 15 January 2020 to 14 January 2021 ('the Period') and should be read in conjunction with previous reports published during the Company's Liquidation.

**Professional information regarding the Joint Liquidators**

The Joint Liquidators are Kerry Bailey (officeholder No: 8780) of 3 Hardman Street, Spinningfields, Manchester, M3 3AT and Martha Thompson (officeholder No: 8678) of BDO LLP, 55 Baker Street, London, W1U 7EU. The Joint Liquidators were appointed on 15 January 2019 and carry out their functions jointly and severally meaning any action can be done by one Liquidator or by both of them.

The Company's parent company, Wright & Offland Holdings Limited ('W&O') was also put into Liquidation on 15 January 2019 with Kerry Bailey and Martha Thompson appointed as Joint Liquidators.

I attach for your information a summary of my Receipts and Payments account. The account shows a balance in hand of £95,010.

**Receipts**

The Receipts shown are largely self-explanatory, with the only receipt being £155 in relation to bank interest received during the Period.

**Payments**

The only payment during the Period was the sum of £14,220 being paid in respect of outstanding Administrators fees which were incurred and approved during the preceding Administration. The Joint Administrators' have been paid a total of £145,000 to date in respect of their outstanding fees.

## **Costs in the Liquidation**

I confirm that no additional professional fees or expenses have been accrued or paid during the Period. I provide details below of the professional fees paid during this Liquidation.

### Legal Fees & Disbursements

Solicitors DLA Piper LLP ('DLA') have previously been paid a total of £5,024 plus VAT in respect of legal fees and disbursements in providing general legal advice on matters arising in the Liquidation and preceding Administration. No further legal fees are anticipated at this stage.

## **Progress of the Liquidation**

The Joint liquidators are currently taking steps to agree creditor claims in order to pay a first and final dividend to both preferential and unsecured creditors. Once these dividends have been actioned, the Joint Liquidators will finalise the Company's tax affairs and take steps to conclude the Liquidation.

## **Assets**

All known assets have now been realised and I can confirm that there are no assets of a peculiar or special nature which cannot be sold. Consequently there has been no distribution of unsold assets to creditors, as mentioned in Rules 18.10/14.13 of the Insolvency (England & Wales) Rules 2016.

## **Future Prospects**

### Secured Creditors

#### *Bibby Financial Services Limited ('Bibby')*

As detailed in previous reports, Bibby held a fixed and floating charge debenture over the Company. Bibby was owed approximately £2.755m in respect of its invoice finance facility and applied termination charges. Bibby were repaid in full in the Administration.

#### *RBS Invoice Finance Limited ('RBSIF')*

RBSIF held a fixed and floating charge debenture, but were not owed any monies by the Company prior to the Company's insolvency.

#### *National Westminster Bank Plc ('Natwest')*

National Westminster Bank Plc held a fixed and floating charge debenture since 2013 and has been provided with a guarantee in respect of various loans provided to W&O. Natwest are not owed any monies from the Company and do not have a claim in the Liquidation.

### Preferential Creditors

The Joint Administrators have received preferential claims to date of £9,087 in relation to outstanding wages and holiday pay from employees who were made redundant by the Company.

I previously reported that it is anticipated that there will be sufficient funds to pay preferential creditors in full and the Joint Liquidators intended to issue a Notice of Intended Dividend ('NOID') to preferential creditors shortly.

The distribution has been delayed due to ongoing enquiries into potential pension contribution arrears, which need to be claimed prior to the issue of the preferential NOID. We expect this matter to be resolved shortly and will endeavour to issue the NOID to preferential creditors as soon as possible.

#### Unsecured Creditors

Unsecured creditor claims received to date total £4,244,888.

As previously reported, it is anticipated that there will be sufficient funds to pay a dividend to unsecured creditors.

The dividend to unsecured creditors has been delayed whilst the Joint Liquidators finalise the preferential creditor position as detailed above. The quantum of the dividend has not yet been calculated and is reliant upon the level of both preferential and unsecured claims received and settlement of all outstanding costs. A NOID will be issued to unsecured creditors as soon as these outstanding matters have been concluded.

#### Prescribed Part

Under the provisions of Section 176A of the Insolvency Act 1986 the Joint Administrators must state the amount of funds available to unsecured creditors in respect of the prescribed part. This provision only applies where a company has granted a floating charge to a creditor after 15 September 2003. The secured creditor has been paid in full from fixed charge realisations, therefore the provisions of the prescribed part will not apply.

#### **Investigations**

The Joint Liquidators have a duty to investigate the affairs of the Company and also the conduct of the directors and in respect of the latter, to submit a confidential statutory report to the Secretary of State. I confirm that a report had already submitted in the preceding Administration and therefore there is no requirement for a further report to be submitted during the Liquidation.

I have also completed a review of the Company's affairs and assets to establish whether there are any actions that can be investigated for the benefit of the creditors and concluded there are no causes of action to be pursued.

#### **Joint Liquidators' Remuneration**

Pursuant to the Rules, the Joint Liquidators are obliged to fix their remuneration in accordance with Rule 18.16. This permits remuneration to be fixed either:

- (1) as a percentage of the assets realised and distributed; and/or
- (2) by reference to the time the Joint Liquidators and the staff have spent attending to matters in the liquidation; and/or
- (3) as a set amount; and/or

(4) as a combination of the above.

The Joint Liquidators remuneration has been approved on time cost basis, as per the Fee Estimate dated 13 March 2020. To date, the Joint Liquidators have not drawn any fees in respect of remuneration as shown on the enclosed Receipts and Payments account.

I attach two schedules detailing the time costs incurred to date. The first schedule covers the Period. This records time costs of £12,782 which represents 84 hours spent at an average charge out rate of £152 per hour.

The second schedule covers the whole period of appointment and records time costs of £25,503 which represents 137 hours spent at an average charge out rate of £186 per hour.

For guidance, I enclose a document that outlines the policy of BDO LLP in respect of fees and disbursements.

### **Joint Liquidators' Disbursements**

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements. Since my last report category 1 disbursements of £771 has been incurred in respect of Stationary & Postage.

Some Liquidators recharge expenses, for example printing, photocopying and telephone costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors before they can be drawn, and these are known as category 2 disbursements. The policy of BDO LLP in respect of this appointment is not to charge any category 2 disbursements with the exception of mileage on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to the creditors. No category 2 disbursements have accrued during this period.

Total disbursements of £852 have been incurred in this Liquidation as detailed below.

|                       | Cat 1 (£)     | Cat 2 (£) | Total (£)     |
|-----------------------|---------------|-----------|---------------|
| Stationary & Postage  | 771.10        | -         | 771.10        |
| Statutory Advertising | 81.00         | -         | 81.00         |
|                       |               | -         | -             |
|                       | <b>852.10</b> | <b>-</b>  | <b>852.10</b> |

To date, no category 1 disbursements have been drawn.

### **Creditors' rights**

I provide at the end of this report an extract from the Rules setting out the rights of creditors to request further information and/or challenge the remuneration or expenses within the Liquidation. Creditors may access information setting out creditors' rights in respect of the approval of the Joint Liquidators' remuneration at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.

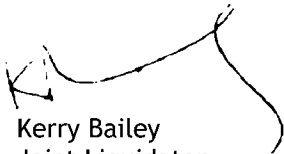


The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

The Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code can be found at: <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

If you require any further information please contact me or my colleague Chris Kalogritsas at [BRMNTNorthandScotland@bdo.co.uk](mailto:BRMNTNorthandScotland@bdo.co.uk).

Yours faithfully  
For and on behalf of  
FGI Realisations Limited



Kerry Bailey  
Joint Liquidator  
Authorised by the Institute of Chartered Accountants in England & Wales in the UK

Enclosures:  
Receipts and Payments Account  
SIP 9 Time Cost Report for the Period  
SIP 9 Time Cost Report for the Liquidation  
Fees Estimate to Accrued Time Comparison  
BDO LLP Policy in respect of Fees and Disbursements  
Statement of Creditors' Rights in respect of Fees and Disbursements

**FGI Realisations Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

| Statement<br>of Affairs<br>£ | From 15/01/2020<br>To 14/01/2021<br>£ | From 15/01/2019<br>To 14/01/2021<br>£ |
|------------------------------|---------------------------------------|---------------------------------------|
| ASSET REALISATIONS           |                                       |                                       |
| Bank Interest Gross          | 154.77                                | 784.61                                |
| Surplus from Administration  | NIL                                   | 244,249.53                            |
|                              | <u>154.77</u>                         | <u>245,034.14</u>                     |
| COST OF REALISATIONS         |                                       |                                       |
| Administrators Fees & Disbs  | 14,220.15                             | 144,999.93                            |
| Bank Charges                 | NIL                                   | 0.35                                  |
| Legal Fees & Disbursements   | NIL                                   | 5,024.06                              |
|                              | <u>(14,220.15)</u>                    | <u>(150,024.34)</u>                   |
|                              | <u><b>(14,065.38)</b></u>             | <u><b>95,009.80</b></u>               |
| REPRESENTED BY               |                                       |                                       |
| Bank 2 Current               |                                       | 92,165.77                             |
| Vat Control Account          |                                       | 2,844.03                              |
|                              |                                       | <u><b>95,009.80</b></u>               |

Name of Assignment      **FGI Realisations Limited - CVL**      **00290440**  
**Summary of Time Charged and Rates Applicable for the Period From 15/01/2020 to 14/01/2021**

| Description                 | PARTNER |            | MANAGER |            | ASSISTANT<br>MANAGER |            | SENIOR<br>ADMINISTRATOR |            | ADMINISTRATOR |            | OTHER STAFF |            | GRAND TOTAL |            | AV R1 |
|-----------------------------|---------|------------|---------|------------|----------------------|------------|-------------------------|------------|---------------|------------|-------------|------------|-------------|------------|-------|
|                             | Hours   | Total<br>£ | Hours   | Total<br>£ | Hours                | Total<br>£ | Hours                   | Total<br>£ | Hours         | Total<br>£ | Hours       | Total<br>£ | Hours       | Total<br>£ |       |
| C. Planning and Strategy    | 0.85    | 502.35     |         |            |                      |            |                         |            |               |            |             |            | 0.85        | 502.35     | 591.0 |
| D. General Administration   | 0.45    | 247.05     | 6.30    | 1,639.70   | 0.60                 | 78.60      | 1.55                    | 68.20      | 33.55         | 2,745.55   | 1.35        | 99.10      | 43.80       | 4,878.20   | 111.3 |
| G. Employee Matters         |         |            | 0.85    | 256.70     |                      |            |                         |            |               |            |             |            | 0.85        | 256.70     | 302.0 |
| H. Creditor Claims          |         |            | 8.10    | 1,997.70   |                      |            |                         |            | 6.45          | 503.45     | 6.10        | 427.00     | 20.65       | 2,928.15   | 141.8 |
| I. Reporting                | 0.75    | 411.75     | 10.40   | 2,610.40   |                      |            |                         |            | 3.65          | 286.45     |             |            | 14.80       | 3,308.60   | 223.5 |
| J. Distribution and Closure |         |            | 2.85    | 907.70     |                      |            |                         |            |               |            |             |            | 2.85        | 907.70     | 318.4 |
|                             | 2.05    | 1,161.15   | 28.50   | 7,412.20   | 0.60                 | 78.60      | 1.55                    | 68.20      | 43.65         | 3,535.45   | 7.45        | 526.10     |             |            |       |
| Net Total                   |         |            |         |            |                      |            |                         |            |               |            |             |            | 83.80       | 12,781.70  |       |
| Secretarial Expense         |         |            |         |            |                      |            |                         |            |               |            |             |            |             | 0.00       |       |
| Other Disbursements         |         |            |         |            |                      |            |                         |            |               |            |             |            |             | 0.00       |       |
| Billed                      |         |            |         |            |                      |            |                         |            |               |            |             |            |             | 0.00       |       |
| Grand Total                 |         |            |         |            |                      |            |                         |            |               |            |             |            |             | 12,781.70  |       |

Name of Assignment      **FGI Realisations Limited - CVL**      **00290440**  
Summary of Time Charged and Rates Applicable for the Period From 15/01/2019 to 14/01/2021

| Description                 | PARTNER |            | MANAGER |            | ASSISTANT<br>MANAGER |            | SENIOR<br>ADMINISTRATOR |            | ADMINISTRATOR |            | OTHER STAFF |            | GRAND TOTAL         |            | AVG                 |
|-----------------------------|---------|------------|---------|------------|----------------------|------------|-------------------------|------------|---------------|------------|-------------|------------|---------------------|------------|---------------------|
|                             | Hours   | Total<br>£ | Hours   | Total<br>£ | Hours                | Total<br>£ | Hours                   | Total<br>£ | Hours         | Total<br>£ | Hours       | Total<br>£ | Hours               | Total<br>£ |                     |
| B. Steps on Appointment     |         |            | 1.40    | 336.00     | 1.50                 | 190.50     |                         |            | 2.10          | 144.90     |             |            | 5.00                | 671.40     | 134.2               |
| C. Planning and Strategy    | 0.85    | 502.35     |         |            |                      |            |                         |            |               |            |             |            | 0.85                | 502.35     | 591.0               |
| D. General Administration   | 0.75    | 406.35     | 22.40   | 6,432.25   | 0.80                 | 117.00     | 1.90                    | 91.90      | 41.50         | 3,331.45   | 1.45        | 110.70     | 68.80               | 10,489.65  | 152.4               |
| G. Employee Matters         |         |            | 0.85    | 256.70     |                      |            |                         |            |               |            |             |            | 0.85                | 256.70     | 302.0               |
| H. Creditor Claims          | 3.00    | 1,599.00   | 20.65   | 5,195.20   | 0.25                 | 31.75      |                         |            | 7.95          | 606.95     | 6.10        | 427.00     | 37.95               | 7,859.90   | 207.1               |
| I. Reporting                | 0.75    | 411.75     | 10.40   | 2,610.40   |                      |            |                         |            | 5.35          | 429.25     |             |            | 16.50               | 3,451.40   | 209.1               |
| J. Distribution and Closure |         |            | 6.85    | 2,271.70   |                      |            |                         |            |               |            |             |            | 6.85                | 2,271.70   | 331.6               |
|                             | 5.35    | 2,919.45   | 62.55   | 17,102.25  | 2.55                 | 339.25     | 1.90                    | 91.90      | 56.90         | 4,512.55   | 7.55        | 537.70     |                     |            |                     |
|                             |         |            |         |            |                      |            |                         |            |               |            |             |            | Net Total           |            | 136.80    25,503.10 |
|                             |         |            |         |            |                      |            |                         |            |               |            |             |            | Secretarial Expense |            | 0.00                |
|                             |         |            |         |            |                      |            |                         |            |               |            |             |            | Other Disbursements |            | 0.00                |
|                             |         |            |         |            |                      |            |                         |            |               |            |             |            | Billed              |            | 0.00                |
|                             |         |            |         |            |                      |            |                         |            |               |            |             |            | Grand Total         |            | 25,503.10           |



## FGI Realisations Limited - In Liquidation

Kerry Bailey of BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT and Martha Thompson of BDO LLP, 55 Baker Street, London, W1U 7EU were appointed Joint Liquidators on 15 January 2019

### Fees Estimate to Accrued Time Comparison

Below is the original Fees Estimate annotated with a column showing the time costs accrued in respect of each activity.

#### Fees Estimate as at 13 March 2020 compared to accrued time to 14 January 2021

| Joint Liquidator's Fees       | Total<br>Hours | Blended<br>Rate<br>£ | Estimated<br>Fee<br>£ | Accrued<br>Time<br>£ |
|-------------------------------|----------------|----------------------|-----------------------|----------------------|
| <b>Summary Activity</b>       |                |                      |                       |                      |
| A. Pre Appointment Matters    | 0.00           | 0.00                 | 0.00                  | 0.00                 |
| <b>TOTAL</b>                  |                |                      | <b>0.00</b>           | <b>0.00</b>          |
| B. Steps on Appointment       | 6.45           | 156.92               | 1,012.15              | 671.40               |
| C. Planning and Strategy      | 1.15           | 342.04               | 393.35                | 502.55               |
| D. General Administration     | 39.00          | 253.33               | 9,880.00              | 10,489.65            |
| E. Assets Realisation/Dealing | 0.00           | 0.00                 | 0.00                  | 0.00                 |
| F. Trading Related Matters    | 0.00           | 0.00                 | 0.00                  | 0.00                 |
| G. Employee Matters           | 4.24           | 169.71               | 718.73                | 256.70               |
| H. Creditor Claims            | 28.50          | 300.74               | 8,571.00              | 7,859.90             |
| I. Reporting                  | 27.30          | 218.14               | 5,954.77              | 3,451.40             |
| J. Distribution and Closure   | 32.50          | 184.83               | 6,007.00              | 2,271.70             |
| <b>TOTAL</b>                  |                |                      | <b>32,537.00</b>      | <b>25,503.10</b>     |

The table above details the approved estimate of the Joint Liquidator's fees on a time costs basis for this appointment. This estimate was prepared on the basis of the information available to us at the date of the estimate. Where applicable, all fees and disbursements will be subject to VAT at the prevailing rate.

The fees that have accrued are within the level of the approved fees estimate and I do not anticipate seeking approval of a revised fee estimate at this stage.

### Detail of Work Undertaken

Time has been spent during the Period in relation to reviewing creditor claims in anticipation of both the preferential and unsecured creditor dividends and in dealing with the Joint Liquidators ongoing statutory duties. This involves preparing periodic reports to creditors, preparation of receipts and payments accounts, dealing with the Company's tax affairs and other general administrative duties during the Liquidation.

The majority of work is undertaken by staff at a manager level with assistance provided by executive level staff.



## **FGI Realisations Limited - In Liquidation**

In accordance with best practice I provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within my firm who may be involved in working on the insolvency, follows:

| <b>GRADE</b>         | <b>£</b> |
|----------------------|----------|
| Partner              | 549-788  |
| Manager              | 242-380  |
| Assistant Manager    | 218      |
| Senior Administrator | 206      |
| Administrator        | 119-185  |
| Other Staff          | 73-77    |

This in no way implies that staff at all such grades will work on the case. The rates charged by BDO LLP are reviewed in December and July 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. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories:-

Pre Appointment  
Steps upon Appointment  
Planning and Strategy  
General Administration  
Asset Realisation/Management  
Trading Related Matters  
Employee Matters  
Creditor Claims  
Reporting  
Distribution and Closure  
Other Issues.

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.

### **Other Costs**

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.



**1) Category 1**

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents etc. In each case the recharge will be reimbursement of a specific expense incurred.

**2) Category 2**

We propose to recover from the estate the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff. Where costs are incurred in respect of mileage, approval will be sought in accordance with the Insolvency (England and Wales) Rules 2016 to recover this disbursement.

Where applicable, all disbursements will be subject to VAT at the prevailing rate.

BDO LLP  
10 March 2021

## **Statement from the Insolvency (England and Wales) Rules 2016 regarding the rights of creditors in respect of the Joint Liquidators' fees and expenses:**

### **Creditors' and members' requests for further information in administration, winding up and bankruptcy**

**18.9.**—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
  - (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
  - (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
  - (d) any unsecured creditor with the permission of the court; or
  - (e) any member of the company in a members' voluntary winding up with the permission of the court.
- (2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.
- (3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—
- (a) providing all of the information requested;
  - (b) providing some of the information requested; or
  - (c) declining to provide the information requested.
- (4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—
- (a) the time or cost of preparation of the information would be excessive; or
  - (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
  - (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
  - (d) the office-holder is subject to an obligation of confidentiality in relation to the information.
- (5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.
- (6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—
- (a) the office-holder giving reasons for not providing all of the information requested; or
  - (b) the expiry of the 14 days within which an office-holder must respond to a request.
- (7) The court may make such order as it thinks just on an application under paragraph (6).

### **Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive**

**18.34.**—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
  - (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
  - (c) the expenses incurred by the office-holder are in all the circumstances excessive.
- (2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—
- (a) a secured creditor,
  - (b) an unsecured creditor with either—
    - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
    - (ii) the permission of the court, or
  - (c) in a members' voluntary winding up—
    - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
    - (ii) a member of the company with the permission of the court.
- (3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ('the relevant report').

### **Applications under rules 18.34 and 18.35 where the court has given permission for the application**



**18.36.**—(1) This rule applies to applications made with permission under rules 18.34 and 18.35.

- (2) Where the court has given permission, it must fix a venue for the application to be heard.
- (3) The applicant must, at least 14 days before the hearing, deliver to the office-holder a notice stating the venue and accompanied by a copy of the application and of any evidence on which the applicant intends to rely.
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders—
  - (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
  - (b) an order reducing any fixed rate or amount;
  - (c) an order changing the basis of remuneration;
  - (d) an order that some or all of the remuneration or expenses in question is not to be treated as expenses of the administration, winding up or bankruptcy;
  - (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
    - (i) the administrator or Liquidator or the administrator's or Liquidator's personal representative to the company, or
    - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
  - (f) any other order that it thinks just.
- (5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.
- (6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration, winding up or bankruptcy.

**Applications under rule 18.34 where the court's permission is not required for the application**

**18.37.**—(1) On receipt of an application under rule 18.34 for which the court's permission is not required, the court may, if it is satisfied that no sufficient cause is shown for the application, dismiss it without giving notice to any party other than the applicant.

- (2) Unless the application is dismissed, the court must fix a venue for it to be heard.
- (3) The applicant must, at least 14 days before any hearing, deliver to the office-holder a notice stating the venue with a copy of the application and of any evidence on which the applicant intends to rely.
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders—
  - (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
  - (b) an order reducing any fixed rate or amount;
  - (c) an order changing the basis of remuneration;
  - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration or winding up or bankruptcy;
  - (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
    - (i) the administrator or Liquidator or the administrator's or Liquidator's personal representative to the company, or
    - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
  - (f) any other order that it thinks just.
- (5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.
- (6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration or as winding up or bankruptcy.