

The Insolvency Act 1986

Liquidator's Progress Report
Pursuant to Section 192 of
The Insolvency Act 1986**S.192**

To the Registrar of Companies

For Official Use

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Company Number

02760456

Name of Company

Aaron Environmental Limited

†† We
Paul Bates
1 Bridgewater Place
Water Lane
Leeds
LS11 5RU

Francis Graham Newton
1 Bridgewater Place
Water Lane
Leeds
LS11 5RU

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

Signed



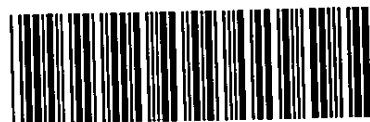
Date

27.07 2012

BDO LLP
1 Bridgewater Place
Water Lane
Leeds
LS11 5RU

Ref 00172591/PJB/FGN/KNB/EFJ/DEV

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In
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02/08/2012

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COMPANIES HOUSE

**Aaron Environmental Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs	From 06/07/2011 To 05/07/2012
ASSET REALISATIONS	
Plant & Machinery	31,283 84
Book Debts	31,709 00
Bank Interest	35 09
	<u>63,027 93</u>
COST OF REALISATIONS	
Preparation of S of A	7,500 00
Preparation of S of A Disbursements	449 75
Liquidator's Fees	12,000 00
Liquidators Disbursements	81 00
Agents Fees	2,000 00
Agents Disbursements	300 00
Stationery & Postage	58 36
Insurance of Assets	1,136 77
Bank Charges	20 00
	<u>(23,545 88)</u>
PREFERENTIAL CREDITORS	
Preferential E P A	1,986 84
	<u>(1,986 84)</u>
FLOATING CHARGE CREDS	
Royal Bank of Scotland	37,000 00
	<u>(37,000 00)</u>
	<u><u>495.21</u></u>
REPRESENTED BY	
Current Account	495 21
	<u><u>495.21</u></u>

**Aaron Environmental Limited
(In Liquidation)**

**Joint Liquidators' Abstract Of Receipts And Payments
To 05 July 2012**

RECEIPTS	Total (£)
Plant & Machinery	31,283 84
Book Debts	31,709.00
Bank Interest	35.09
VAT Payable	1,000.00
VAT Control Account	3,472.72
	<hr/>
	67,500 65
	<hr/>
PAYMENTS	
Preparation of S.of A	7,500.00
Preparation of S of A Disbursements	449 75
Liquidator's Fees	12,000 00
Liquidators Disbursements	81 00
Agents Fees	2,000 00
Agents Disbursements	300 00
Stationery & Postage	58 36
Insurance of Assets	1,136 77
Bank Charges	20 00
Preferential E P.A	1,986 84
Royal Bank of Scotland	37,000 00
VAT Receivable	4,472 72
	<hr/>
	67,005 44
Balances in Hand	495 21
	<hr/>
	67,500.65
	<hr/>

TO ALL CREDITORS AND CONTRIBUTORIES

25 July 2012

Our Ref EFJ/00172591/A6

Please ask for Emma Jones
Direct line 0113 204 1310

Dear Sirs

Aaron Environmental Limited - In Creditors' Voluntary Liquidation ("the Company")
Registered Address: BDO LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5RU
Registered number: 02760456
Joint Liquidator: Paul James Bates and Francis Graham Newton
Joint Liquidator Address: BDO LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5RU
Date of Appointment: 6 July 2011

We are now in a position to conclude this liquidation and advise you that final general meetings of the Company and its creditors have been convened pursuant to Section 106 of the Insolvency Act, 1986, formal notice of which is given below. This is our draft report issued in accordance with Rule 4.49D of the Insolvency Rules 1986. In the event that no substantive issues are raised by creditors no further report will be issued and this report will be presented at the final meeting. We confirm that notice of no dividend has been given to unsecured creditors in accordance with Rule 4.186 of the Insolvency Rules 1986.

This report also constitutes our annual progress report in accordance with Section 104A of the Insolvency Act 1986 and Rule 4.49C of the Insolvency Rules 1986

We enclose a copy of the final receipts and payments account to 25 July 2012.

1 Assets**1.1 Book Debts**

We have collected £31,709 in respect of pre appointment book debts. We do not expect there will be any further realisations in this respect

1.2 Plant and Machinery

The Company's plant and machinery were sold prior to our appointment and consideration has been received in full by the Joint Liquidators. Two further items of equipment were sold by private treaty sale and a total of £5,000 plus VAT was received in November 2011.

2 Creditor Claims**2.1 Prescribed Part**

Under the provisions of Section 176A of the Insolvency Act 1986 the Liquidator must estimate 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 Company has not granted a floating charge to any creditor after the 15 September 2003 and consequently there will be no prescribed part in this Liquidation

2.2 Secured Creditors

The Company was part of the JPB Group of companies ("the Group"). The Royal Bank of Scotland Plc ("the Bank") were owed £2 million by the Group at the date of our appointment secured by way of a floating charge debenture in respect of a group overdraft facility and term loans. There are global cross guarantees across the Group in favour of the Bank.

The Bank has received a distribution from the Company in respect of its debt totalling £37,370. It is uncertain whether the Bank will suffer a shortfall across the Group.

2.3 Preferential Creditors

Preferential creditors' claims comprise claims from former employees for arrears of wages and holiday pay. Preferential claims of £1,986.84 have been received from the Redundancy Payments Office and employees. I confirm that the preferential creditors have been paid in full.

2.4 Unsecured Creditors

We have received claims from unsecured creditors in the sum of £102,838. As previously advised, there are insufficient funds to enable a distribution to unsecured creditors.

3 Liquidators' Remuneration

Pursuant to the Insolvency Rules 1986, the Joint Liquidators are obliged to fix their remuneration in accordance with Rule 4.127(2) of the Insolvency Rules 1986.

The creditors have already approved the Joint Liquidators' remuneration on a time cost basis at a meeting of creditors held on 6 July 2011.

The Joint Liquidators' remuneration has been approved on the basis of time properly spent in dealing with issues in the liquidation. The Joint Liquidators have drawn £12,000 in respect of remuneration as shown on the enclosed receipts and payments account. The enclosed schedule details the costs incurred and indicates the work undertaken in that respect.

For guidance, we enclose "A creditors' guide to liquidators' fees", together with a document that outlines the policy of BDO LLP in respect of fees and disbursements.

4 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. We therefore report that the sum of £343.71 has been drawn in respect of the following category 1 disbursements:

	£
Advertising	303.71
Insolvency Bonds	40.00
	<u>343.71</u>

Some Administrators recharge expenses such as postage, stationery, photocopying charges, telephone and fax 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 is not to charge any category 2 disbursements.

5 Creditor Enquiries

Creditors with the concurrence of at least 5% in value of the unsecured creditors may within seven business days request in writing further information regarding the remuneration and expenses set out in this report. In accordance with Rule 4.49E(3) of the Insolvency Rules 1986, within 14 days of a request we will provide further information or explain why further information is not being provided.

A creditor (who need not be the creditor who asked for the information) may, with the concurrence of at least 5% or more in value of the creditors (including the creditor in question), apply to the court within 21 days of our response or the expiry for the period of my response and the court may make such order as it thinks fit (Rule 4.49E(4) of the Insolvency Rules 1986). Creditors with the concurrence of at least 10% of the creditors may apply to the court if they consider that the remuneration of the liquidators, or the basis fixed for the remuneration of the liquidator or expenses charged by the liquidator are excessive (Rule 4.131 of the Insolvency Rules 1986). Such an application must be made within eight weeks of receiving this draft report.

NOTICE IS HEREBY GIVEN pursuant to Section 106 of the Insolvency Act, 1986, that meetings of the contributories and creditors of Aaron Environmental Limited will be held at the offices of BDO LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5RU on 21 September 2012 at 10.00 am and 10.15 am respectively for the purpose of having an account laid before the meetings and showing the manner in which the winding-up of the Company has been conducted and the property of the Company disposed of and hearing any explanation that may be given by us.

A proxy form is enclosed which must be lodged at the offices of BDO LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5RU, no later than 12 noon on 20 September 2012 to entitle you to vote by proxy at the meeting, if you are unable to attend. This meeting is purely formal and this report will be presented.

Please contact my office if you propose to attend.

Yours faithfully
For and on behalf of
Aaron Environmental Limited



Paul Bates
Joint Liquidator

P J Bates and F G Newton are authorised by the Insolvency Practitioners Association

Enc

**Aaron Environmental Limited
(In Liquidation)**

**Joint Liquidators' Abstract Of Receipts And Payments
To 25 July 2012**

RECEIPTS	Total (£)
Plant & Machinery	31,283.84
Book Debts	31,709.00
Rates Refund	178.13
Bank Interest	35.09
VAT Payable	1,000.00
VAT Control Account	3,525.26
	<hr/>
	67,731.32
	<hr/>
PAYMENTS	
Preparation of S.of A	7,500.00
Preparation of S of A Disbursements	449.75
Liquidator's Fees	12,000.00
Liquidators Disbursements	343.71
Agents Fees	2,000.00
Agents Disbursements	300.00
Stationery & Postage	58.36
Insurance of Assets	1,136.77
Bank Charges	60.00
Preferential E P A	1,986.84
Royal Bank of Scotland	37,370.63
VAT Receivable	4,525.26
	<hr/>
	67,731.32
Balances in Hand	0.00
	<hr/>
	67,731.32
	<hr/>

Rule 8.1 Insolvency Act 1986**Proxy (Members' or Creditors' Voluntary Liquidation)**

*Insert the name of the
company

IN THE MATTER OF * Aaron Environmental Limited
and

IN THE MATTER OF THE INSOLVENCY ACT 1986

**Notes to help completion
of the form**

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 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 _____

Please delete words in
brackets if the proxy-
holder is only to vote as
directed ie he has no
discretion

I appoint the above person to be my / the creditor's proxy-holder at the meeting of
creditors / members to be held on 21 September 2012 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 complete paragraph
1 if you wish to nominate
or vote for a specific
person as Liquidator

Voting instructions for resolutions

1 for the appointment of _____
of _____
as Liquidator of the company

Please delete words in
brackets if the proxy-
holder is only to vote as
directed ie he has no
discretion

(In the event of a person named in paragraph 1 withdrawing or being eliminated
from any vote for the appointment of a Liquidator the proxy-holder may vote or
abstain in any further ballot at his / her discretion.)

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

1. That the liquidators' report and receipts and payments account be accepted

*Approved/Rejected

2 That the liquidator's be granted their release

*Approved/Rejected

* Please indicate how you wish to vote

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 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

013849/EFJ/00174062/A6/C8

1 Introduction

- 1.1 When a company goes into liquidation the costs of the proceedings are paid out of its assets. The creditors, who hope to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as liquidator. The insolvency legislation recognises this interest by providing mechanisms for creditors to fix the basis of the liquidator's fees. This guide is intended to help creditors be aware of their rights to approve and monitor fees and explains the basis on which fees are fixed.

2 Liquidation Procedure

- 2.1 Liquidation (or 'winding up') is the most common type of corporate insolvency procedure. Liquidation is the formal winding up of a company's affairs entailing the realisation of its assets and the distribution of the proceeds in a prescribed order of priority. Liquidation may be either voluntary, when it is instituted by resolution of the shareholders, or compulsory, when it is instituted by order of the court.
- 2.2 Voluntary liquidation is the more common of the two. An insolvent voluntary liquidation is called a creditors' voluntary liquidation (often abbreviated to 'CVL'). In this type of liquidation an insolvency practitioner acts as liquidator throughout and the creditors can vote on the appointment of the liquidator at the first meeting of creditors.
- 2.3 In a compulsory liquidation on the other hand, the function of liquidator is, in most cases, initially performed not by an insolvency practitioner but by an official called the official receiver. The official receiver is an officer of the court and a member of The Insolvency Service, an executive agency within the Department of Business Innovation & Skills. In most compulsory liquidations, the official receiver becomes liquidator immediately on the making of the winding-up order. Where there are significant assets an insolvency practitioner will usually be appointed to act as liquidator in place of the official receiver, either at a meeting of creditors convened for the purpose or directly by the Secretary of State for Business Innovation & Skills. Where an insolvency practitioner is not appointed the official receiver remains liquidator.
- 2.4 Where a compulsory liquidation follows immediately on an administration the court may appoint the former administrator to act as liquidator. In such cases the official receiver does not become liquidator.

3 The Liquidation Committee

- 3.1 In a liquidation (whether voluntary or compulsory) the creditors have the right to appoint a committee called the liquidation committee, with a minimum of 3 and a maximum of 5 members, to monitor the conduct of the liquidation and approve the liquidator's fees. The committee is usually established at the creditors' meeting which appoints the liquidator, but in cases where a liquidation follows immediately on an administration any committee established for the purposes of the administration will continue in being as the liquidation committee.
- 3.2 The liquidator must call the first meeting of the committee within 3 months of its establishment (or his appointment if that is later), and subsequent meetings must be held either at specified dates agreed by the committee, or when requested by a member of the committee, or when the liquidator decides he needs to hold one. The liquidator is required to report to the committee at least every 6 months on the progress of the liquidation, unless the committee directs otherwise. This provides an opportunity for the committee to monitor and discuss the progress of the insolvency and the level of the liquidator's fees.

4 Fixing the Liquidator's Fees

- 4.1 The basis for fixing the liquidator's remuneration is set out in Rule 4.127 - 4.127B of the Insolvency Rules 1986. The Rule states that the remuneration shall be fixed either
- as a percentage of the value of the assets which are realised or distributed or both, or
 - by reference to the time properly given by the liquidator and his staff in attending to matters arising in the insolvency, or
 - As a set amount

It is for the liquidation committee (if there is one) to determine or a set amount which of these bases the remuneration is to be fixed, and if it is to be fixed as a percentage, to fix the amount to be applied. Rule 4.127 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case;
- any responsibility of an exceptional kind or degree which falls on the liquidator in connection with the insolvency,
- the effectiveness with which the liquidator appears to be carrying out, or to have carried out, his duties,
- the value and nature of the assets which the liquidator has to deal with

4.2 If there is no liquidation committee, or the committee does not make the requisite determination, the liquidator's remuneration may be fixed by a resolution of a meeting of creditors. The creditors take account of the same matters as the committee would. A resolution specifying the terms on which the liquidator is to be remunerated may be taken at the meeting which appoints the liquidator. If the remuneration is not fixed in any of these ways, it will be in accordance with the scale laid down for official receivers. Unless it's a CVL in which case if it is not fixed within 18 months of the liquidator's appointment, the liquidator may apply to court for his/her fees to be fixed.

5 What Information should be Provided by the Liquidator?

5.1 When seeking fee approval

5.1.1 When seeking agreement to his fees the liquidator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on:

- the nature of the approval being sought,
- the stage during the administration of the case at which it is being sought, and
- the size and complexity of the case

Where, at any creditors' or committee meeting, the liquidator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

5.1.2 Where the liquidator seeks agreement to his fees during the course of the liquidation, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the liquidator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the liquidator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the liquidator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the liquidator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, and professional guidance has been provided setting out a minimum of 6 category headings under which the work done by the officeholder and his staff should be analysed. As a firm BDO LLP operates a computerised time recording system which analyses work done under the following categories -

- Pre Appointment Matters
- Steps upon Appointment
- Planning and Strategy
- General Administration
- Asset Realisation/Management
- Trading Related Matters
- Employee Matters
- Creditor Claims

- Reporting
- Distribution and Closure
- Other Issues

Professional guidance suggests the following categories as a basis for analysis by grade of staff, but this will be subject to whether each grade is engaged in working on the liquidation

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the liquidator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain

- Any significant aspects of the case, particularly those that affect the amount of time spent
- The reasons for subsequent changes in strategy
- Any comments on any figures in the summary of time spent accompanying the request the liquidator wishes to make
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement
- Any existing agreement about fees
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

- 5 1 3 Where the fee is charged on a percentage basis the liquidator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by a liquidator or his staff

5 2 After fee approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the liquidator should notify the creditors of the details of the resolution in his next report or circular to them. When subsequently reporting to creditors on the progress of the liquidation, or submitting his final report, he should specify the amount of remuneration he has drawn in accordance with the resolution. Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 5 1 3. Where the fee is charged on a percentage basis the liquidator should provide the details set out in paragraph 5 1.3 above regarding work which has been sub-contracted out

5 3 Expenses and disbursements

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements. However, professional guidance issued to insolvency practitioners requires that, where the liquidator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the liquidator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

5 4 Realisations for secured creditors

Where the liquidator realises an asset on behalf of a secured creditor and receives remuneration out of the proceeds (see paragraph 8 1 below), he should disclose the amount of that remuneration to the

committee (if there is one), to any meeting of creditors convened for the purpose of determining his fees, and in any reports he sends to creditors.

5.5 Progress reports

In compulsory liquidations there is now a statutory requirement for the liquidator to send a progress report annually

6 What if a creditor is dissatisfied?

6.1 Except in cases where there is a liquidation committee it is the creditors as a body who have authority to approve the liquidator's fees. To enable them to carry out this function they may require the liquidator to call a creditors' meeting. In order to do this at least ten per cent in value of the creditors must concur with the request, which must be made to the liquidator in writing.

6.2 If a creditor believes that the liquidator's remuneration is too high he may, if at least 25 per cent in value of the creditors (including himself) agree, apply to the court for an order that it be reduced. If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the liquidator a copy of the application and supporting evidence at least 14 days before the hearing. Unless the court orders otherwise, the costs must be paid by the applicant and not out of the assets of the insolvent company.

7 What if the Liquidator is dissatisfied?

If the liquidator considers that the remuneration fixed by the committee is insufficient he may request that it be increased by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors or in accordance with the official receiver's scale is insufficient, he may apply to the court for it to be increased. If he decides to apply to the court he must give at least 14 days' notice to the members of the committee and the committee may nominate one or more of its members to appear or be represented at the court hearing. If there is no committee, the liquidator's notice of his application must be sent to such of the creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid out of the assets.

8 Other matters relating to fees

8.1 Where the liquidator realises assets on behalf of a secured creditor he is entitled to be remunerated out of the proceeds of sale in accordance with the scale laid down for the official receivers. Usually, however, the liquidator will agree the basis of his fee for dealing with charged assets with the secured creditor concerned.

8.2 Where two (or more) joint liquidators are appointed it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute between them may be referred to the court, the committee or a meeting of creditors.

8.3 If the appointed liquidator is a solicitor and employs his own firm to act in the insolvency, profit costs may not be paid unless authorised by the committee, the creditors or the court.

8.4 There may also be occasions when creditors will agree to make funds available themselves to pay for the liquidator to carry out tasks which cannot be paid for out of the assets, either because they are deficient or because it is uncertain whether the work undertaken will result in any benefit to creditors. Arrangements of this kind are sometimes made to fund litigation or investigations into the affairs of the insolvent company. Any arrangements of this nature will be a matter for agreement between the liquidator and the creditors concerned and will not be subject to the statutory rules relating to remuneration.

9 Provision of information - additional requirements

In any case where the liquidator is appointed on or after 1 April 2005 he must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company. The information which must be provided is -

- the total number of hours spent on the case by the liquidator or staff assigned to the case,

- for each grade of staff, the average hourly rate at which they are charged out,
- the number of hours spent by each grade of staff in the relevant period

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the liquidator's appointment, or where he has vacated office, the date that he vacated office

The information must be provided within 28 days of receipt of the request by the liquidator, and requests must be made within two years from vacation of office



Aaron Environmental 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. This in no way implies that staff at all such grades will work on the case.

GRADE	£
Partner1	451
Partner2	364
Director	313
Senior Manager	266
Manager	227
Assistant Manager	181
Senior Executive	167
Executive	136-153
Cashier	153
Trainee	61
Support staff/Secretary	61

The rates charged by BDO LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5RU 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.

1) Other Costs



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

2) 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), searches at Companies House, land registry searches, fees in respect of swearing legal documents, external printing costs etc. In each case the recharge will be reimbursement of a specific expense incurred.

A further disbursement under this heading is 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 40p per mile is raised which is in line with the Inland Revenue Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff.

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

3) Category 2

Additionally some firms recharge expenses for example postage, stationery, photocopying charges, telephone and fax costs, which cannot economically be recorded in respect of a 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, effective from 1 July 2003, is not to recharge any expense which is not a specific cost to the case, therefore there will be no category 2 disbursements charged. Category 2 disbursements, because they are imprecise, require approval by the creditors before they can be drawn.

BDO LLP

Aaron Environmental Limited - In Creditors Voluntary Liquidation

Summary of Time Charged and Rates Applicable for the Period 20 July 2012

Description	Partner		Manager		Assistant Manager		Senior Administrator		Administrators and Other staff		Grand total		Avg rate	
	Hours	Total (£)	Hours	Total (£)	Hours	Total (£)	Hours	Total (£)	Hours	Total (£)	Hours	Total (£)	Hours	Total (£)
A. Pre Appointment Matters														
B. Steps on Appointment							6 50	1,074 00			6 50	1,074 00		165 23
C. Planning and Strategy	13.25	4,915 75	0 50	116 00			1 50	255 00			15 25	5,286.75		346 67
D General Administration			1.50	298.50	3 85	712 25	20 50	3,485 00	15.30	1,497 60	41 15	5,993.35		145 65
E. Assets Realisation/Dealing			5 25	1,044 75			13.25	2,252 50			18 50	3,297 25		178 23
G Employee Matters							1 50	255 00			1 50	255 00		170.00
H Creditor Claims														
I. Reporting			0 75	189.75	1.15	212.75	0 25	42 50			2 15	445 00		206 98
J. Distribution							2 50	425 00			2 50	425 00		170.00
	13.25	4,915.75	8 00	1,649 00	5 00	925.00	46.00	7,789.00	15.30	1,497 60	87 55	16,776 35		191 62
										Disbursements		343 71		
										Grand total		17,120 06		