

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company L C Mitsiou & Son Limited t/a Mitsiou Estates Group	Company number 02871055
In the High Court (full name of court)	Court case number 6388 of 2013

(a) Insert full name(s) and address(es) of administrator(s)

I/We (a)
 Ninos Koumettou
 AlexanderLawsonJacobs
 1 Kings Avenue
 Winchmore Hill
 London N21 3NA

*Delete as applicable

attach a copy of *my/our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) 14 November 2013

Signed


 Administrator

Dated

14 November 2013

Contact Details:

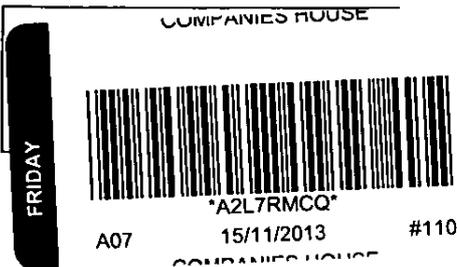
You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to researchers of the public record

Ninos Koumettou
 AlexanderLawsonJacobs
 1 Kings Avenue
 Winchmore Hill
 London N21 3NA

DX Number DX 36953 Winchmore Hill

020 8370 7250
 DX Exchange



When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

Case Admin Samantha George
Our Ref LC31104/NK/SG/AG/3
Date 14 November 2013

**Alexander
Lawson
Jacobs**

To all Known Creditors

Dear Sirs,

**L.C. Mitsiou & Son Limited t/a Mitsiou Estates Group (In Administration)
2nd Floor, Northside House, Mount Pleasant, Barnet, EN4 9EB**

I write further to my appointment as Administrator of the above named Company and to previous correspondence in this respect.

I confirm that my Administrator's Proposals are now due to be issued to creditors. Please therefore be advised that this report can be downloaded directly from our website www.aljuk.com by accessing the cases section and clicking on the company name. If you would prefer to receive a hard copy of the report, please contact the case administrator.

I have attached for your information a copy of the Notice of a Meeting of Creditors, which is due to be held at this office on Tuesday 3 December 2013 at 2.00 pm, together with a proxy form.

If you wish to lodge a claim in the administration and have not already done so, please complete and return the enclosed **Proof of Debt form** and attach any invoices / statements of account where possible.

Please note that the VAT bad debt relief on supplies made may be claimed without further reference to or acknowledgement from me provided that six months have elapsed since the date of supply and the debt has been written off in your books. A guide on how to claim bad debt relief can also be downloaded from our website in the **downloads** area.

If you require more information on any of the above, please contact the case administrator.

Yours faithfully,
For and on behalf of
L.C. Mitsiou & Son Limited t/a Mitsiou Estates Group (In Administration)



**Ninos Koumettou FCA, FCCA, FABRP
Administrator**

(Licensed to act as an Insolvency Practitioner in the UK by the
Institute of Chartered Accountants in England & Wales)

The affairs, business and property of a company in Administration are managed by the Administrator, who acts as an agent of the company over which he is appointed at all times and without personal liability.

Chartered Accountants | Corporate Recovery & Insolvency Specialists
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E info@aljuk.com www.aljuk.com

AlexanderLawsonJacobs, ALJ and ALJUK are trading names of Alexander Lawson Jacobs Ltd
Company registered in England No 5814561. Registered office as above.



Notice of an Initial Meeting of Creditors – Administration

Para 51 Schedule B1 Insolvency Act 1986 and Rule 2.35 of The Insolvency Rules 1986 (as amended)

Registered name of Company	L C Mitsiou & Son Limited
Court / Court Number	High Court - 6388 of 2013
Registered number	02871055
Registered office	1 King's Avenue, Winchmore Hill, London, N21 3NA
Principal trading address	2nd Floor, Northside House, Mount Pleasant, Barnet, EN4 9EB
Former registered names (in previous 12 months)	Not Applicable
Trading names or styles	t/a Mitsiou Estates Group

Notice is hereby given that an initial meeting of creditors of the above named company is to be held at the offices of Alexander Lawson Jacobs, 1 Kings Avenue, Winchmore Hill, London, N21 3NA on Tuesday 3 December 2013 at 2.00 pm for the purpose of considering the Administrator's statement of proposals and to consider establishing a creditors' committee. If no creditors' committee is formed at this meeting a resolution may be taken to fix the basis of the Administrator's remuneration.

A proxy form is enclosed which should be completed and returned to Ninos Koumettou by the date of the meeting if you cannot attend and wish to be represented. In order to be entitled to vote under Rule 2.38 at the meeting, you must give to Ninos Koumettou, details in writing of your claim not later than 12.00 hours on the business day before the day fixed for the meeting.

Name of office holder 1	Ninos Koumettou
Office holder 1 IP number	002240
Postal address of office holder(s)	1 Kings Avenue, Winchmore Hill, London N21 3NA
Office holder's telephone no and email address	020 8370 7250 and sam@aljuk.com
Date of Appointment	26 September 2013
Capacity of office holder(s)	Administrator
Alternative contact for enquiries on proceedings	Samantha George

Proxy (Administration)

L.C Mitsiou & Son Limited t/a Mitsiou Estates Group
In Administration

Name of Creditor _____

Address _____

Name of Proxy Holder

Please insert name of person (who must be 18 or over) or the Chairman of the Meeting. 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

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 proxy holder at the meeting of creditors to be held on Tuesday 3 December 2013, 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)

Voting Instructions for resolutions

*Please delete as appropriate

1 For the acceptance/rejection* of the administrator's proposals/revised proposals* as circulated

2 For the appointment of

of

representing _____

as a member of the creditors' committee

This form must be signed

Signature _____ Date _____

Name in CAPITAL LETTERS _____

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

Position with creditor or relationship to creditor or other authority for signature

Remember, there may be resolutions on the other side of this form

Rule 4 73 PROOF OF DEBT - GENERAL FORM

Form 4.25

In the matter of L C. Mitsiou & Son Limited
and in the matter of The Insolvency Act 1986

Date of Administration 26 September, 2013

1	Name of Creditor	
2	Address of Creditor	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)	£
4	Details of any document by reference to which the debt can be substantiated [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5	If the total amount shown above includes Value Added Tax, please show - (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6	If total amount above includes outstanding uncapitalised interest please state amount	£
7	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
9	Particulars of how and when debt incurred	
10	Particulars of any security held, the value of the security, and the date it was given	£
11	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	

Admitted to Vote for £

Date

Liquidator / Chairman Signed

Software Supplied by Turnkey Computer Technology Limited, Glasgow

Added to IPS (tick)	
Date	
Who by	

L.C. Mitsiou & Son Limited t/a Mitsiou Estates Group ('the Company')
(In Administration)
High Court No. 6388 of 2013

Administrator's Statement of Proposals
Pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986

The Administrator of the Company makes the following statement in discharge of his obligations pursuant to the provisions of Schedule B1 to the Insolvency Act 1986.

1. Introduction

- 1.1. This Report is addressed to all known creditors of the company and incorporates the Administrator's Proposals. These Proposals are to be considered at the creditors' meeting called pursuant to paragraph 51 of Schedule B1 of the Insolvency Act 1986 to be held at the offices of Alexander Lawson Jacobs, 1 Kings Avenue, Winchmore Hill, London, N21 3NA on Tuesday 3 December 2013 at 2 00 pm
- 1.2. Creditors may approve the Proposals with or without modifications, subject to the Administrator's agreement to any such modifications. If the Proposals are rejected by creditors then a report will be sent to the High Court reporting the outcome of the same. The Court may then discharge the Administration and make consequential directions or alternatively, it may adjourn the Hearing or make some other Order as it thinks fit

2. Appointment and Purpose

2.1. On 26 September 2013, I, Ninos Koumettou of Alexander Lawson Jacobs ("ALP") of 1 Kings Avenue, Winchmore Hill, London, N21 3NA, a licensed Insolvency Practitioner authorised to act in the UK by the Institute of Chartered Accountants in England & Wales, was appointed Administrator of the Company, further to an application made by the Company's director, Mr Loucas Constantinou Mitsiou, in accordance with Schedule B1 to the Insolvency Act 1986.

2.1.1. The statutory purpose of an Administration consists of a single three-tiered purpose.

- (i) The first objective is to rescue the Company as a going concern which involves rescuing the Company with all or most of its business intact
- (ii) The second objective (to be considered only if the first objective is not reasonably practical or would clearly be better for creditors as a whole) is to achieve a better result for the creditors than would be obtained through an immediate winding up of the Company.
- iii) The third objective is realising property in order to make a distribution to one or more secured or preferential creditors.

2.1.2. The first objective of an Administration was unlikely to be met, as without an immediate injection of working capital, the Company could not be rescued as a going concern. The Company had ceased trading prior to my appointment, having granted a Licence to an unconnected third party to operate the business as from 1 July 2013. It was therefore not feasible for attempts to be made to seek the substantial investment which would have been required by the Company. In addition neither Mr Mitsiou, the Company's director, nor its shareholder, L C Mitsiou Estates Limited ("Estates"), were in a position to inject the funds which would have been required and, accordingly, it was decided that this objective was therefore not viable

2.1.3. In this case, and for the reasons set out below, my appointment was based on the second objective which was to achieve a better result for the Company's creditors as a whole than would be likely if the company were wound up (without first being in administration).

3. Security

There is currently one outstanding Charge registered against the Company

Lloyds Bank Plc (formerly Lloyds TSB Bank Plc) ("Lloyds") holds a Debenture, incorporating a Fixed and Floating charge, which was created on 16 April 2013. As at the date of the Administration, there was no known outstanding debt due to Lloyds. I understand that Lloyds are also a secured creditor of Estates and hold various charges over that company, in addition to Cross Guarantees from both the Company and Estates. The director has confirmed that the assets owned by Estates are more than sufficient to cover its outstanding indebtedness to Lloyds and therefore it is unlikely that the Company's guarantee, in this respect, will be called upon.

4. Recent History and Circumstances Giving Rise to the Appointment of an Administrator

The Company was incorporated on 11 November 1993 and initially traded as a fashion company. In early 2003, the Company changed its activities and its sole focus became property. The Company's main activity prior to its Administration was the supply of accommodation for the homeless, primarily in the North and East of London, with its clients including the London Boroughs of Enfield, Barnet, Haringey and Waltham Forest.

The Company approached landlords and contracted to lease (usually on a 3 year basis) their properties, on a full repairing basis, at a fixed rent. The property would then be offered to the Council at a fixed rent / temporary accommodation basis, whether for one night, one month or up to a maximum of 3 years. Due to the nature of the tenants however, who were often unstable (either financially, mentally or emotionally), the tenancy tended to be very short and, as such, any void of occupancy was usually the liability of the Company rather than the local authority.

Whilst the rent was fixed with each respective landlord for the period of the contract, rents were only fixed with the local authorities for the period that their tenants were in occupation and a constant reduction in rents paid by local authorities, in line with central government budget reductions over the past few years, squeezed margins even further.

All repairs to each individual property, including replacing furniture, was also the responsibility of the Company and the costs, in line with the rapid turnover of tenants, often outweighed the 18% - 20% gross profit margin.

The Company always struggled with its cashflow and this was predominantly as a result of the various landlords being paid one month in arrears, whilst the local authorities were generally invoiced by the Company one month in arrears but did not pay until 30 days after invoice date. Notwithstanding its cashflow issues, the Company has generally been profitable over the last few years.

The Company had always banked with Laiki Bank UK and had been granted an overdraft facility of £500,000 together with a further loan in the sum of £800,000, both of which the Company relied upon heavily in order to facilitate its day to day working capital requirements.

However, following the demise of Laiki Bank in Cyprus, after an EU bailout for the Republic of Cyprus on 2 April 2013, the following announcement was made by The Bank of England in respect of Laiki Bank UK:

Under the legal decree setting out the arrangements put in place by the Cypriot authorities, a number of customers whose accounts are in overdraft will not be transferred to Bank of Cyprus UK. These accounts are now frozen at Laiki Bank UK and customers in overdraft will no longer have banking facilities at Laiki Bank UK. Customers in overdraft will need to contact Laiki Bank UK if they have any questions about what this means for them. Customers who had an overdraft facility but were in credit need to be aware that this facility has been cancelled. Additionally, mortgages and loans that customers have will not be transferred to Bank of Cyprus UK. These services have been transferred to the Bank of Cyprus and customers will be contacted directly in due course. However, customers should make repayments as normal.

The immediate impact on the Company's financial position was that payments made into the Laiki Bank UK bank account, served the sole purpose of reducing the bank overdraft, leaving no funds to pay ongoing trading expenditure. At the same time, the Bank expected its loans to be serviced in the normal way. The Company's director took immediate steps to mitigate the effects on the business, by funding company expenses out of personal funds, until arrangements could be made to open an alternative bank account but this was not sufficient. The Company's funds continued to be paid directly into Laiki Bank UK, significantly reducing the cashflow and as a result landlords became uneasy about the Company's ability to pay the rent due to them and started withdrawing their properties, causing disruption to the Company's business. The Company tried to obtain alternative facilities in the other UK banks but this was proved difficult due to the existence of a Debenture from Laiki Bank UK which stipulated that all monies from debtors could only be paid into the Laiki UK bank account. The Company made attempts to manage its day to day cash flow and the director entered into negotiations with HM Revenue & Customs ("HMRC"), with a view to arranging time to pay in respect of the Company's VAT and Corporation Tax liabilities. Although instalments were agreed with HMRC, the obligation which HMRC had insisted upon proved to be extremely onerous and fell short in bridging the gap left by the withdrawal of the Company's overdraft facility which had already caused severe stress on cash flow and damage to the Company's business and reputation.

The only way that the Company was eventually able to overcome the Laiki Bank situation and to obtain banking facilities was to transfer all its property portfolio to its parent company, who then refinanced with Lloyds TSB Bank Plc who, in turn, agreed to provide facilities for the whole group. Unfortunately, however, substantial damage had been done to the Company's business and the director was subsequently as a result forced to cease trading on 30 June 2013.

In addition to the issues set out above, the Company had also been in negotiation for some time with certain gas and electricity suppliers, concerning amounts showing on their systems as due, in relation to the properties which were managed by the Company. The amounts have been in dispute for some time and the Company has managed to reduce the amounts demanded by these suppliers significantly as a result of carrying out a considerable amount of reconciliation work. Work is still required in order to bring the dispute to a conclusion but it appears, based on current information, that once this has been finalised then these suppliers will actually be significant debtors and not creditors of the Company.

In view of the above factors, the Company's accountant suggested that the director seek professional advice with regards to potential insolvency options and it was as a result of this advice that Alexander Lawson Jacobs were approached by the Company's director.

5. Statutory Information

5.1. The Company's statutory information is detailed below -

<i>Registered no</i>	02871055
<i>Date of incorporation</i>	11 September 1993
<i>Registered office</i>	1 Kings Avenue, Winchmore Hill, London, N21 3NA (formerly 1 st Floor, Woodgate Studios, 2-8 Games Road, Cockfosters, Barnet, Hertfordshire, EN4 9HN)
<i>Authorised share capital</i>	100 Ordinary shares of £1.00 each
<i>Issued share capital</i>	100 Ordinary shares of £1.00 each
<i>Shareholders</i>	L C Mitsiou Estates Limited – 100 Ordinary Shares
<i>Directors</i>	Loucas Constantinou Mitsiou - (Appointed 11 November 1993) Costas Mitsiou – (Appointed 12 February 2003 / Resigned 11 January 2010)
<i>Secretary</i>	Niki Mitsiou
<i>Charges</i>	<i>Registered</i> 20/04/2013 Contains Fixed Charge. Lloyds TSB Bank Plc Contains Floating Charge. Floating Charge covers all the Property or Undertaking of the Company.

6. Commencement of Involvement of Alexander Lawson Jacobs

I first met with the Company's director on 7 August 2013 in order to discuss the Company's financial position and the various options available, such as a Company Voluntary Arrangement ("CVA"), Creditors' Voluntary Liquidation ("CVL") or Administration

The possibility of a CVA was considered first but the Company's director advised that the Company had insufficient funds / working capital to enable it to continue trading and, in any event, had already ceased to trade with effect from 30 June 2013. At the same time, the Company had entered into a License Agreement with a third party, namely Urban Land Management Ltd ("Urban Land") which allowed that company to take over the running of the Company's business for a monthly license fee of £500 00. In accordance with the terms of the License, Urban Land undertook to operate and maintain the business of the Company and preserve the Company's goodwill, pending any subsequent sale. The Company's director further advised that negotiations had been entered into with various Councils, as well as the landlords from whom it leased properties, in order to ensure the continued provision of accommodation / services through Urban Land and to maintain and preserve the Company's business and / or goodwill. It was considered that if these provisions had not been put in place then the effect on the business would have been catastrophic and the repercussions on the tenants and the Councils disastrous

In view of these circumstances, it was decided that CVA was not a viable option.

Although CVL was an option, it was considered that if the Company entered Liquidation, it would further diminish any value which could be attributed to both the business and goodwill, in the event that a sale of these assets could be achieved in due course. Furthermore, it was considered unlikely that Councils and landlords would be willing to novate their contracts in the event of a CVL.

In view of the above, it was considered that Administration was the most favourable option for the Company, with a view to achieving a sale of the Company's business and goodwill, as referred to further below. However, whilst it was considered that Administration was the best course of action for the Company, as the Company had already ceased trading, it was not viable for any form of trading to be carried out by the Administrator, once the Company entered Administration. Furthermore, the director felt it imperative that the situation regarding the transfer of the rented accommodation to Urban Land be concluded prior to the Company entering Administration, which would, in turn, enable the continued provision of accommodation to the various Councils and thus ensure a smooth transition, pending a formal sale of the Company's business / goodwill.

The director subsequently confirmed in early September 2013 that, despite his negotiations, not all the landlords and Councils had agreed to the respective Contracts being novated to Urban Land. He did, however, confirm that circa 80% of the properties had been transferred, at least on a temporary basis, to Urban Land with the remaining properties being taken back by the respective landlords to deal with directly and that, in addition, a number of the Councils had also agreed for Urban Land to continue to provide them with temporary accommodation

Accordingly, it was therefore resolved that Mr Loucas Constantinou Mitsiou, on behalf of the Company, file a Notice of Intention to appoint an Administrator and I was formally instructed to prepare the necessary documentation for this on 13 September 2013

7. Financial Information

7.1. The Company's accounts reveal the following results -

	<i>Period 1 January 2013 to 31 May 2013 (Draft Accounts)</i>	<i>Year Ended 31 December 2012</i>	<i>Year Ended 31 December 2011</i>	<i>Year Ended 31 December 2010</i>
Turnover	930,135	2,548,303	2,593,445	3,487,268
Gross Profit/Loss	372,104	559,210	621,027	862,813
Directors' Emoluments	Nil	Nil	Nil	Nil
Net Profit/Loss	1,645,038 *	1,336	(39,802)	114,600
Dividends	2,654,117	Nil	Nil	Nil
Profit / Loss Accumulated Bal.	18,105	1,027,184	1,025,848	1,065,650

* Including a profit on disposal of fixed assets of £1,514,468

8. Management by the Administrator since his appointment

8.1. I can confirm that the appropriate documents were filed with the Court. Notice of my Appointment has been given to the Registrar of Companies and to all known creditors. Details of my appointment were also advertised in the London Gazette

8.2. I can confirm that, upon my appointment, my agents, Rabbow & Co, were appointed in order to review the Company's position and provide a valuation and report on the Company's business, specifically on the Contracts, including any Goodwill within such contracts, which continued to be performed by Urban Land under the terms of the License Agreement

8.3. The agent confirmed that all of the Company's contracts were non assignable on cessation of the business or upon insolvency and all contracts signed with the landlords contained a termination clause in the event of insolvency. The agent further confirmed that only in the case of 103 properties were the landlords willing to transfer to Urban Land and, as such, his valuation could only be provided in relation to the Contracts / Goodwill in relation to these properties.

8.4. As such, the agent confirmed that, in his opinion, the Contracts which were being preserved by Urban Land had a value of £32,500 to a willing buyer but would not be worth anything in a forced sale scenario. I further understand that the furniture, fixtures & fittings contained in those properties are basic items and are of poor quality and therefore, although these appear on the Company's accounts to have a significant book value, of circa £100,000, which has built up over a period of time, in view of the nature of these assets, it would be unlikely that they would realise anything in either a sale to a willing purchaser or in the event of a forced sale. It is also the case that, as these items are contained in the various properties, spread out over North and East London, the costs of recovering, marketing and sale of these assets were likely to outweigh any potential realisation which could be achieved in this respect

- 8.5. It was determined that marketing and selling the Company's Contracts could prove problematic, in view of the nature of the business, since any willing purchaser would require the relevant credentials to be able to take over a business of this nature. In addition, any sale would also be dependent on the willingness of both the landlords and the local authorities to the transfer of the Company's Contracts, in view of the relevant insolvency clauses contained therein.
- 8.6. To this end, it was determined that, as both landlords and local authorities had already agreed, in principal, to the relevant Contracts being transferred to Urban Land, that it would be more beneficial and less disruptive for those Contracts to be sold on a formal basis to Urban Land.
- 8.7. I can confirm that the director of Urban Land had already indicated an interest in purchasing the Company's Contracts and initially submitted an offer of £20,000 which, after consultation with my agent, was rejected. An increased offer in the sum of £25,000 was subsequently received, to include the Company's furniture, fixtures & fittings. The purchaser advised that this offer was made on the basis that it had been managing the business for 4 months and that substantial financial risks had been identified, including, but not limited to, rent void periods, the dilapidated condition of the properties and the furniture contained therein, and the vulnerability to the short term rental rates offered by the various local authorities. After taking into account all the circumstances surrounding the Company's business, our agent recommended that the increased offer that was received from Urban Land should be accepted.
- 8.8. I can confirm that solicitors were instructed in order to prepare a Sale Agreement and that the sale of the Company's contracts is due to be completed on 15 November 2013. The terms of the agreement state that the purchaser is to pay an initial lump sum of £15,000 upon completion and that the balance of £10,000 is to be paid in two monthly instalments, each in the sum of £5,000, on or before the 15th of every month after the Completion Date.
- 8.9. As stated above, prior to my appointment, the Company entered into a License Agreement with Urban Land with effect from 1 July 2013, from which a monthly license fee of £500.00 was payable. I can confirm that fees amounting to £2,250.00 became payable under the terms of the agreement and that, as per the attached receipts and payments, these monies have been received in full.
- 8.10. Creditors are advised that, as can be seen on the attached Receipts and Payments account, credits amounting to £160 80 have been received from two utility companies in relation to refunds which were due to the Company.
- 8.11. As stated above, prior to its Administration the Company had been negotiating for some time with certain gas and electricity suppliers, concerning disputed amounts showing on their systems in relation to the properties which were managed by the Company. Copies of the relevant accounts have been provided to this office and detailed reconciliations, in relation to these accounts, remain in progress. It would appear however, that based on the information to hand, there is a balance of at least £4,000 which is actually due to be repaid to the Company in relation to overpayments made. This matter will need to be fully agreed and resolved with the relevant utility company and creditors will therefore be updated further in relation to this matter in due course.
- 8.12. Creditors are advised that the Administrator intends to review the transaction disposing of the Company's property portfolio, as referred to in Section 4 above, to ensure that it was carried out at full market value. Similarly, he will review the dividend declared earlier this year to ensure that it was properly declared and justified at the time of payment. Any appointed Liquidator will be able to continue to consider these matters if and when the Company proceeds into Liquidation.

9. Prescribed Part

9.1. Under the provisions of Section 176A of the Insolvency Act 1986, an Administrator must state the amount of funds available to unsecured creditors in respect of the prescribed part. This relates to a percentage of the Company's assets being set aside for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property". A Company's net property is that left after paying the expenses of the administration and any preferential creditors, but before paying the lender who holds a floating charge. An administrator has to set aside:

a) where the Company's property does not exceed £10,000 – 50% of that property,

b) where it exceeds £10,000

i) 50% of the first £10,000 of the net property and

ii) 20% of the remaining net property up to a maximum of £600,000

9.2. Whilst the Company gave a floating charge to Lloyds TSB Bank Plc, no outstanding liability was due to the Bank as at the date of my appointment and, accordingly, whilst the prescribed part provisions would apply, all funds realised are available for unsecured creditors in any event, in this instance.

9.3. It appears that there will be sufficient funds available to enable the payment of a dividend to the Company's unsecured creditors. Creditors will therefore be updated on the quantum of such dividend to be paid in due course.

10. Creditors' Claims

10.1. The attached Statement of Affairs, at Appendix I, incorporates the amounts provided by the director and is accurate to the best of his knowledge and belief.

10.2. Given that the Company's staff were all either transferred to Urban Land or were made redundant prior to the Company's Administration, it is not expected that there will be any preferential claims in respect of unpaid wages & holiday pay.

10.3. The Company's outstanding non-preferential unsecured creditors' claims are £322,402.46, per the director's Statement of Affairs, and I can confirm that, so far, I have received formal claims totalling £398,171.14. The difference in the amount specifically relates to an estimated claim which has been submitted by HMRC in relation to VAT. The Administrator is in the process of ensuring all outstanding VAT returns are filed by the Company so that a final claim can be submitted by HMRC in this respect.

10.4. Any creditor who has yet to submit a claim is requested to do so forthwith. In this regard a Proof of Debt Form is attached at Appendix II for this purpose. I have also enclosed guidance notes on VAT Bad Debt relief at Appendix III.

11. EC Regulation on Insolvency Proceedings

11.1. I am required under the Insolvency Rules 1986 to state whether, and if so the extent, to which the above regulations apply to this Administration. In this particular case, the EC Regulation will apply and these proceedings will be main proceedings as defined in Article 3 of the EC Regulation.

11.2. The Company's registered office is in the UK and therefore, in the absence of proof to the contrary, the Company's centre of main interests is in the United Kingdom.

12. Statement of Affairs

- 12.1. A statement as to the affairs of the Company has been prepared as at 26 September 2013. A copy of this is enclosed for creditors' information within this bundle of documents at Appendix I.
- 12.2. The Statement of Affairs has been prepared from the Company records and other information available and/or provided by or on behalf of the director. Notes to the Statement of Affairs have also been prepared but we have not carried out any audit or detailed verification work on the information contained therein.

13. Administrator's Proposals

- 13.1. Pursuant to Paragraph 49 of Schedule B1 of the Act, this report sets out the Administrator's Proposals for achieving the purpose of the Administration. A summary of the Proposals is at Section 2 of this report.
- 13.2. I also attach a summary of my receipts and payments, at Appendix IV, relating to the Company for the period 26 September 2013 to 13 November 2013.
- 13.3. It is proposed that the Administration will continue to allow the deferred sale proceeds to be realised, thus ensuring that the purpose of the Administration can be achieved.
- 13.4. Once the deferred sale proceeds have been received to ensure that there are sufficient funds available to enable a dividend to be paid to the Company's unsecured creditors, the purpose of the administration will have been achieved and the Administration can be concluded.

14. Proposed Exit Route of Administration

- 14.1. The Insolvency Act 1986 and Insolvency Rules 1986 provide a variety of options regarding the possible exit routes for the Company from Administration, being primarily a Company Voluntary Arrangement, Liquidation or Dissolution of the Company. It is my recommendation and proposal that the Administrator should remain in office until the monies from the sale of the Company's Contracts / Goodwill have been received, together with any other potential assets. Once sufficient monies have been realised to ensure a dividend will be paid to the Company's unsecured creditors, then, as soon as reasonably practicable, a Notice will be filed with the Registrar of Companies (in Form 2 34B) bringing the Administration to an end and placing the Company into Creditors Voluntary Liquidation ("CVL") and a final report will also be issued to creditors. This will enable the payment of a dividend to the Company's unsecured creditors from the funds held in the estate.
- 14.2. It is further my recommendation and proposal that, in the event the Company enters Creditors Voluntary Liquidation, I should be appointed Liquidator.
- 14.3. Should it subsequently transpire that, for any reason, the above course of action is not possible and there are insufficient funds with which to make a dividend to unsecured creditors, then I will take the necessary steps to place the Company into Compulsory Liquidation.
- 14.4. Under the amended provisions of the Insolvency Act 1986, there is no requirement for an additional meeting of members and creditors to be convened to place the Company into CVL or to appoint a liquidator. This is because the creditors can agree to the process and to the nominated Liquidator at the meeting to be held on Tuesday 3 December 2013. As a result, the move from Administration to CVL is a simple procedure.

14.5. However, creditors should note that, in accordance with paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.117(3) of the Insolvency Rules, they may nominate an alternative liquidator at any time after the Proposals have been received but before they are actually approved

15. Administrator's Remuneration & Expenses

15.1. In accordance with Rule 233(2A) of the Insolvency Rules 1986, I would advise creditors that on 13 September 2013, I agreed with the directors a pre-appointment fee of £10,000 plus VAT. I can confirm that this payment was received in full from the Company's director personally prior to my appointment

This payment was to cover all my work in connection with the Company's Administration including the following

- Various meetings with the Company's director and associated discussions
- A full review of the Company's financial position and consideration of the relevant insolvency procedure in order to maximise realisations for creditors.
- Preparation and filing of all necessary documents to facilitate the Company's Administration

It was essential that this work was carried out in order to determine the best way in which to manage the Company's affairs and to decide upon the appropriate course of action. In my view all actions undertaken pre-administration have ensured the best possible outcome for creditors and the achievement of the purpose of the administration ie a better return for creditors as a whole.

15.2. I am proposing to be remunerated for post appointment work by reference to the time properly spent for my services and those of my staff in dealing with matters arising from the Administration. A description of the routine work undertaken in the Administration, to date, is as follows:

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 case management software
- Case bordereau.
- Case planning and administration
- Preparing reports to members and creditors
- Convening meetings of creditors.

Cashiering

- Maintaining and managing the administrator's cashbook and bank account.
- Ensuring statutory lodgements are met

Creditors

- Dealing with creditor correspondence.
- Preparing reports to creditors
- Maintaining creditor information on IPS case management software.
- Reviewing, and adjudicating on if necessary, proofs of debt received from creditors
- Various meetings and discussions with the Company's director regarding the purported liability to the Company's gas / electricity provider as well as extensive reviews and

reconciliation of the accounts held

Investigations

- Interim review of Company accounts / financial information & associated discussions with the Company's director.

Realisation of Assets

- Liaising with our agent in relation to the valuation for the Company's Contracts & other assets as well as the offers received from Urban Land.
- Liaising with both the purchaser and our solicitors in relation to the finalisation and completion of the Company's Sale Agreement

15.3. I am obliged, pursuant to Statement of Insolvency Practice 9, to provide creditors with details relating to the time costs and the disbursements that have been incurred by myself and my staff to date. I therefore attach at Appendix V a summary of my own and my firms' time costs for the period 26 September 2013 to 13 November 2013 wherein you will note that the time costs incurred during this period amounted to £12,478.00 plus VAT. This represents a total of 54.50 hours and equates to an average hourly rate of £228.95.

15.4. I also attach at Appendix VI a Creditors' Guide to Fees together with my firms Practice Fee Recovery Policy for your reference and this details the staff hourly charge out rates relevant to this Administration. I can confirm that time is charged in 6 minute units.

15.5. I also propose to recover my disbursements and expenses in accordance with the rates set out in the Creditors' Guide to Fees and Practice Fee Recovery Policy. 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. These are detailed in the attached Administrator's guide to fees. However, I would summarise these as follows,-

Category 1 expenses are attributed to the estate and are recoverable in full from the estate without the prior approval of creditors. This will include the cost of statutory advertising, external meeting room hire, external storage, specific bond insurance, company search fees and postage.

Category 2 expenses are incurred by the firm and recharged to the estate. 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, and internal storage.

The following expenses have been incurred in relation to this matter -

Type of category 1 disbursement	Amount incurred but not paid £
Indemnity Bond	120 00
Company Search	9 00
Statutory Advertising	77 50
Postage	21.86
Room Hire (external)	0.00
Type of category 2 disbursement	Amount incurred but not paid £
Room Hire (internal)	0 00
Photocopying	18 48
Storage of Books and Records	0.00
Other	0.00

15.6. The approval of the basis of my remuneration and expenses, as Administrator, forms part of these Proposals for which approval is being sought, however, if a creditors' committee is appointed at the forthcoming meeting of creditors then I will seek approval from that committee instead

16. Administrator's Investigations

16.1. I am required, under the Company Directors' Disqualification Act 1986 and related subordinate legislation, to make a return no later than six months from the date of my appointment in respect of every person who was on that date a director or shadow director of the Company, or who was a director or shadow director of the Company at any time in the three years immediately preceding that date. If you have any information, other than what we have reported upon above, which you consider may be relevant to my report you should provide me with details without delay, either on the attached questionnaire on directors' conduct at Appendix VII herewith or in any other appropriate written form

17. Members' and Creditors' Voting Rights

17.1. Creditors are entitled to vote for the amount of their debt as at the date of my appointment subject to their submission of any proxy they intend to use and written details of their debt not later than 12 noon on the business day before the day fixed for the meeting. A form of Proxy is enclosed herewith at Appendix VIII. Creditors who have unliquidated or unascertained debts may only vote if I agree to place an estimated minimum value upon their debt for the purpose of voting entitlements. I have the right to reject any creditor's claim in whole or in part for the purpose of his or her entitlement to vote. Any creditor whose claim is so rejected has the right of appeal to the Court within 28 days. Full details of creditors' entitlement to vote, is set out in Rule 2.38, the text of which is attached at Appendix IX

18. Further Information

18.1. I will report to creditors on the progress of the Administration, in accordance with my statutory obligations

A handwritten signature in black ink, appearing to read 'Ninos Koumettou', written over a faint, circular stamp or watermark.

**Ninos Koumettou FCA, FCCA, FABRP
Administrator**

**(Licensed to act as an Insolvency Practitioner in the UK by the
Institute of Chartered Accountants in England & Wales)**

14 November 2013

The affairs, business and property of a company in Administration are managed by the Administrator, who acts as an agent of the Company over which he is appointed at all times without personal liability

**L.C. Mitsiou & Son Limited t/a Mitsiou Estates Group ('the Company')
In Administration**

Summary of the Administrator's Proposals

Summary of the Administrator's Proposals under Paragraph 49 of Schedule B1 to the Insolvency Act 1986

In accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986, **Ninos Koumettou**, the Administrator of Double Check Security Limited, makes the following proposals for achieving the purpose of the Administration, which came into effect on 26 September 2013

These summary Proposals and the attached report to creditors together set out the information required of the Administrator and discharges his duties pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986.

An initial meeting of the Company's creditors to consider these Proposals has been convened for Tuesday 3 December 2013 at 2 00 pm

SUMMARY PROPOSALS

- **That the Administrator does all such things and generally exercises all his powers in order to achieve objective 2 of the statutory purpose of the Administration,**
- **That the Administrator should remain in office until the monies from the sale of the Company's Contracts / Goodwill have been received, together with any other potential assets. Once sufficient monies have been realised to ensure a dividend will be paid to the Company's unsecured creditors, then, as soon as reasonably practicable, a Notice will be filed with the Registrar of Companies (in Form 2 34B) bringing the Administration to an end and placing the Company into Creditors Voluntary Liquidation ("CVL") and a final report will also be issued to creditors. This will enable the payment of a dividend to the Company's unsecured creditors from the funds held in the estate**
- **That it is further my recommendation and proposal that, if the Company enters Creditors Voluntary Liquidation, I should be appointed liquidator.**
- **That should it subsequently transpire, for any reason, the above course of action is not possible and there are insufficient funds with which to make a dividend to unsecured creditors, then I will take the necessary steps to place the Company into Compulsory Liquidation**
- **That the Administrator's Remuneration be fixed on a time costs basis with regard to time properly spent by him and his staff in the conduct of the case. Details of time rates by grade of staff likely to be utilised on the case are set out in the attached Creditors' Guide to Fees. Creditors are hereby provided with pertinent information with regard to these costs and will be provided up to date details in all future Reports Category 1 and 2 expenses are to be fixed at the rates set out in the attached Creditor's Guide to Fees & Alexander Lawson Jacobs Practice Fee Recovery Policy. The Administrator's Remuneration and disbursements are to be discharged as far as possible prior to the Administrator applying for the discharge of the Administration.**

- That should a Creditors' Committee be established at the forthcoming meeting of creditors scheduled to take place on Tuesday 3 December 2013, the Administrator is to consult with the Committee in relation to matters concerning the conduct of the Administration and with regard to the fixing of remuneration and expenses.



**Ninos Koumettou FCA, FCCA, FABRP
Administrator**

(Licensed to act as an Insolvency Practitioner in the UK by the
Institute of Chartered Accountants in England & Wales)

14 November 2013

The affairs, business and property of a company in Administration are managed by the Administrator, who acts as an agent of the Company over which he is appointed at all times without personal liability

Insolvency Act 1986

L C Mitsiou & Son Limited t/a Mitsiou Estates Group
Estimated Statement Of Affairs as at 26 September 2013

	Book Value £	Estimated to Realise £	Estimated to Realise £
ASSETS			
Furniture, Fittings & Equipment	100,441 00		Uncertain
Contracts / Goodwill			Uncertain
British Gas - Gas / Electricity Refund			Uncertain
			<u>NIL</u>
LIABILITIES			
PREFERENTIAL CREDITORS -			
			<u>NIL</u>
			NIL
DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003			
OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS			
			<u>NIL</u>
			NIL
Estimated prescribed part of net property where applicable (to carry forward)			
			<u>NIL</u>
			NIL
DEBTS SECURED BY FLOATING CHARGE POST 15 SEPTEMBER 2003			
			<u>NIL</u>
			NIL
Estimated prescribed part of net property where applicable (brought down)			
			<u>NIL</u>
			NIL
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)			
Trade & Expense Creditors		17,476 89	
Rates		21,483 78	
HM Revenue & Customs - Corp Tax		15,555 19	
HM Revenue & Customs - PAYE/NIC		363 36	
HM Revenue & Customs - VAT		267,523 24	
			<u>322,402 46</u>
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F C's post 14 September 2003)			
			<u>(322,402 46)</u>
			(322,402 46)
Issued and called up capital			
Ordinary Shareholders		100 00	
			<u>100 00</u>
TOTAL SURPLUS/(DEFICIENCY)			<u><u>(322,502 46)</u></u>

AlexanderLawsonJacobs
L.C. Mitsiou & Son Limited t/a Mitsiou Estates Group
B - Company Creditors

Key	Name	Address	£
CA00	Affinity Water	Tambin Way, Hatfield, Hertfordshire, AL10 9EZ	159 84
CA01	Atlantic	Customer Service Centre, PO Box 7406, Perth, PH1 3ZY	149 14
CA02	Audi Finance	Brunswick Court, Yeomans Drive, Blakelands, Milton, MK14 5LR	1,143 98
CB00	Bank of Cyprus	formerly The Cyprus Popular Bank Ltd / , Marfin Popular Bank Public Co Ltd, 87 Chase Side, Southgate, London, N14 5BU	0 00
CB01	British Gas	PO Box 4805, Worthing, BN11 9QW	0 00
CB02	British Telecom	Providence Row, Durham, DH98 1BT	271 76
CC00	Channel Telecom Ltd	Channel House, 78 High Street, Epping, CM16 4AE	176 96
CE00	EDF Energy	Freeport RRYZ-BRTT-CBJS, Osprey House, Exeter, EX2 7WN	3,411 40
CE01	Essex & Suffolk Water	Customer Centre, PO Box 292, Durham, DH1 9TX	334 37
CE02	Enfield Parking Services	Civic Centre, Silver Street, Enfield, EN1 3XD	110 00
CH01	HMRC - National Insolvency Unit - [VAT]	5th Floor, Regian House, James Street, Liverpool L75 1AD	267,523 24
CH02	Haringey Council	Revenues, Benefits & Customer Services, PO Box 10505, Wood Green, N22 7WJ	4,869 28
CH03	HSBC Invoice Finance (UK) Ltd	21 Farncombe Road, Worthing, BN11 2BW	190 46
CH04	HMRC - CT	CT Operations S1564, PO Box 3900, Glasgow, G70 6AA	15,555 19
C100	HMRC - Insolvency (ICHU) (PAYE/NIC)	Room BP3202 Warkworth House, Benton Park View Longbenton, Newcastle Upon Tyne, NE98 1ZZ	363 36
C101	ISO Quality Services Ltd	Quality Suite, Oak House, Everoak Industrial Estate, Bromyard Road, Worcester, WR2 5HP	1,674 00
C102	Investec Asset Finance Plc	C/O Baker Tilly, Salisbury House, 31 Finsbury Circus, London, EC2M 5SQ	2,674 26
CL00	Lloyds Bank Plc (Insolvency)	Wholesale Banking Recoveries, Bank House, Wine Street, Bristol, BS1 2AN, DX 78180 BRISTOL	0 00
CL01	London Borough of Redbridge	Security Given Fixed & Floating Charge over all Assets Date Given 16/04/2013	1,044 34
CL02	London Borough of Barnet	22-26 Clements Road, Ilford, Essex, IG1 1BD	1,234 85
CL03	London Borough of Waltham Forest	PO Box 988, Northampton, NN3 0DA	8,143 65
CL04	London Borough of Enfield	Revenues & Benefits Service, PO Box 856, London, E17 9PN Resources & Customer Services, PO Box 63, Civic Centre, Silver Street, Enfield, EN1 3XW	6,191 66
CL05	London Borough of Hackney	Hackney Service Centre, 1 Hillman Street, London, E8 1DY	628 85
CN00	NPower	Customer Services, PO Box 109, Peterlee, SR8 9DD	916 76

Signature

**AlexanderLawsonJacobs
L.C. Mitsiou & Son Limited t/a Mitsiou Estates Group
B - Company Creditors**

Key	Name	Address	£
CN01	Nexus IP Ltd	278 Chase Road, Southgate, London, N14 6HA	0 00
CO00	Orange	Small Business Collections, Units 1 & 2, Silverfox Way, Cobalt Business Park, Newcastle upon Tyne, NE27 0QJ	250 76
CR00	Reconditioned Domestic Appliances	282 High Street, Ponders End, Enfield, EN3 4HF	700 00
CS00	Southern Electric	Customer Service Centre, PO Box 2347, Cardiff, CF23 8AU	1,044 01
CS01	Corporate Express Ltd	Tameside Drive, Holford, Birmingham, B6 7AY	566 72
CS02	Schindler Ltd	Benwell House, Green Street, Sunbury-on-Thames, Middlesex, TW16 6QT	195 00
CT00	Thames Water	PO Box 286, Swindon, SN38 2RA	2,338 62
CT01	Topservice Business Systems Ltd	Unit 12, Lake Business Centre, Tanff Road, London, N17 0YX	540 00
RM00	Mr Loucas Constantinou Mitsiou	103 Wades Hill, London, N21 1AP	0 00
33 Entries Totalling			322,402.46

Signature _____

Rule 4.73 PROOF OF DEBT - GENERAL FORM

Form 4 25

In the matter of L.C. Mitsiou & Son Limited
and in the matter of The Insolvency Act 1986

Date of Administration 26 September, 2013

1	Name of Creditor	
2	Address of Creditor	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)	£
4	Details of any document by reference to which the debt can be substantiated [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5	If the total amount shown above includes Value Added Tax, please show - (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6	If total amount above includes outstanding uncapitalised interest please state amount	£
7	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
9	Particulars of how and when debt incurred	
10	Particulars of any security held, the value of the security, and the date it was given	£
11	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	

Admitted to Vote for £

Date

Liquidator / Chairman Signed.

Software Supplied by Turnkey Computer Technology Limited, Glasgow

Added to IPS (tick)	
Date	
Who by	

BAD DEBT RELIEF-EXPLANATORY NOTES

1 Entitlement to claim refund of VAT

1 1 If you are an unpaid creditor of the Company, you are entitled to claim a refund of value added tax (VAT) paid in relation to a supply to the Company if

- (a) your supply was of goods or services and for a monetary consideration,
- (b) the supply was made on or after 1 April 1989,
- (c) the value of the supply did not exceed its open market value,
- (d) in the case of a supply of goods, the property in the goods has passed to the Company,
- (e) you have accounted and paid VAT on the supply,
- (f) you have written off all or part of the consideration as a bad debt in your accounts,
- (g) a period of one year has elapsed since the time of supply or, if the supply was made on or after 1 April 1992, a period of six months has elapsed since the time of supply,
- (h) you have not already made a claim for bad debt relief; and
- (i) you make a claim for a VAT refund to the Commissioners of Customs and Excise

1 2 If you wish to make such a claim, you must include the correct amount of the refund opposite the legend 'VAT reclaimed in this period on purchases and other inputs' on your tax return (i.e. Form VAT 100 or Form VAT 193) unless the Commissioners of Customs and Excise have allowed or directed otherwise. If, however, you are no longer required to make returns at the time when you become entitled to a refund because you have been deregistered, a claim must be made in such form and manner as the Commissioners may direct.

1 3 Before making a claim, you must (unless the Commissioners have allowed otherwise) hold the following documents in respect of each taxable supply upon which the claim is based

- (a) a copy of any tax invoice provided or, if there was no obligation to provide a tax invoice, a document which shows the time, nature and purchaser of the supply and the consideration for it,
- (b) records or any other documents showing that you have accounted for and paid the tax due on the supply, and
- (c) records or any other documents showing that the consideration has been written off in your accounts as a bad debt

2 Writing off a bad debt in the accounts

2 1 The whole or any part of the consideration for a supply is taken to have been written off as a bad debt when an entry is made in relation to that supply in the Refunds for Bad Debts Account. This applies whether or not a claim can be made in relation to that supply at that time.

2 2 The consideration written off in your accounts must be reduced by

- (a) any amount of money which you owe to the purchaser which can be set off, and
- (b) the value of any enforceable security held by you in relation to the purchaser. 'Security' for this purpose means
 - (a) in relation to England, Wales and Northern Ireland, any mortgage, charge, lien or other security, and
 - (b) in relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and right of retention (other than a right of compensation or set-off)

3 Refunds for Bad Debts Account

If you make a claim for a VAT refund, you must keep a record of that claim in a single account known as the Refunds for Bad Debts Account. This record must show the following information in respect of each claim unless the Commissioners allow otherwise:

- (a) the outstanding amount to which the claim relates,
- (b) the amount of the claim,
- (c) the prescribed accounting period in which the claim was made, and
- (d) the following information in respect of each taxable supply upon which a claim is based:
 - (i) the amount of VAT chargeable,
 - (ii) the prescribed accounting period in which the VAT chargeable was accounted for and paid to the Commissioners,
 - (iii) the date and number of any tax invoice issued in relation to the supply or, if there was no such invoice, such information as is necessary to identify the time, nature and purchaser of the supply, and
 - (iv) any payment received for the supply

4 Preservation of documents and records and duty to produce

4 1 Unless the Commissioners allow otherwise, you must preserve the documents, invoices and records required to support your claim for a period of four years from the date of making the claim.

4 2 Upon demand made by an authorised person, you must produce or cause to be produced any of the documents, invoices and records supporting your claim for inspection by that person and you must permit him to remove them at a reasonable time and for a reasonable period.

5 Calculation of the outstanding amount

5.1 You are entitled to a refund of VAT chargeable by reference to the 'outstanding amount'. This is determined as follows

- (a) if no payment has been received at the time when a claim is made, an amount equal to the consideration written off, or
- (b) if one or more payments have been received at the time when a claim is made, the amount by which the consideration written off exceeds the payment (or the aggregate of the payments) received

5.2 If you have made two or more supplies (whether taxable or otherwise) to the Company, and a payment has been received in relation to those supplies, the following rules apply for attributing payments to each such supply

- (a) first, a payment is attributed to a specific supply if a payment was allocated to that supply by the Company at the time of payment and the consideration for that supply was paid in full,
- (b) secondly, any other payment is attributed to the supply which is earliest in time and, if not wholly attributed to that supply, the balance is attributed to supplies in chronological order; and
- (c) if the earliest supply and the other supplies to which the whole payment could be attributed occur on one day, or if the supplies to which the balance of the payment could be attributed occur on one day, the payment is attributed to those supplies in ratio to the outstanding consideration for each supply

6 Repayment of amounts refunded

6.1 If you have received a VAT refund following a claim, you must make a repayment to the Commissioners if

- (a) you receive a payment in respect of the taxable supply upon which your claim was based, or
- (b) you receive a payment in respect of two or more supplies and all or part of it is attributed to one or more supplies upon which your claim was based

6.2 The amount to be repaid is calculated as follows

A
- x C
B

where

A is the amount received or attributed to a taxable supply on which the claim was based,

B is the amount of the outstanding consideration, and

C is the amount of the refund or, if a payment has subsequently been received, the balance thereof

6.3 A repayment is to be made by including the amount concerned opposite the legend 'VAT due in this period on sales and other outputs' on your VAT return (i.e. Form VAT 100 or Form VAT 193) for the prescribed accounting period in which the payment is received. If, however, you are no longer required to make returns at the time when you are required to make a repayment because you have been deregistered, a repayment is to be made at such time and in such form and manner as the Commissioners may direct

6.4 You are also required to make a repayment to the Commissioners (unless they allow otherwise) if you fail to comply with the requirements relating to

- (a) the evidence required to be held before a claim is made,
- (b) the Refunds for Bad Debts Account,
- (c) the preservation and production of documents and records, or
- (d) the attribution of payments

7 Assessment

In any case where an amount has been paid or credited to you as being a VAT refund for any prescribed accounting period, the Commissioners may assess

- (a) the amount which ought not to have been paid or credited,
- (b) the amount which would not have been paid or credited if the facts had been known, or
- (c) the amount which would not have been paid or credited if the facts had been as they later turn out to be

8 Appeal

An appeal lies to a VAT tribunal against a decision of the Commissioners with respect to

- (a) a claim for a VAT refund, and
- (b) an assessment, or the amount of an assessment, in respect of a period for which a return has been made

APPENDIX IV

**Summary of Receipts and Payments for the period
26 September 2013 to 13 November 2013**

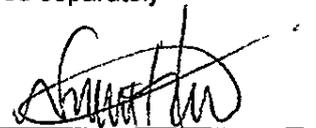
**L.C. Mitsiou & Son Limited t/a Mitsiou Estates Group
(In Administration)**

Administrator's Abstract Of Receipts And Payments

	Statement of affairs £	From 26/09/2013 To 13/11/2013 £	From 26/09/2013 To 13/11/2013 £
RECEIPTS			
Furniture, Fittings & Equipment	Uncertain	0 00	0 00
License Fees		2,250 00	2,250 00
Contracts / Goodwill	Uncertain	0 00	0 00
Gas / Electricity Refund	Uncertain	0 00	0 00
Miscellaneous Income		160 80	160 80
		2,410 80	2,410 80
PAYMENTS			
Trade & Expense Creditors	(17,476 89)	0 00	0 00
Rates	(21,483 78)	0 00	0 00
HM Revenue & Customs - Corp Tax	(15,555 19)	0 00	0 00
HM Revenue & Customs - PAYE/NIC	(363 36)	0 00	0 00
HM Revenue & Customs - VAT	(267,523 24)	0 00	0 00
Ordinary Shareholders	(100 00)	0 00	0 00
		0 00	0 00
BALANCE - 13 November 2013			2,410.80
MADE UP AS FOLLOWS			
Bank 1 Current			2,410 80
			2,410 80

Note

All sums shown are net of any VAT Any VAT payable, recoverable or suffered is disclosed separately



 Ninos Koumettou
 Administrator

APPENDIX V

**Analysis of Time Costs & Disbursements
For the period 26 September 2013 to 13 November 2013**

Time Entry - SIP9 Time & Cost Summary

LC31104 - L C Mitsiou & Son Limited t/a Mitsiou Estates Group
 Project Code POSTAPPT
 From 28/09/2013 To 13/11/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	9 60	4 10	18 20	6 20	38 10	8,723 00	228 95
Case Specific	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	1 50	1 20	6 30	0 00	9 00	2,085 00	231 67
Investigations	0 00	1 50	0 00	0 00	1 50	375 00	250 00
Realisation of Assets	0 40	1 10	4 40	0 00	5 90	1,295 00	219 49
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	11 60	7 90	28 90	6 20	54 60	12,478 00	228 95
Total Fees Claimed						0 00	
Total Disbursements Claimed						0 00	

APPENDIX VI

A Creditors' Guide to Administrator's Fees & Practice Fee Recovery Policy

A CREDITORS' GUIDE TO ADMINISTRATORS' FEES

ENGLAND AND WALES

1 Introduction

- 1 1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually 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 administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees, explain the basis on which fees are fixed and how creditors can seek information about expenses incurred by the administrator and challenge those they consider to be excessive.

2 The nature of administration

- 2 1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective

- rescuing the company as a going concern, or
- achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration,

or, if the administrator thinks neither of these objectives is reasonably practicable

- realising property in order to make a distribution to secured or preferential creditors

3 The creditors' committee

- 3 1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

4 Fixing the administrator's remuneration

- 4 1 The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed

- as a percentage of the value of the property which the administrator has to deal with,
- by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration, or
- as a set amount.

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the administrator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the administrator.

It is for the creditors' committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the committee to determine the percentage or percentages to be applied, and where it is a set amount, to determine that amount. Rule 2.106 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 administrator;
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties,
- the value and nature of the property which the administrator has to deal with.

4.2 If there is no creditors' committee, or the committee does not make the requisite determination (and provided the circumstances described in paragraph 4.3 do not apply), the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as apply in the case of the committee. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator, but the administrator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 18 months after his appointment.

4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets.

In this case, if there is no creditors' committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of –

- each secured creditor of the company, or
- if the administrator has made or intends to make a distribution to preferential creditors –
 - each secured creditor of the company, and
 - preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval,

having regard to the same matters as the committee would.

Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

4.4 A resolution of creditors may be obtained by correspondence.

5. Review of remuneration

5.1 Where there has been a material and substantial change in circumstances since the basis of the administrator's remuneration was fixed, the administrator may request

that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6 Approval of pre-administration costs

6.1 Sometimes the administrator may need to seek approval for the payment of costs in connection with preparatory work incurred before the company went into administration but which remain unpaid. Such costs may relate to work done either by the administrator or by another insolvency practitioner. Disclosure of such costs must be included in the administrator's proposals and should follow the principles and standards set out in section 7.

6.2 Where there is a creditors' committee, it is for the committee to determine whether, and to what extent, such costs should be approved for payment. If there is no committee or the committee does not make the necessary determination, or if it does but the administrator, or other insolvency practitioner who has incurred pre-administration costs, considers the amount agreed to be insufficient, approval may be given by a meeting of creditors. Where the circumstances described in paragraph 4.3 apply, the determination may be made by the same creditors as approve the administrator's remuneration.

6.3 The administrator must convene a meeting of the committee or the creditors for the purposes of approving the payment of pre-administration costs if requested to do so by another insolvency practitioner who has incurred such costs. If there is no determination under these provisions, or if there is but the administrator or other insolvency practitioner considers the amount agreed to be insufficient, the administrator may apply to the court for a determination.

7 What information should be provided by the administrator?

7.1 When fixing bases of remuneration

7.1.1 When seeking agreement for the basis or bases of remuneration, the administrator should provide sufficient supporting information to enable the committee or the creditors to make an informed judgement as to whether the basis sought is appropriate having regard to all the circumstances of the case. The nature and extent of the information provided will depend on the stage during the conduct of the case at which approval is being sought. The appendix to this guide sets out a suggested format for the provision of information.

7.1.2 If any part of the remuneration is sought on a time costs basis, the administrator should provide details of the minimum time units used and current charge-out rates, split by grades of staff, of those people who have been or who are likely to be involved in the time costs aspects of the case.

7.1.3 The administrator should also provide details and the cost of any work that has been or is intended to be sub-contracted out that could otherwise be carried out by the administrator or his or her staff.

7.1.4 If work has already been carried out, the administrator should state the proposed charge for the period to date and provide an explanation of what has been achieved in the period and how it was achieved, sufficient to enable the progress of the case to be assessed and whether the proposed charge is reasonable in the circumstances of the case. Where the proposed charge is calculated on a time costs basis, the administrator should disclose the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. The administrator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the administrator or his or her staff.

7.2 After the bases of remuneration have been fixed

The administrator is required to send progress reports to creditors at specified intervals (see paragraph 8.1 below). When reporting periodically to creditors, in addition to the matters specified in paragraph 8.1, the administrator should provide an explanation of what has been achieved in the period under review and how it was achieved, sufficient to enable the progress of the case to be assessed. Creditors should be able to understand whether the remuneration charged is reasonable in the circumstances of the case (whilst recognising that the administrator must fulfil certain statutory obligations and regulatory requirements that might be perceived as bringing no added value for the estate). Where any remuneration is on a time costs basis, the administrator should disclose the charge in respect of the period, the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. If there have been any changes to the charge-out rates during the period under review, rates should be disclosed by grades of staff, split by the periods applicable. The administrator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the administrator or his or her staff.

7.3 Disbursements and other expenses

7.3.1 Costs met by and reimbursed to the administrator in connection with the administration should be appropriate and reasonable. Such costs will fall into two categories:

- **Category 1 disbursements** These are costs where there is specific expenditure directly referable both to the administration and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the administrator or his or her staff.
- **Category 2 disbursements** These are costs that are directly referable to the administration but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the administration on a proper and reasonable basis, for example, business mileage.

Category 1 disbursements can be drawn without prior approval, although the administrator should be prepared to disclose information about them in the same way as any other expenses. Category 2 disbursements may be drawn if they have been approved in the same manner as the administrator's remuneration. When seeking approval, the administrator should explain, for each category of expense, the basis on which the charge is being made.

7.3.2 The following are not permissible:

- a charge calculated as a percentage of remuneration,
- an administration fee or charge additional to the administrator's remuneration,
- recovery of basic overhead costs such as office and equipment rental, depreciation and finance charges.

8 Progress reports and requests for further information

8.1 The administrator is required to send a progress report to creditors at 6-monthly intervals. The report must include:

- details of the basis fixed for the remuneration of the administrator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it),

- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report),
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report,
- a statement of the expenses incurred by the administrator during the period of the report, irrespective of whether payment was actually made during that period,
- the date of approval of any pre-administration costs and the amount approved,
- a statement of the creditors' rights to request further information, as explained in paragraph 8.2, and their right to challenge the administrator's remuneration and expenses

8.2 Within 21 days of receipt of a progress report a creditor may request the administrator to provide further information about the remuneration and expenses (other than pre-administration costs) set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

8.3 The administrator must provide the requested information within 14 days, unless he considers that.

- the time and cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the administration or might be expected to lead to violence against any person, or
- the administrator is subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing the information.

Any creditor may apply to the court within 21 days of the administrator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

9 Provision of information – additional requirements

The administrator 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 administrator 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 administrator'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 administrator, and requests must be made within two years from vacation of office.

10 What if a creditor is dissatisfied?

- 101 If a creditor believes that the administrator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the administrator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court
- 102 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court Any such application must be made within 8 weeks of the applicant receiving the administrator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 8 1 above) If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing
- 103 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid Unless the court orders otherwise, the costs of the application must be paid by the applicant and not as an expense of the administration

11 What if the administrator is dissatisfied?

- 111 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors If he considers that the remuneration fixed by the committee or the creditors is insufficient or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application If there is no committee, the administrator's notice of his application must be sent to such of the company's 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 as an expense of the administration

12 Other matters relating to remuneration

- 121 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors
- 122 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court
- 123 If a new administrator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new administrator until a further determination, resolution or court order is made
- 124 Where the basis of the remuneration is a set amount, and the administrator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing administrator The application must be made to the same body as approved the remuneration Where the outgoing administrator and the incoming administrator are from the same firm, they will usually agree the apportionment between them

13. Effective date

This guide applies where a company enters administration on or after 1 November 2011

Appendix

Suggested format for the provision of information

Professional guidance issued to insolvency practitioners sets out the following suggested format for the provision of information when seeking approval of remuneration. However, the level of disclosure suggested below may not be appropriate in all cases, and will be subject to considerations of proportionality. In larger or more complex cases the circumstances of each case may dictate the information provided and its format.

Narrative overview of the case

In all cases, reports on remuneration should provide a narrative overview of the case. Matters relevant to an overview are:

- the complexity of the case,
- any exceptional responsibility falling on the administrator;
- the administrator's effectiveness,
- the value and nature of the property in question.

The information provided will depend upon the basis or bases being sought or reported upon, and the stage at which it is being provided. An overview might include:

- an explanation of the nature, and the administrator's own initial assessment, of the assignment (including the anticipated return to creditors) and the outcome (if known),
- initial views on how the assignment was to be handled, including decisions on staffing or subcontracting and the appointment of advisers,
- any significant aspects of the case, particularly those that affect the remuneration and cost expended,
- the reasons for subsequent changes in strategy,
- the steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, and fee drawing,
- any existing agreement about remuneration,
- 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,
- in a larger case, particularly if it involved trading, considerations about staffing and managing the assignment and how strategy was set and reviewed,
- details of work undertaken during the period;
- any additional value brought to the estate during the period, for which the administrator wishes to claim increased remuneration.

Time cost basis

Where any part of the remuneration is or is proposed to be calculated on a time costs basis, requests for and reports on remuneration should provide:

- An explanation of the administrator's time charging policy, clearly stating the units of time that have been used, the grades of staff and rates that have been charged to the assignment, and the policy for recovering the cost of support staff. There is an expectation that time will be recorded in units of not greater than 6 minutes.
- A description of work carried out, which might include:
 - details of work undertaken during the period, related to the table of time spent for the period,
 - an explanation of the grades of staff used to undertake the different tasks carried out and the reasons why it was appropriate for those grades to be used,
 - any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- Time spent and charge-out summaries, in an appropriate format.

It is useful to provide time spent and charge-out value information in a tabular form for each of the time periods reported upon, with work classified (and sub-divided) in a way relevant to the circumstances of the case

The following areas of activity are suggested as a basis for the analysis of time spent

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff

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

The level of disclosure suggested above will not be appropriate in all cases, and considerations of proportionality will apply

- where cumulative time costs are, and are expected to be, less than £10,000 the administrator should, as a minimum, state the number of hours and average rate per hour and explain any unusual features of the case,
- where cumulative time costs are, or are expected to be, between £10,000 and £50,000, a time and charge-out summary similar to that shown above will usually provide the appropriate level of detail (subject to the explanation of any unusual features),
- where cumulative time costs exceed, or are expected to exceed, £50,000, further and more detailed analysis or explanation will be warranted

PRACTICE FEE RECOVERY POLICY FOR ALEXANDER LAWSON JACOBS

EFFECTIVE FEBRUARY 2013

Introduction

The insolvency legislation was changed in April 2010 for insolvency appointments commenced from that time in order to allow more flexibility on how an office holder's fees are charged to a case. This sheet explains how we may apply the alternative fee bases. The new legislation allows different fee bases to be used for different tasks within the same appointment. The basis or combination of bases set for a particular appointment are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the court. Further detail about how an office holder's fees are approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at www.aljuk.com by clicking on the downloads link. Alternatively a hard copy may be requested by contacting AlexanderLawsonJacobs, 1 Kings Avenue, Winchmore Hill, London, N21 3NA.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn and time costs incurred and will also enable the recipients to see the average rates of such costs. Under the new legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

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

Time cost basis

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

Chargeout Rates

Grade of staff	Current charge-out rate per hour, effective from 1 st January 2013 £	Previous charge-out rate per hour, effective from 1 st January 2012 £
Partner – appointment taker	£350	£350
Manager	£250	£250
Senior Administrator	£200 - £220	£170 - £220
Assistance and Support staff	£ 50 - £125	£ 50 - £125

These charge-out rates are reviewed annually in January 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. Each unit of time is 6 minutes. The work is recorded under the following categories

Administration and Planning

Investigations

Realisation of assets

Debtors

Creditors

Employee matters

Trading

Percentage basis

The new legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal. Different percentages can be used for different assets or types of assets. Where we would like to realise any asset or type of assets on a percentage basis we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

Fixed fee

The new legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. Where we would like to charge a set amount for a task or different set amounts for different tasks we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

All bases

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

Agent's Costs

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

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

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 Alexander Lawson Jacobs, 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, company search fees and postage.

It is sometimes necessary to instruct an agent to collect debts on cases. Insolvency Advisory Consultants Limited t/as IAC Debt Recovery, are experienced in the recovery of such debtors to pursue recovery of these amounts. IAC work on a no win no fee basis, and in the event they make collections on a case, their charges are based on the age of the debts and are as follows:

- Under 6 months 10%
- Over 6 months but under 12 months 15%
- Over 12 months 20%

It is considered that IAC offer competitive rates and have a good debtor recovery rate and would only be instructed on cases where it is considered appropriate to do so.

In accordance with best practice, I must advise creditors that the director and shareholder of IAC is Michael Iacovides, an ex-employee of Alexander Lawson Jacobs and the son of a former director and shareholder of that company and historically employees of Alexander Lawson Jacobs were associated with IAC. Where a connected person provides a service, payment should not be made unless it is approved in the same way as office holder's remuneration or category 2 disbursements. Given the relationship, it is not considered that IAC are a connected party which requires such approval. This information is being provided in the interest of transparency.

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

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

Room Hire	£75.00
Mileage	in accordance with HMRC approved mileage rates at the date incurred
Photocopying	8p per page

CREDITOR QUESTIONNAIRE

**INVESTIGATION INTO THE AFFAIRS OF L.C. Mitsiou & Son Limited t/a Mitsiou Estates Group
(In Administration)**

Creditor's Name and Address

Estimated Claim

If the estimated claim exceeds the credit limit, on what basis or terms was the additional credit allowed?

Please provide details of any comfort, security or assurance given to you to allow continuance of credit

When were you first aware that there were difficulties in getting payment and what was the evidence of this? e.g. extended credit, lump sum payments, dishonoured cheques

Please provide details, including dates, of any writ, summons, decrees or other legal action you took to recover your debt

Please provide details of any cheques which were dishonoured, including dates and amounts

Are there any particular matters you feel should be reviewed? If so, please provide brief details

Date _____

Signature _____

Name _____ (Block Capitals Please)

Position _____

Proxy (Administration)

L.C Mitsiou & Son Limited t/a Mitsiou Estates Group
In Administration

Name of Creditor _____

Address _____

Name of Proxy Holder

Please insert name of person (who must be 18 or over) or the Chairman of the Meeting. 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.

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 proxy holder at the meeting of creditors to be held on Tuesday 3 December 2013, 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)

Voting Instructions for resolutions

*Please delete as appropriate

1 For the acceptance/rejection* of the administrator's proposals/revised proposals* as circulated

2 For the appointment of _____

of _____

representing _____

as a member of the creditors' committee

This form must be signed

Signature _____ Date _____

Name in CAPITAL LETTERS _____

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

Position with creditor or relationship to creditor or other authority for signature

Remember there may be resolutions on the other side of this form

**THE INSOLVENCY RULES
RULE 2.38**

ENTITLEMENT TO VOTE FOR VOTING PURPOSES AT THE CREDITORS MEETING

2.38(1) [Conditions for voting] Subject as follows, at a meeting of creditors in administration proceedings a person is entitled to vote only if -

- (a) he has given to the administrator, not later than 12 00 hours on the business day before the day fixed for the meeting, details in writing of the debt which-
 - (i) he claims to be due to him from the company, or
 - (ii) in relation to a member State liquidator, is claimed to be due to creditors in proceedings in relation to which he holds office,
- (b) the claim has been duly admitted under the following provisions of this Rule, and
- (c) there has been lodged with the administrator any proxy which he intends to be used on his behalf, and details of the debt must include any calculation for the purposes of Rules 2 40 to 2 42

2.38(2) [Voting despite failure to comply with r.2.38(1)(a)] The chairman if the meeting may allow a creditor to vote, notwithstanding that he has failed to comply with paragraph (1)(a), if satisfied that the failure was due to circumstances beyond the creditor's control

2.38(3) [Call for documents to substantiate claim] The chairman of the meeting may call for any document or other evidence to be produced to him, where he thinks it necessary for the purpose of substantiating the whole or any part of the claim

2.38(4) [Calculation of votes] Votes are calculated according to the amount of a creditor's claim as at the date on which the company entered administration, less any payments that have been made to him after that date in respect of his claim and any adjustment by way of set-off in accordance with Rule 2 85 as if that Rule were applied on the date that the votes are counted

2.38(5) [Unliquidated debts] A creditor shall not vote in respect of a debt for an unliquidated amount, or any debt whose value is not ascertained, except where the chairman agrees to put upon the debt an estimated minimum value for the purpose of entitlement to vote and admits the claim for that purpose

2.38(6) [Votes cast only once] No vote shall be cast by virtue of a claim more than once on any resolution put to the meeting.

2.38(7) [Creditor's vote priority over member State liquidator] Where -

- (a) a creditor is entitled to vote under this Rule,

- (b) has lodged his claim in one or more sets of other proceedings, and
- (c) votes (either in person or by proxy) on a resolution put to the meeting, and
- (d) the member State liquidator casts a vote in respect of the same claim, only the creditor's vote shall be counted

2.38(8) [Voting in more than one set of proceedings] Where-

- (a) a creditor has lodged his claim in more than one set of other proceedings, and
- (b) more than one member State liquidator seeks to vote by virtue of that claim,

the entitlement to vote by virtue of that claim is exercisable by the member State liquidator in main proceedings, whether or not the creditor has lodged his claim in the main proceedings

2.38(9) [Creditor and member State liquidator or single claim] For the purposes of paragraph (6), the claim of a creditor and of any member State liquidator in relation to the same debt are a single claim

2.38(10) ["Other proceedings"] For the purposes of paragraphs (7) and (8), "other proceedings" means main proceedings, secondary proceedings or territorial proceedings in another member State