

In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

LIQ03

Notice of progress report in voluntary winding up



Companies House

MONDAY



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18/05/2020

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COMPANIES HOUSE

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1 Company details

Company number 03053770

Company name in full Premier Heating Company Limited

→ Filling in this form
Please complete in typescript or in bold black capitals.

2 Liquidator's name

Full forename(s) C H I

Surname Moore

3 Liquidator's address

Building name/number Emerald House

Street 20-22 Anchor Road

Post town Aldridge

County/Region Walsall

Postcode WS9 8PH

Country

4 Liquidator's name

Full forename(s)

Surname

Other liquidator
Use this section to tell us about another liquidator.

5 Liquidator's address

Building name/number

Street

Post town

County/Region

Postcode

Country

Other liquidator
Use this section to tell us about another liquidator.

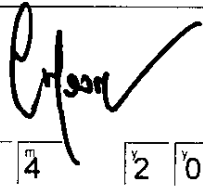
LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 0	^d 5	^m 0	^m 4	^y 2	^y 0	^y 1	^y 9	
To date	^d 0	^d 4	^m 0	^m 4	^y 2	^y 0	^y 2	^y 0	

7 Progress report☒ The progress report is attached**8** Sign and date

Liquidator's signature	Signature								
	X							X	
Signature date	^d 0	^d 6	^m 0	^m 4	^y 2	^y 0	^y 2	^y 0	

LIQ03

Notice of progress report in voluntary winding up

**Presenter information**

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

Contact name **Simon R Wall**Company name **K J Watkin & Co.**Address
Emerald House
20-22 Anchor RoadPost town **Aldridge**County/Region **Walsall**Postcode **W S 9 8 P H**

Country

DX

Telephone **01922 452881****Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Premier Heating Company Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £	From 05/04/2019 To 04/04/2020 £	From 05/04/2017 To 04/04/2020 £
ASSET REALISATIONS		
	206.18	273.72
21,750.00 Bank Interest Gross		
5,670.00 Book Debtors & Retentions	63,127.94	132,308.51
234.00 Cash at Bank	NIL	11,775.57
4,675.00 Cash in Hand	NIL	NIL
100.00 Motor Vehicles	NIL	4,500.00
600.00 Office Furniture & Equipment	NIL	50.00
	NIL	450.00
	NIL	80.00
	63,334.12	149,437.80
COST OF REALISATIONS		
	NIL	1,705.00
Accountants Fees - Statement of Affair		
	NIL	750.00
Agents/Valuers Fees		
	12.50	12.50
Corporation Tax		
	750.00	750.00
Legal Fees		
	341.00	1,415.22
Office Holders Expenses		
	20,000.00	35,000.00
Office Holders Fees		
	NIL	5,000.00
Preperation of S. of A.		
	7,500.00	17,670.00
Quantity Surveyor Fees		
	(28,603.50)	(62,302.72)
PREFERENTIAL CREDITORS		
	24,334.95	24,334.95
(34,394.00) Department of Employment		
	6,101.49	6,101.49
Employees Wage Arrears & Holiday P		
	(30,436.44)	(30,436.44)
UNSECURED CREDITORS		
(4,000.00) Director's Loan Account - J Faulkner	480.00	480.00
(4,000.00) Director's Loan Account - P Hill	480.00	480.00
(192,335.00) Employees - Wages, Notice & Redund	19,990.10	19,990.10
(18,748.00) HM Revenue & Customs - PAYE	3,659.52	3,659.52
(9,319.00) HM Revenue & Customs - VAT	NIL	NIL
(148,912.00) Trade & Expense Creditors	19,434.87	19,434.87
	(44,044.49)	(44,044.49)
DISTRIBUTIONS		
(2.00) Ordinary Shareholders	NIL	NIL
	NIL	NIL
(378,681.00)	(39,750.31)	12,654.15
REPRESENTED BY		
		10,637.95
Nat West Bank plc - Int Bearing		
Vat Control Account		2,016.20
		12,654.15

Note:

This R&P account is prepared net of VAT.

DIVIDEND PROSPECTS:

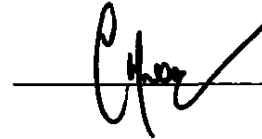
Preferential creditors - I expect to pay preferential creditors in full.

Non-preferential unsecured creditors - There may be a dividend to non-preferential unsecured creditors, although this

**Premier Heating Company Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments**

Statement of Affairs £	From 05/04/2019 To 04/04/2020 £	From 05/04/2017 To 04/04/2020 £
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is dependant on realisations and time spent on such realisations.



C H I Moore
Liquidator

Premier Heating Company Limited (“the Company”) – In Creditors’ Voluntary Liquidation

Liquidator’s Progress Report to Creditors and Members

For the year ending 4 April 2020

STATUTORY INFORMATION

Company name: Premier Heating Company Limited

Registered office: Emerald House
20-22 Anchor Road
Aldridge
Walsall
WS9 8PH

Former registered office: Unit 16 North Street Trading Estate
Brierley Hill
West Midlands
DY5 3QF

Registered number: 03053770

Liquidator’s name: C H I Moore

Liquidator’s date of appointment: 5 April 2017



COMPANIES HOUSE

LIQUIDATOR’S ACTIONS SINCE LAST REPORT

The book debts and retentions are being collected by Naismiths, Quantity Surveyors. The book debts and retentions had a book value of £189,455 but Naismiths initial report estimated a realisable value of £21,750 due to damage likely to be levied by the contractors. In this period, £63,127 has been collected bringing realisations up to £132,308 for book debts and retentions.

There is a possibility of a small further realisation before the Liquidation is closed.

In this period, I paid a dividend to preferential creditors of 100p in the £ and a dividend to non-preferential unsecured creditors of 12p in the £.

There is certain work that I am required by the insolvency legislation to undertake work in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my last progress report is contained in Appendix 1.

RECEIPTS AND PAYMENTS

My Receipts & Payments Account for the period from 5 April 2017 to 4 April 2020 is attached at Appendix 2.

The balance of funds are held in an interest bearing estate bank account.

ASSETS

	Statement of Affairs Estimated to realise	Realised to date
	£	£
Office Furniture and Equipment	100	50.00
Motor Vehicles	4,675	4,500.00
Stocks and Tooling	600	450.00
Book Debtors & Retentions	21,750	132,308.51
Cash at Bank	5,670	11,775.57
Cash in Hand	234	-
Bank Interest Gross	-	273.72
Sundry Refunds	-	80.00

LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has no current charges over its assets.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

Preferential Creditors

The Statement of Affairs anticipated £34,394 in preferential creditors. Claims totalling £30,436 have been received. This is lower than expected as some sub-contractors, who we believed were eligible to claim at the Redundancy Payments Office, had their claim rejected.

Crown Creditors

The Statement of Affairs included £28,067 owed to HMRC. HMRC's final claim of £30,495 has been received.

Non-preferential Unsecured Creditors

The Statement of Affairs included 59 non-preferential unsecured creditors with an estimated total liability of £187,507.63. I have received claims from 67 creditors at a total of £367,037.52. I have not received claims from 21 creditors with original estimated claims in the Statement of Affairs of £13,887.21.

DIVIDEND PROSPECTS

Preferential creditors - Preferential creditors have been paid in full on 31 July 2019.

Non-preferential unsecured creditors - A dividend of 12p in the £ was paid to non-preferential unsecured creditors on 28 November 2019. No further distributions are expected.

PRE-APPOINTMENT REMUNERATION

The Board previously authorised the payment of a fee of £5,000 for my assistance with preparing the *Statement of Affairs and arranging the procedure for creditors to appoint a Liquidator*.

The fee for preparing the Statement of Affairs and arranging the procedure for creditors to appoint a Liquidator was paid from first realisations on appointment and is shown in the enclosed receipts and payments account.

LIQUIDATOR'S REMUNERATION

My remuneration was approved on a time cost basis based on a fees estimate of £61,210. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors. My total time costs to 4 April 2020 amount to £44,418.00, representing 210.60 of hours work at a blended charge out rate of £210.91 per hour, of which £19,046.50, representing 86.50 of hours work, was charged in the period since 4 April 2019, at a blended charge out rate of £220.19 per hour. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £220.97 in my fees estimate.

I have drawn £40,000.00 to 4 April 2020 of which £20,000.00 was drawn in the period since 4 April 2019.

A detailed schedule of my time costs incurred to 4 April 2020 and since 4 April 2019 compared with my original fees estimate is attached as Appendix 3.

As at 4 April 2020 I do not anticipate that the total time costs I will incur in this matter in respect of the categories of work for which I am being remunerated on a time cost basis will exceed the total estimated remuneration I set out in my fees estimate when my remuneration was authorised by the creditors.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at "<http://www.creditorinsolvencyguide.co.uk/>". A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, together with an explanatory note which shows K J Watkin & Co's fee policy are attached and available at the link www.ips-docs.com. Please note that there are different versions of the Guidance Notes and in this case you should refer to the October 2015 version.

LIQUIDATOR'S EXPENSES

I have incurred expenses to 4 April 2020 of £1,415.22 of which £341.00 was incurred in the period since 4 April 2019.

I have drawn £81.00 for travel, £519.90 for statutory advertising, £780.00 for the specific bond and £34.32 for postage of which £260.00 for the specific bond and £81.00 for statutory advertising was drawn in the period since 4 March 2019.

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Deeley Matthews	Valuer/Auctioneer	Percentage of realisations
Naismiths	Quantity Surveyors	Percentage of realisations

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

As at 4 April 2020 I do not anticipate that the expenses I will incur in this matter will exceed the total expenses I estimated I would incur when my remuneration was authorised by the creditors.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Liquidator's remuneration and expenses within 21 days of their receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidator as being excessive, and/or the basis of the Liquidator's remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about K J Watkin & Co can be found in the attached summary sheet and at www.ips-docs.com.

SUMMARY

The Liquidation will remain open until the final retention has been resolved and all dividend cheques cashed. I estimate that this will take approximately 6 months and once resolved the Liquidation will be finalised and our files will be closed.

In my last report, I estimated the Liquidation would be ready to close in 9 months. This was not possible as one final retention remains to be realised.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Simon Wall on 01922 452881, or by email at simon@kjwatkin.co.uk.

A handwritten signature in black ink, appearing to read 'C H I Moore', with a large, sweeping flourish extending to the right.

C H I Moore
Liquidator

Appendix No. 1

1. Administration

Dealing with all routine correspondence and emails relating to the case.
Maintaining and managing the office holder's estate bank account.
Maintaining and managing the office holder's cashbook.
Undertaking regular bank reconciliations of the bank account containing estate funds.
Reviewing the adequacy of the specific penalty bond on a monthly basis.
Undertaking periodic reviews of the progress of the case.
Overseeing and controlling the work done on the case by case administrators.
Preparing, reviewing and issuing annual progress reports to creditors and members.
Filing returns at Companies House.
Preparing and filing VAT returns.
Preparing and filing Corporation Tax returns.

2. Creditors

Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
Maintaining up to date creditor information on the case management system.
Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them.
Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.

Premier Heating Company Limited
(In Liquidation)
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Statement of Affairs £	From 05/04/2019 To 04/04/2020 £	From 05/04/2017 To 04/04/2020 £
ASSET REALISATIONS		
	Bank Interest Gross	206.18
21,750.00	Book Debtors & Retentions	63,127.94
5,670.00	Cash at Bank	NIL
234.00	Cash in Hand	NIL
4,675.00	Motor Vehicles	NIL
100.00	Office Furniture & Equipment	NIL
600.00	Stocks and Tooling	NIL
	Sundry Refunds	NIL
		63,334.12
COST OF REALISATIONS		
	Accountants Fees - Statement of Affair	NIL
	Agents/Valuers Fees	NIL
	Corporation Tax	12.50
	Legal Fees	750.00
	Office Holders Expenses	341.00
	Office Holders Fees	20,000.00
	Preperation of S. of A.	NIL
	Quantity Surveyor Fees	7,500.00
		(28,603.50)
PREFERENTIAL CREDITORS		
	Department of Employment	24,334.95
(34,394.00)	Employees Wage Arrears & Holiday P	6,101.49
		(30,436.44)
UNSECURED CREDITORS		
(4,000.00)	Director's Loan Account - J Faulkner	480.00
(4,000.00)	Director's Loan Account - P Hill	480.00
(192,335.00)	Employees - Wages, Notice & Redund	19,990.10
(18,748.00)	HM Revenue & Customs - PAYE	3,659.52
(9,319.00)	HM Revenue & Customs - VAT	NIL
(148,912.00)	Trade & Expense Creditors	19,434.87
		(44,044.49)
DISTRIBUTIONS		
(2.00)	Ordinary Shareholders	NIL
		NIL
(378,681.00)		(39,750.31)
REPRESENTED BY		
	Nat West Bank plc - Int Bearing	10,637.95
	Vat Control Account	2,016.20
		12,654.15

Note:
This R&P account is prepared net of VAT.

DIVIDEND PROSPECTS:

Preferential creditors - Preferential creditors have been paid in full on 31 July 2019.

Non-preferential unsecured creditors - A dividend of 12p in the £ was paid to non-preferential unsecured creditors on

Premier Heating Company Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £	From 05/04/2019 To 04/04/2020 £	From 05/04/2017 To 04/04/2020 £
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28 November 2019. No further distributions are expected.

SIP 9 - Time & Cost Summary

Period: 05/04/17..04/04/20

Time Summary

[illegible]

Claims inc. emp, prefs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employee Issues	0.00	0.00	41.80	0.00	41.80	9,056.00	216.65
Claims	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Payroll	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pensions	0.00	0.00	0.80	0.00	0.80	164.00	205.00
Creditors	0.30	0.00	81.70	0.90	82.90	18,037.00	217.58
Case Specific	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case Specific 1	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case Specific 2	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	5.30	0.00	183.60	21.70	210.60	44,418.00	210.91
Total Fees Claimed						40,000.00	

SIP 9 - Time & Cost Summary

Period: 05/04/19..04/04/20

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	0.00	0.00	28.20	5.10	33.30	7,100.00	213.21
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisations of assets	0.00	0.00	3.70	0.00	3.70	840.50	227.16
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	49.00	0.50	49.50	11,106.00	224.36
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	0.00	0.00	80.90	5.60	86.50	19,046.50	220.19
Total Fees Claimed						20,000.00	

Appendix 2 - Office Holder's fee estimate summary

Case name: Premier Heating Company Limited

Date of report: 24 May 2017

The office holder is seeking to be remunerated on a time cost basis. We use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform, recording time spent in 6 minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. In this document the estimated time that will be spent undertaking the work in each category has been multiplied by the applicable charge out rate for each member of staff that it is anticipated will undertake work in that category to arrive at the estimated total time costs attributable to that category of work on the case.

The sum of all the estimates for the different categories of work is the total estimated time costs to undertake all the necessary work on the case. The relevant time costs are set out on the attached fee and expense rates schedule which are subject to review on 1 January of each year.

Classification of work function	Partner Hours	Senior Manager Hours	Manager Hours	Cashier/ Administrator		Support Staff Hours	Total Hours
				Hours	Hours		
Administration & planning	20.00			40.00		40.00	100.00
Investigations	15.00			20.00		5.00	40.00
Realisation of assets	10.00			42.00			52.00
Trading							0.00
Creditors	10.00			45.00		30.00	85.00
Case specific matters (specify)							0.00
Total Hours	55.00	0.00	0.00	147.00		75.00	277.00
Total fees predicted at current charge out rates	£ 22,825.00	0.00	0.00	30,135.00		8,250.00	61,210.00

Note: This estimate has been provided to creditors at an early stage in the administration of the case and before the office holder has full knowledge of the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holder's current knowledge of the case and his knowledge and experience of acting as office holder in similar cases. As a result, the estimate does not take into account any currently unknown complexities or difficulties that may arise during the administration of the case. If the time costs incurred on the case by the office holder exceed the estimate, or is likely to exceed the estimate, the office holder will provide an explanation as to why that is the case in the next progress report sent to creditors. Since the office holder cannot draw remuneration in excess of this estimate without first obtaining approval to do so, then where the office holder considers it appropriate in the context of the case, he will seek a resolution to increase the fee estimate so that he will then be able to draw additional remuneration over and above this estimate.

A CREDITORS' GUIDE TO LIQUIDATORS' FEES

ENGLAND AND WALES

1 Introduction

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

2 Liquidation procedure

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

3 The liquidation committee

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

progress of the liquidation, unless the committee directs otherwise. This provides an opportunity for the committee to monitor and discuss the progress of the insolvency and the level of the liquidator's fees.

4 Fixing the liquidator's remuneration

4.1 Basis

The basis for fixing the liquidator's remuneration is set out in Rules 4.127 – 4.127B of the Insolvency Rules 1986. The Rules state that the remuneration shall be fixed:

- as a percentage of the value of the assets which are realised or distributed or both,
- by reference to the time properly given by the liquidator and his staff in attending to matters arising in the liquidation, 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 liquidator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the liquidator.

4.2 Advance information where remuneration not based on time costs

Prior to the determination of the basis of remuneration, the liquidator must give the creditors details of the work the liquidator proposes to undertake, and the expenses he considers will be, or are likely to be, incurred. However, where the liquidator proposes to take any part or all of his remuneration on a time cost basis, he must provide more detailed information in the form of a 'fees estimate', as explained below.

4.3 Fees estimates where remuneration to be based on time costs

Where the liquidator proposes to take remuneration based on time costs, he must first provide the creditors with detailed information in the form of a 'fees estimate'. A fees estimate is a written estimate that specifies –

- details of the work the liquidator and his staff propose to undertake;
- the hourly rate or rates the liquidator and his staff propose to charge for each part of that work;
- the time the liquidator anticipates each part of that work will take;
- whether the liquidator anticipates it will be necessary to seek approval or further approval under the Rules; and
- the reasons it will be necessary to seek such approval.

In addition, the liquidator must give the creditors details of the expenses he considers will be, or are likely to be, incurred.

4.4 Who fixes the remuneration

It is for the liquidation 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. Rule 4.127 says that in arriving at its decision the committee shall have regard to the following matters:

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

- the value and nature of the assets which the liquidator has to deal with.
- 4.5 If there is no liquidation committee, or the committee does not make the requisite determination, the liquidator's remuneration may be fixed by a resolution of the creditors. The creditors take account of the same matters as apply in the case of the committee. A resolution specifying the terms on which the liquidator is to be remunerated may be taken at the meeting which appoints the liquidator.
- 4.6 If the remuneration is not fixed as above, it will be fixed in one of the following ways. In a CVL, it will be fixed by the court on application by the liquidator, but the liquidator 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. In a compulsory liquidation, it will be in accordance with a scale set out in the Rules.
- 4.7 *Where the liquidation follows directly on from an administration in which the liquidator had acted as administrator, the basis of remuneration fixed in the administration continues to apply in the liquidation (subject to paragraph 8 below).*

5. Review of remuneration

Where there has been a material and substantial change in circumstances since the basis of the liquidator's remuneration was fixed, the liquidator 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 What information should be provided by the liquidator?

6.1 General principles

- 6.1.1 The liquidator should provide those responsible for approving his remuneration with sufficient information to enable them to make an informed judgement about the reasonableness of the liquidator's request. The information should be presented in a manner which is transparent, consistent throughout the life of the case and useful to creditors, while being proportionate to the circumstances of the case.
- 6.1.2 The liquidator should disclose:
- payments, remuneration and expenses arising from the administration paid to the liquidator or his or her associates;
 - any business or personal relationships with parties responsible for approving the liquidator's remuneration or who provide services to the liquidator in respect of the insolvency appointment where the relationship could give rise to a conflict of interest.

The liquidator should inform creditors of their rights under insolvency legislation, and should advise them how they may access suitable information setting out their rights within the first communication with them and in each subsequent report.

- 6.1.3 Where the liquidator sub-contracts out work that could otherwise be carried out by the liquidator or his or her staff, this should be drawn to the attention of creditors with an explanation of why it is being done.

6.2 Key issues

- 6.2.1 The key issues of concern to those with a financial interest in the level of payments from the insolvency estate will commonly be:
- the work the liquidator anticipates will be done, and why that work is necessary;

- the anticipated cost of that work, including any expenses expected to be incurred in connection with it;
- whether it is anticipated that the work will provide a financial benefit to creditors, and if so what benefit (or if the work provided no direct financial benefit, but was required by statute);
- the work actually done and why that work was necessary;
- the actual costs of the work, including any expenses incurred in connection with it, as against any estimate provided;
- whether the work has provided a financial benefit to creditors, and if so what benefit (or if the work provided no direct financial benefit, but was required by statute).

When providing information about payments, fees and expenses, the liquidator should do so in a way which facilitates clarity of understanding of these key issues. . . Narrative explanations should be provided to support any numerical information supplied. Where it is practical to do so, the liquidator should provide an indication of the likely return to creditors when seeking approval for the basis of his remuneration.

- 6.2.2 When approval for a fixed amount or a percentage basis is sought, the liquidator should explain why the basis requested is expected to produce a fair and reasonable reflection of the work that the liquidator anticipates will be undertaken.

6.3 Fee estimates and subsequent reports

- 6.3.1 When providing a fee estimate, the liquidator should supply that information in sufficient time to facilitate that body making an informed judgement about the reasonableness of the liquidator's requests. The estimate should clearly describe what activities are anticipated to be conducted in respect of the estimated fee. When subsequently reporting to creditors, the actual hours and average rate (or rates) of the costs charged for each activity should be provided for comparison.

6.4 Disbursements

- 6.4.1 Costs met by and reimbursed to the liquidator in connection with the liquidation will fall into two categories:

- **Category 1 disbursements:** These are payments to independent third parties where there is specific expenditure directly referable to the liquidation. Category 1 disbursements can be drawn without prior approval, although the liquidator should be prepared to disclose information about them in the same way as any other expenses. **Category 2 disbursements:** These are costs that are directly referable to the liquidation but not to a payment to an independent third party. They may include shared or allocated costs that may be incurred by the liquidator or their firm, and that can be allocated to the liquidation on a proper and reasonable basis.

When seeking approval, the liquidator should explain, for each category of cost, the basis on which the charge is being made. If the liquidator has obtained approval for the basis of Category 2 disbursements, that basis may continue to be used in a sequential appointment where further approval of the basis of remuneration is not required, or where the liquidator is replaced.

- 6.4.2 The following are not permissible as disbursements:

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

6.5 Realisations for secured creditors

Where the liquidator realises an asset on behalf of a secured creditor and receives remuneration out of the proceeds (see paragraph 11.1 below), he should disclose the amount of that remuneration to the committee (if there is one), to any meeting of *creditors convened for the purpose of determining his fees, and in any reports he sends to creditors.*

7. Exceeding the amount set out in the fees estimate

Remuneration must not exceed the fees estimate without approval by the body which fixed the original basis of the remuneration. The request for approval must specify –

- the reason why the liquidator has exceeded, or is likely to exceed, the fees estimate;
- the additional work the liquidator has undertaken or proposes to undertake;
- *the hourly rate or rates the liquidator proposes to charge for each part of that additional work;*
- the time that additional work has taken or the liquidator anticipates that work will take;
- whether the liquidator anticipates that it will be necessary to seek further approval; and
- the reasons it will be necessary to seek further approval.

8. Progress reports and requests for further information

8.1 The liquidator is required to send annual progress reports to creditors. The reports must include:

- details of the basis fixed for the remuneration of the liquidator (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 liquidator during the period of the report, irrespective of whether payment was actually made during that period;
- where appropriate, a statement –
 - that the remuneration anticipated to be charged is likely to exceed the fees estimate or any approval given for remuneration exceeding the estimate;
 - that expenses incurred or anticipated to be incurred are likely to exceed, or have exceeded, the details given to the creditors prior to the determination of the basis of remuneration; and
 - the reason for that excess.
- a statement of the creditors' rights to request further information, as explained in paragraph 8.2, and their right to challenge the liquidator's remuneration and expenses.

8.2 Within 21 days of receipt of a progress report (or 7 business days where the report has been prepared for the purposes of a meeting to receive the liquidator's resignation) a creditor may request the liquidator to provide further information about the remuneration and expenses 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 liquidator 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 liquidation or might be expected to lead to violence against any person, or
- the liquidator 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 liquidator'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 liquidator must provide certain information about the time spent on the case, free of charge, upon request by any creditor, director or shareholder of the company.

The information which must be provided is –

- the total number of hours spent on the case by the liquidator or staff assigned to the case;
- for each grade of staff, the average hourly rate at which they are charged out;
- the number of hours spent by each grade of staff in the relevant period.

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

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

10 What if a creditor is dissatisfied?

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

10.2 If a creditor believes that the liquidator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the liquidator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court.

10.3 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 liquidator'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 liquidator a copy of the application and supporting evidence at least 14 days before the hearing.

- 10.4 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 out of the assets of the insolvent company.

11. What if the liquidator is dissatisfied?

If the liquidator considers that the remuneration fixed by the liquidation committee, or in the preceding administration, 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 liquidation committee, the creditors, in the preceding administration or in accordance with the statutory scale 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 committee and the committee may nominate one or more of its members to appear or be represented at the court hearing. If there is no committee, the liquidator's notice of his application must be sent to such of the creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid out of the assets.

12 Other matters relating to remuneration

- 12.1 Where the liquidator realises assets on behalf of a secured creditor he is entitled to be remunerated out of the proceeds of sale in accordance with a scale set out in the Rules. Usually, however, the liquidator will agree the basis of his fee for dealing with charged assets with the secured creditor concerned.
- 12.2 Where two (or more) joint liquidators are appointed it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute between them may be referred to the court, the committee or a meeting of creditors.
- 12.3 If the appointed liquidator is a solicitor and employs his own firm to act in the insolvency, profit costs may not be paid unless authorised by the committee, the creditors or the court.
- 12.4 If a new liquidator 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 liquidator until a further determination, resolution or court order is made.
- 12.5 Where the basis of the remuneration is a set amount, and the liquidator 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 liquidator. The application must be made to the same body as approved the remuneration. Where the outgoing liquidator and the incoming liquidator are from the same firm, they will usually agree the apportionment between them.
- 12.6 There may also be occasions when creditors will agree to make funds available themselves to pay for the liquidator to carry out tasks which cannot be paid for out of the assets, either because they are deficient or because it is uncertain whether the work undertaken will result in any benefit to creditors. Arrangements of this kind are sometimes made to fund litigation or investigations into the affairs of the insolvent company. Any arrangements of this nature will be a matter for agreement between the liquidator and the creditors concerned and will not be subject to the statutory rules relating to remuneration.

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 liquidator;
- the liquidator'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 liquidator'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 liquidator 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 liquidator'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 liquidator 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 liquidator 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 K J WATKIN & CO.

Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/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 information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be 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 <https://www.icaew.com/en/technical/insolvency/insolvency-regulations-and-standards/statements-of-insolvency-practice-sips-england>. Alternatively a hard copy may be requested from C H I Moore of K J Watkin & Co. Please note that we have provided further details in this policy document.

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. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the 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 some 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

When charging fees on a time costs basis 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 2020 £	Previous charge-out rate per hour, effective from 2019 £
Partner	460	450
Senior Manager	375	365
Manager	315	310
Cashier	230	225
Senior Administrator	230	225
Administrator	160	155
Support Staff	115	110

These charge-out rates charged are reviewed on 1 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. The work is generally recorded under the following categories:

- Administration and Planning.
- Investigations.
- Realisation of Assets.
- Creditors.
- Trading
- Case specific matters.

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or

“blended” rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken, or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Fixed fee

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Members’ voluntary liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members’ voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company’s members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT 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

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Disbursements

In accordance with SIP 9 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 K J Watkin & Co.; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

Category 2 expenses are incurred by 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, internal storage and mileage.

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

Room Hire	£210
Mileage	45p per mile
Storage	£15 per box per quarter

PROVISION OF SERVICES REGULATIONS SUMMARY SHEET FOR K J WATKIN & CO.

The following information is designed to draw the attention of interested parties to the information required to be disclosed by the Provision of Services Regulations 2009.

Licensing Body

Mr C H I Moore is licensed to act as an Insolvency Practitioner in the United Kingdom by the Institute of Chartered Accountants in England and Wales (ICAEW).

Rules Governing Actions

All IPs are bound by the rules of their professional body, including any that relate specifically to insolvency. The rules of the professional body that licences K J Watkin & Co.'s IP can be found at <http://www.icaew.com/en/members/regulations-standards-and-guidance/insolvency/insolvency-regulations-and-guidance>. In addition, IPs are bound by the Statements of Insolvency Practice (SIPs), details of which can be found at <https://www.r3.org.uk/what-we-do/publications/professional/statements-of-insolvency-practice>.

Ethics

All IPs are required to comply with the Insolvency Code of Ethics and a copy of the Code can be found at <http://www.icaew.com/en/technical/insolvency/insolvency-regulations-and-standards>.

Complaints

At K J Watkin & Co. we always strive to provide a professional and efficient service. However, we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. As such, should you have any comments or complaints regarding the administration of a particular case then in the first instance you should contact the IP acting as office holder.

If you consider that the IP has not dealt with your comments or complaint appropriately you should then put details of your concerns in writing to our complaints officer Mr C H I Moore, K J Watkin & Co., Emerald House, 20-22 Anchor Road, Aldridge, Walsall WS9 8PH. This will then formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner; or you can email insolvency.enquiryline@insolvency.gsi.gov.uk; or you may phone 0300 678 0015 - calls are charged at up to 12p per minute from a land line, or for mobiles, between 3p and 45p per minute if you're calling from the UK.

Professional Indemnity Insurance

K J Watkin & Co.'s Professional Indemnity Insurance is provided by Liberty Mutual Insurance Europe Limited, 20 Fenchurch Street, London, EC3M 3AW. This professional indemnity insurance provides worldwide coverage.

VAT

K J Watkin & Co. is registered for VAT under registration no. 559 3875 84.