

LIQ03

Notice of progress report in voluntary winding up



Companies House

FRIDAY



A95M85CY

A09

22/05/2020

#245

COMPANIES HOUSE

1 Company details

Company number 0 3 2 1 2 6 7 5

Company name in full ATS Adhesives Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Nicholas W

Surname Nicholson

3 Liquidator's address

Building name/number Haslers

Street Old Station Road

Post town Loughton

County/Region Essex

Postcode I G 1 0 4 P L

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

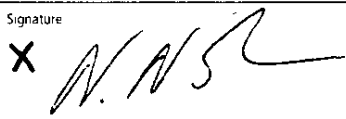
6 Period of progress report

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

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
---	--

8 Sign and date

Liquidator's signature	<div>Signature</div> <div>  </div>	
Signature date	^d 0 ^d 6 ^m 0 ^m 3 ^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 **Michelle Dean**

Company name **Haslers**

Address
Old Station Road
Loughton

Post town **Essex**

County/Region

Postcode **I G 1 0 4 P L**

Country

DX

Telephone **020 8418 3333**



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

ATS Adhesives Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Declaration of Solvency £		From 11/02/2019 To 10/02/2020 £	From 11/02/2019 To 10/02/2020 £
	ASSET REALISATIONS		
Uncertain	Book Debts	NIL	NIL
512,741.37	Cash at Bank	512,736.82	512,736.82
479,110.14	Director's Loan Account	479,110.14	479,110.14
154,457.98	Pafra Adhesives Limited	154,457.98	154,457.98
7,438.00	Tax Refund	NIL	NIL
		1,146,304.94	1,146,304.94
	COST OF REALISATIONS		
	Office Holders Fees	1,750.00	1,750.00
	Specific Bond	412.00	412.00
	Statutory Advertising	213.00	213.00
		(2,375.00)	(2,375.00)
	UNSECURED CREDITORS		
(1,500.00)	Pre appointment fees	1,500.00	1,500.00
		(1,500.00)	(1,500.00)
	DISTRIBUTIONS		
	Shareholder Distribution - cash	985,000.00	985,000.00
	Shareholder Distribution - in specie	154,457.98	154,457.98
		(1,139,457.98)	(1,139,457.98)
1,152,247.49		2,971.96	2,971.96
	REPRESENTED BY		
	Metro Bank		2,496.96
	Vat Control Account		475.00
			2,971.96

Note:

The following distributions have been made to the sole Member:

Date	Rate £ per Ordinary Share	Amount	Type
11/02/19	5,000.00	£500,000.00	Cash distribution
13/02/19	1,544.58	£154,457.98	Distribution in Specie
19/02/19	4,850.00	£485,000.00	Cash distribution

Nicholas W Nicholson
Liquidator

ATS ADHESIVES LIMITED – IN MEMBERS’ VOLUNTARY LIQUIDATION

**LIQUIDATOR’S PROGRESS REPORT TO MEMBERS
FOR THE YEAR ENDING 10 FEBRUARY 2020**

EXECUTIVE SUMMARY

Dominic Dumville and I were appointed Joint Liquidators of the Company at a meeting of Members held on 11 February 2019. Dominic Dumville has subsequently left the Practice and, in accordance with a Court Order dated 16 January 2020, ceased to act as Joint Liquidator.

Since my appointment I have sought to realise the assets as per the Declaration of Solvency which have largely been dealt with, details of which are provided in the report below.

Current outstanding matters are the book debt and refund due from HM Revenue & Customs ("HMRC").

Barclays Finance purchased a debtor of the Company for 80% of the value of the debt. The remaining sum was due to be paid upon Barclays Finance being successful in collecting the full amount of the debt. I accordingly wrote to Barclays Finance advising of the liquidation and my appointment and requested that any sums realised be paid to the liquidation account. To date, I have not received funds, nor a response confirming the matter has been concluded. I continue to liaise with Barclays Finance for updates.

The tax refund as shown on the Declaration of Solvency is also outstanding. The refund has arisen following the repayment of the Director's Loan Account ("DLA"). Having advised HMRC that the DLA had been repaid in full, I requested payment of the refund due. However, I am advised by HMRC that this refund does not become due until nine months and one day after the year end in which the repayment was made. I have made several attempts to explain that due to liquidation, this is not a satisfactory timescale but HMRC maintain that this ruling applies whether a company is in liquidation or not. Therefore, I am not able to apply for this refund until 10 October 2020.

HMRC have also advised that there are Returns outstanding in respect of PAYE and Corporation Tax. I am currently liaising with the Company's former accountant in this respect.

STATUTORY INFORMATION

Company name:	ATS Adhesives Limited	
Registered office:	Haslers, Old Station Road, Loughton, Essex IG10 4PL	
Former registered office:	Botany Way, Beacon Hill Industrial Estate, Upminster, Essex RM14 1EH	
Registered number:	03212675	
Liquidator's names:	Nicholas W Nicholson	Dominic Dumville
Liquidators' date of:		
Appointment:	11 February 2019	11 February 2019
Removal:		16 January 2020
Liquidator's address:	Old Station Road, Loughton, Essex, IG10 4PL	
Actions of Joint Liquidators'	Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both of the Liquidators acting jointly or alone.	

LIQUIDATOR'S ACTIONS SINCE APPOINTMENT

Since my appointment I have sought to realise and deal with the assets as per the Declaration of Solvency. The Company's Director together with the former accountant have assisted with

various matters in respect of tax in order to bring the position up to date. In particular, whilst HMRC confirmed that there were no outstanding matters up to the date of liquidation, I am now informed that there is a Company Tax Return outstanding for a pre liquidation period. As the position is currently disputed, I have requested clarification from the former accountant.

The Declaration of Solvency showed a credit balance in the Company's bank account and the Company's former director arranged for the majority of this to be transferred to the Haslers' Insolvency client account prior to the commencement of liquidation. Following my appointment, these funds were transferred to a liquidation account. I have written to the Company's bank advising them of the liquidation and requesting the account be closed. Closing statements have been received confirming the position.

A Director's Loan Account as shown on the Declaration of Solvency has been repaid in full by the Director, meaning a refund of tax is due. I have accordingly liaised with HMRC in this respect, however I am unable to request this refund until October 2020. I have diarised to contact HMRC at this time to ensure that the matters can progress as soon as practically possible.

Dividends have also been declared in the reporting period, being cash distributions of the majority of funds held and a distribution in specie relating to the deferred consideration following a sale of the business prior to liquidation. Further details of which can be found below.

There is certain work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my appointment as Liquidator is enclosed at Appendix A.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 11 February 2019 to 10 February 2020 is enclosed.

The balance of funds is held in a non-interest bearing estate bank account.

ASSETS

BOOK DEBTS

The company sold a debt to Barclays Finance and received approximately 80% of the value. Barclays Finance were to pay over the remaining amount once the debtor had repaid the whole sum due.

I have contacted Barclays Finance advising of the liquidation and requesting an update of the position, however have not received a positive response to date. I will continue to pursue the matter.

TAX REFUND

Following the repayment of the DLA, a refund of tax becomes due to the Company. Despite considerable correspondence with HMRC, I have been unable to realise this refund in the reporting period. HMRC have advised that, although the Company is in liquidation, legislation dictates that the refund does not become payable until nine months and one day after the end of the period in which the DLA was repaid. Therefore, in this case, the refund does not become payable until 11 October 2020. Whilst I will continue to seek early repayment, I have diarised to ensure that an application is made for the refund in October 2020.

CASH AT BANK

The former Director arranged for the majority of the credit balance held in the Company's bank account to be transferred to the Haslers' client account pending the commencement of liquidation. Following my appointment, this sum was transferred to a liquidation account.

I have contacted the bank advising of the liquidation and requesting that any remaining balance should be transferred to the liquidation account, following which the account shall be closed. I have accordingly received a closing statement from the bank.

DIRECTOR'S LOAN ACCOUNT

The sum of £479,110.14 has been repaid by the Director to the liquidation account, being full settlement of the DLA.

PAFRA ADHESIVES LIMITED

The Company sold its business to Pafra Adhesives Limited prior to the commencement of liquidation. As part of the Sale Agreement, a deferred payment would be made the Company in the estimated sum of £154,457.98. A distribution in specie to the sole Member has taken place reassigning the right to receive these future payments. Accordingly, I have written to Pafra Adhesives Limited advising of the position.

LIABILITIES

SECURED CREDITORS

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company granted a Charge to Barclays Bank plc which was created on 14 March 2005. The former Director has confirmed that there are no amounts outstanding to Barclays Bank plc under this Charge.

PREFERENTIAL CREDITORS

The Declaration of Solvency anticipated no preferential creditors and no claims have been received.

CROWN CREDITORS

The Declaration of Solvency did not include an amount owed to HMRC and no claim has been received in the reporting period.

UNSECURED CREDITORS

The Declaration of Solvency included one unsecured creditors with an estimated total liability of £1,500 which has been paid in full.

SHARE CAPITAL

All creditors have been paid in full and the following distributions were made to the Members:

Date	Rate £ per Ordinary Share	Amount	Type
11/02/19	5,000.00	£500,000.00	Cash distribution
13/02/19	1,544.58	£154,457.98	Distribution in Specie
19/02/19	4,850.00	£485,000.00	Cash distribution

PRE-APPOINTMENT REMUNERATION

The Board previously authorised the payment of a fee of £1,250 plus VAT for preparing the Declaration of Solvency, producing and circulating the notices for the meeting of Members prior to my appointment at a meeting held on 11 February 2019.

The fee for preparing the Declaration of Solvency and convening the meeting was paid on appointment, and is included in the enclosed Receipts and Payments Account.

LIQUIDATOR'S REMUNERATION

My remuneration was previously authorised by Members at a meeting held on 11 February 2019 to be drawn on a time cost basis capped at £1,750 plus VAT. My total time costs to 10

February 2020 amount to £6,850.50, representing 36.20 hours of work at an average charge out rate of £189.24 per hour.

I have drawn £1,750 plus VAT to 10 February 2020.

A schedule of my time costs incurred to date is enclosed.

A copy of 'A Members' Guide to Liquidators' Fees' is available at the link <https://www.haslers.com/services/insolvency/> under the 'Tools & Resources' tab. An explanatory note which shows Haslers' fee policy is enclosed

LIQUIDATOR'S EXPENSES

I have incurred expenses to 10 February 2020 of £625 plus VAT which has been drawn in full.

I have incurred the following expenses in the period since my appointment as Liquidator:

Type of expense	Amount incurred/ accrued in the reporting period
Insolvency Practitioners' Bond	£412.00
Statutory Advertising	£213.00

FURTHER INFORMATION

A Member may, with the permission of the court or with at least 5% of the total voting rights of all the Members having the right to vote at general meetings of the company request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report.

A Member may, with the permission of the court or with at least 10% of the total voting rights of all the Members having the right to vote at general meetings of the company, apply to Court to challenge the amount of remuneration charged by the Liquidator's 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.

The Liquidation will remain open until the position can be clarified with HMRC with regard to outstanding Returns and the receipt of the tax refund due following repayment of the Director's Loan Account. I estimate that this will take approximately nine months and once resolved the Liquidation will be finalised and our files will be closed.

If members 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 Michelle Dean on 020 8418 3333, or by email at Michelle.Dean@Haslers.com.



NICHOLAS W NICHOLSON
LIQUIDATOR

APPENDIX A

ADMINISTRATION

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow. .

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up case files.
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Convening and holding a general meeting of Members (as applicable).
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- 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 Members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.

ATS Adhesives Limited
(In Liquidation)
Liquidator's Summary of Receipts and Payments
To 06 March 2020

RECEIPTS	Declaration of Solvency (£)	Total (£)
Book Debts	Uncertain	0.00
Tax Refund	7,438.00	0.00
Cash at Bank	512,741.37	512,736.82
Director's Loan Account	479,110.14	479,110.14
Pafra Adhesives Limited	154,457.98	154,457.98
		<hr/>
		1,146,304.94
		<hr/>
PAYMENTS		
Specific Bond		412.00
Office Holders Fees		1,750.00
Statutory Advertising		213.00
Pre appointment fees	(1,500.00)	1,500.00
Shareholder Distribution - cash		985,000.00
Shareholder Distribution - in specie		154,457.98
		<hr/>
		1,143,332.98
		<hr/>
Net Receipts/(Payments)		2,971.96
		<hr/>
MADE UP AS FOLLOWS		
Metro Bank		2,496.96
VAT Receivable / (Payable)		475.00
		<hr/>
		2,971.96
		<hr/>

Note:

The following distributions have been made to the sole Member:

Date	Rate £ per Ordinary Share	Amount	Type
11/02/19	5,000.00	£500,000.00	Cash distribution
13/02/19	1,544.58	£154,457.98	Distribution in Specie
19/02/19	4,850.00	£485,000.00	Cash distribution

ATS Adhesives Limited

HASLERS

Confidentiality & Privacy

Analysis of time costs from 11/02/19 to 10/02/20

Categories	Time recorded (Hours)						Total Sum of Charge	Average Hourly Rate
	Partner	Manager	Senior Administrator	Administrator	Junior	Total Time		
GENERAL CASE ADMINISTRATION								
Case Planning	0.70	0.80			4.00	5.50	580.00	105.45
Administrative Set-up		0.60	1.00	0.20		1.80	423.00	235.00
Appointment Notification		0.30	5.20			5.50	1,079.50	196.27
Maintenance of Records		1.90	19.30			21.20	4,302.00	202.92
INS Cashiering					1.00	1.00	100.00	100.00
Total	0.70	3.60	25.50	0.20	5.00	35.00	6,484.50	185.27
REALISATION OF ASSETS								
Identifying, Securing, insuring Assets		0.10				0.10	30.50	305.00
Total		0.10				0.10	30.50	305.00
CREDITORS								
Communications with Creditors		1.10				1.10	335.50	305.00
Total		1.10				1.10	335.50	305.00
	0.70	4.80	25.50	0.20	5.00	36.20	6,850.50	189.24

PROVISION OF SERVICES REGULATIONS SUMMARY SHEET FOR HASLERS

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

Nicholas Nicholson is licensed to act as an Insolvency Practitioner in the United Kingdom by the Institute of Chartered Accountants in England and Wales.

Nicholas Nicholson is a Member of the Insolvency Practitioners Association.

Haslers is also a member of the ICAEW, Institute of Chartered Accountants in England and Wales.

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 Haslers' IPs <https://www.icaew.com/-/media/corporate/files/members/regulations-standards-and-guidance/master-insolvency-regulations-and-guidance-notes-010518.ashx?la=en>. 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 <https://www.icaew.com/-/media/corporate/files/members/regulations-standards-and-guidance/ethics/code-of-ethics-part-d-insolvency-practitioners-1-jan-2011.ashx> IPA - <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/ethics-code>.

Complaints

At Haslers 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 Jon O'Shea, Haslers, Old Station Road, Loughton, Essex IG10 4PL. 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.gov.uk; or you may phone 0300 678 0015. Information on the call charges that apply is available at <https://www.gov.uk/call-charges>.

Professional Indemnity Insurance

Haslers' Professional Indemnity Insurance is provided by Axis Speciality SE, of Willis Limited, 51 Lime Street, London EC3M 7DQ. This professional indemnity insurance provides worldwide coverage.

VAT

Haslers is registered for VAT under registration no. 978 0506 90.

Bribery Act 2010

Haslers is committed to applying the highest standards of ethical conduct and integrity in its business activities. Every employee and individual acting on Haslers' behalf is responsible for maintaining our reputation and for conducting company business honestly and professionally.

Haslers take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate.

Haslers requires all those who are associated with it to observe the highest standards of impartiality, integrity and objectivity.

Haslers prohibits anyone acting on its behalf from:

- bribing another person. A bribe includes the offering, promising or giving of any financial or other type of advantage;
- accepting a bribe. This includes requesting, agreeing to receive or accepting any financial, or another kind of advantage;
- bribing a foreign public official; and
- condoning the offering or acceptance of bribes.

Haslers will:

- avoid doing business with others who do not accept our values and who may harm our reputation;
- maintain processes, procedures and records that limit the risk of direct or indirect bribery;
- promote awareness of this policy amongst its staff, those acting on its behalf and entities with which it has any commercial dealings;
- investigate all instances of alleged bribery, and will assist the police, and other authorities when appropriate, in any resultant prosecutions. In addition, disciplinary action will be considered against individual members of staff;
- review this policy regularly and update it when necessary.
-

PRACTICE FEE RECOVERY POLICY FOR HASLERS

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 <http://www.haslers.com/services/insolvency/>. Alternatively a hard copy may be requested from Haslers, Old Station Road, Loughton, Essex IG10 4PL. 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 1 April 2019 £	Previous charge-out rate per hour, effective from 1 January 2018 £
Partner – appointment taker	375-510	375-510
Manager	285-320	285-320
Senior Administrator	195-250	195-250
Case Administrator	95-165	95-165
Cashier	100	100

Where necessary and appropriate, members of staff from other departments of the practice will undertake work on a case. They will be charged at their normal charge out rate for undertaking such work.

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.
- Maintenance of records
- Investigations.
- Realisation of Assets.
- Creditors.
- Case specific matters.
- Statutory reporting.

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and on new appointments we seek time costs for all categories of work

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.

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 Haslers; 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. It is not Haslers' policy to charge for such costs.