

LIQ13

Notice of final account prior to dissolution in MVL



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 03212675

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 IG10 4PL

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.

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6 Final account

☒ I have delivered the final account of the winding up to the members in accordance with Section 94(2) and attach a copy.

7 Sign and date

Liquidator's signature

Signature

X

N. N. S.

X

Signature date

^d
2

^d
3

^m
0

^m
3

^y
2

^y
0

^y
2

^y
2

LIQ13

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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 Abstract of Receipts & Payments
From 11 February 2019 To 23 March 2022

Declaration of Solvency £		£	£
	ASSET REALISATIONS		
Uncertain	Book Debts	NIL	
7,438.00	Tax Refund	10,818.41	
512,741.37	Cash at Bank	512,736.82	
479,110.14	Director's Loan Account	479,110.14	
154,457.98	Pafra Adhesives Limited	154,457.98	
			1,157,123.35
	COST OF REALISATIONS		
	Specific Bond	412.00	
	Office Holders Fees	3,750.00	
	Corporation Tax Penalty	100.00	
	Statutory Advertising	213.00	
			(4,475.00)
	UNSECURED CREDITORS		
(1,500.00)	Pre appointment fees	1,500.00	
	HM Revenue & Customs	225.34	
	Statutory Interest	19.81	
			(1,745.15)
	DISTRIBUTIONS		
	Shareholder Distribution - cash	996,445.22	
	Shareholder Distribution - in specie	154,457.98	
			(1,150,903.20)
1,152,247.49			(0.00)
	REPRESENTED BY		
			NIL

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
05/01/22	114.45	£11,445.22	Cash distribution

The following distribution had been made to HM Revenue & Customs

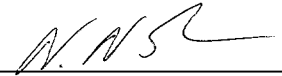
Date	Rate p in £	Amount
18/03/20	100	£225.34
18/03/20	Statutory Interest	£19.81

**ATS Adhesives Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments
From 11 February 2019 To 23 March 2022**

**Declaration
of Solvency**
£

£

£



Nicholas W Nicholson
Liquidator

ATS ADHESIVES LIMITED – IN MEMBERS' VOLUNTARY LIQUIDATION

LIQUIDATOR'S FINAL ACCOUNT TO MEMBERS TO 23 MARCH 2022

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 since left the Practice and, in accordance with a Court Order dated 16 January 2020, ceased to act as Joint Liquidator.

Subsequent to my appointment I made enquiries into the assets and liabilities stated in the Company's Declaration of Solvency, all of which have now been dealt with and full details are provided in this report.

In addition to the assets listed in the Declaration of Solvency, the Director advised that following the completion of the sale of the business, the actual sum received was less than had been accounted for in the Company's Corporation Tax Return. Therefore, there had been an overpayment of tax and a refund was due to the Company. I made an application to HM Revenue & Customs ("HMRC") requesting that the overpayment be refunded to the liquidation estate which was eventually received in full.

Having notified the relevant departments at HMRC of the liquidation and my appointment, they advised that there were outstanding Returns due in respect of PAYE and Corporation Tax and that penalties had been applied. In addition, HMRC were showing an outstanding Corporation Tax liability of circa £140,000.

I liaised with the Company's former accountant who assisted with bringing the Company's tax position up to date and submitting the relevant Returns. The former accountant also confirmed that the purported liability was incorrect and provided the relevant information to enable this to be proven to HMRC. Correspondence was entered into with HMRC who rectified the position. In addition, I lodged appeals against the penalties applied in respect of both PAYE and Corporation Tax which have now been reversed.

Having dealt with all assets and liabilities stated on the Declaration of Solvency, together with any additional matters which have arisen since my appointment, I sought confirmation from HMRC that they had no objection to my release as Liquidator. This confirmation has been received from the relevant departments and I have arranged for all surplus funds to be distributed to the sole Member.

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, 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 COMMENCEMENT OF LIQUIDATION

Since my appointment I have liaised with the Director and former accountant in order to bring the Company's tax, PAYE and VAT position up to date. This includes filing all Returns up to the date of liquidation and resolving issues with HMRC in respect of incorrect liabilities and penalties.

I confirmed with the Director the actual liability due to HMRC as at the date of liquidation and this was paid in full, together with statutory interest. In addition, one penalty had been applied in respect of late filing of a Company Tax Return for a pre liquidation period which the Director agreed should be settled and I duly arranged.

I have also liaised with HMRC with regard to refunds due to the Company which have been successfully received. One of the refunds was in relation to the sale of the business which although took place prior to the commencement of liquidation, in accordance with the sale Agreement, payments were deferred for a specified period. The Director provided details of an overpayment of tax in respect of the deferred payments and I made a successful application for this sum to be refunded to the Company.

I have dealt with all tax and VAT matters for the liquidation period, to include the filing of Returns and reclaiming VAT incurred in the period. I have also sought confirmation from HMRC that they have no objection to the liquidation being closed and my release being obtained.

The Director provided full details in respect of the book debt which was stated on the Declaration of Solvency and I accordingly corresponded with the relevant party for regular updates. It was eventually established that the outstanding debt could not be collected.

I undertook a statutory search and ascertained that the Company operated a pension policy. I made enquiries with the Director who confirmed that this policy ceased upon the cessation of trading prior to the sale of the business.

I have arranged for all surplus assets to be distributed to the sole Member, both 'in specie' and cash.

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 members. A description of the routine work undertaken since my last progress report is contained in Appendix A.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 11 February 2019 to 23 March 2022 and showing the period since 11 February 2021 is enclosed. All amounts are shown net of VAT. I have reconciled the account against the financial records that I am required to maintain.

ASSET REALISATIONS

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 liaised with Barclays Finance to obtain regular updates, however am now advised that they have been unable to realise further funds. In the circumstances, the balance has been written off and there will be no realisations available for the liquidation.

TAX REFUND

The Director settled the amount due to the Company in respect of the overdrawn Director's Loan Account which allows for a refund of tax paid. An application cannot be made for this refund to be paid over until nine months and one day after the year end in which the overdrawn Director's Loan Account was repaid and, despite attempts to shorten this period,

HMRC make no allowances for a Company in liquidation. I therefore contacted HMRC once the relevant period expired with a view to receiving the refund.

Responses from HMRC were somewhat delayed, however since my last progress report I have received a tax refund in the sum of £10,818.41. I believe this sum is made up of the refund due following the repayment of the Director's Loan Account together with a refund of an overpayment of tax in respect of the sale of the business and deferred consideration (see 'Pafra Adhesives Limited' below). Whilst I have requested full details as to how this sum is made up, a response has not been received and it is not considered cost effective to delay the closure of the liquidation to wait for a response.

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 overdrawn Director's Loan Account.

PAFRA ADHESIVES LIMITED

The Company sold its business to Pafra Adhesives Limited prior to the commencement of liquidation. In accordance with the Sale Agreement, a deferred payment was to 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. Following my appointment, I wrote to Pafra Adhesives Limited confirming the position.

Once all payments had been received, the Director advised that a higher sale figure had been included in the Company's accounts which had led to more tax being paid than ultimately required. I therefore applied for this overpayment to be refunded to the Company which has been successfully received as noted above.

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 included £225.34 owed to HMRC. A dividend was declared to HMRC in order to settle this outstanding liability in full, together with statutory interest.

UNSECURED CREDITORS

The Declaration of Solvency included one other creditor, being Haslers' agreed fee in respect of services provided up to the date of liquidation. The sum of £1,500 has been settled in full and Haslers have waived their right to receive statutory interest on this amount.

SHARE CAPITAL

All creditors have been paid in full, together with statutory interest where applicable, 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
05/01/22	114.45	£11,445.22	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 £1,750.00. Due to the level of work undertaken since my appointment, I sought an increase to this fee cap by an additional £2,000 plus VAT. The sole Member passed a Resolution confirming their agreement to this increased on 17 April 2021.

My total time costs to 23 March 2022 amount to £17,843.50, representing 94.53 hours of work at a blended charge out rate of £188.75 per hour, of which £4,990.50, representing 25.13 hours of work was charged in the period since 11 February 2021, at a blended charge out rate of £198.56 per hour.

I have drawn £3,750.00 plus VAT, of which £2,000.00 plus VAT was drawn in the period since 11 February 2021.

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

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into:

- category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
- category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration. It is not Haslers' policy to charge Category 2 disbursements.

I have incurred and drawn total expenses of £625.00 plus VAT, none of which was incurred or drawn in the period since 11 February 2021.

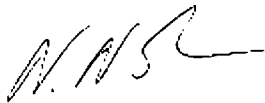
I have incurred the following expenses in the period since the commencement of the Liquidation:

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

Details of the category 1 expenses that I have paid to date are included in the receipts and payments account enclosed with this report.

SUMMARY

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 before my release.



NICHOLAS W NICHOLSON
LIQUIDATOR

APPENDIX A

ADMINISTRATION AND PLANNING

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 members, 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.

- 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.
- 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 the members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.
- Seeking closure clearance from HMRC and other relevant parties.
- Preparing, reviewing and issuing a draft final account of the liquidation to the members.
- Issuing the final account to the members
- Filing the final account at Companies House.

Notice to accompany Final Account

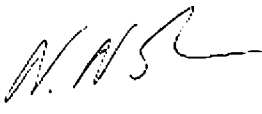
ATS ADHESIVES LIMITED ("THE COMPANY") - IN MEMBERS' VOLUNTARY LIQUIDATION

(Company Number 03212675)

NOTICE IS GIVEN to the members of the above-named Company by Nicholas W Nicholson under rule 5.10 of The Insolvency (England and Wales) Rules 2016 that:

1. the Company's affairs have been fully wound up;
2. the Liquidator, having delivered copies of the final account to the members must, within 14 days of the date on which the final account is made up, deliver a copy of the account to the Registrar of Companies;
3. the Liquidator will vacate office under section 171(6) of The Insolvency Act 1986, and be released under section 173(2)(d) on delivery of the final account to the Registrar of Companies.

Members requiring further information regarding the above, should either contact me at Old Station Road, Loughton, Essex, IG10 4PL, or contact Michelle Dean by telephone on 020 8418 3333, or by email at Michelle.Dean@Haslers.com.

Signed 

Nicholas W Nicholson, Liquidator

Dated 23 March 2022

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

RECEIPTS	Declaration of Solvency (£)	From 11/02/2019 To 10/02/2021 (£)	From 11/02/2021 To 23/03/2022 (£)	Total (£)
Book Debts	Uncertain	0.00	0.00	0.00
Tax Refund	7,438.00	0.00	10,818.41	10,818.41
Cash at Bank	512,741.37	512,736.82	0.00	512,736.82
Director's Loan Account	479,110.14	479,110.14	0.00	479,110.14
Pafra Adhesives Limited	154,457.98	154,457.98	0.00	154,457.98
		1,146,304.94	10,818.41	1,157,123.35
PAYMENTS				
Specific Bond		412.00	0.00	412.00
Office Holders Fees		1,750.00	2,000.00	3,750.00
Corporation Tax Penalty		100.00	0.00	100.00
Statutory Advertising		213.00	0.00	213.00
Pre appointment fees	(1,500.00)	1,500.00	0.00	1,500.00
HM Revenue & Customs		225.34	0.00	225.34
Statutory Interest		19.81	0.00	19.81
Shareholder Distribution - cash		985,000.00	11,445.22	996,445.22
Shareholder Distribution - in specie		154,457.98	0.00	154,457.98
		1,143,678.13	13,445.22	1,157,123.35
Net Receipts/(Payments)		2,626.81	(2,626.81)	0.00
MADE UP AS FOLLOWS				
Metro Bank		2,626.81	(2,626.81)	0.00
		2,626.81	(2,626.81)	0.00

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
05/01/22	114.45	£11,445.22	Cash distribution

The following distribution had been made to HM Revenue & Customs

Date	Rate p in £	Amount
18/03/20	100	£225.34
18/03/20	Statutory Interest	£19.81

ATS Adhesives Limited

Analysis of time costs from 11/02/19 to 23/03/22

	Time recorded (Hours)							
Categories	Partner	Manager	Senior Administrator	Administrator	Junior	Total Time	Total Sum of Charge	Average Hourly Rate
GENERAL CASE ADMINISTRATION								
Case Planning	0.90	2.50		1.83	11.40	16.63	1,591.00	95.65
Adminstrative 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		2.90	52.60		0.40	55.90	11,180.00	200.00
Statutory Reporting	1.50	1.40	6.30			9.20	2,420.50	263.10
INS Cashiering					2.30	2.30	239.50	104.13
Total	2.40	7.70	65.10	2.03	14.10	91.33	16,933.50	185.40
REALISATION OF ASSETS								
Identifying, Securing, insuring Assets	0.10					0.10	30.50	305.00
Property, Business and Asset Sales	0.60					0.60	117.00	195.00
Total	0.10					0.70	147.50	210.71
CREDITORS								
Communications With Creditors	2.50					2.50	762.50	305.00
Total	2.50					2.50	762.50	305.00
	2.40	10.30	65.70	2.03	14.10	94.53	17,843.50	188.75

ATS Adhesives Limited

Analysis of time costs from 11/02/21 to 23/03/22

	Time recorded (Hours)							
Categories	Partner	Manager	Senior Administrator	Administrator	Junior	Total Time	Total Sum of Charge	Average Hourly Rate
GENERAL CASE ADMINISTRATION								
Case Planning		0.30		1.33	2.20	3.83	311.50	81.26
Maintenance of Records		0.80	13.70		0.40	14.90	2,995.00	201.01
Statutory Reporting	1.00	0.70	3.90			5.60	1,484.00	265.00
INS Cashiering					0.10	0.10	19.50	195.00
Total	1.00	1.80	17.60	1.33	2.70	24.43	4,810.00	196.86
REALISATION OF ASSETS								
Property, Business and Asset Sales			0.30			0.30	58.50	195.00
Total			0.30			0.30	58.50	195.00
CREDITORS								
Communications With Creditors			0.40			0.40	122.00	305.00
Total			0.40			0.40	122.00	305.00
	1.00	2.20	17.90	1.33	2.70	25.13	4,990.50	198.56

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 2021 £	Previous charge-out rate per hour, effective from 1 April 2020 £
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.