

# AM22

## Notice of move from administration to creditors' voluntary liquidation



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 3 3 3 3 8 9 0

Company name in full Birley's Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Court details

Court name High Court of Justice

Court case number 0 0 4 2 8 1 / 2 0 2 0

### 3 Administrator's name

Full forename(s) Kikis

Surname Kallis

### 4 Administrator's address

Building name/number Mountview Court

Street 1148 High Road

Post town Whetstone

County/Region London

Postcode N 2 0 0 R A

Country

**5 Administrator's name <sup>①</sup>**

Full forename(s)

Surname

**① Other administrator**

Use this section to tell us about another administrator.

**6 Administrator's address <sup>②</sup>**

Building name/number

Street

Post town

County/Region

Postcode

Country

**② Other administrator**

Use this section to tell us about another administrator.

**7 Appointor/applicant's name**

Give the name of the person who made the appointment or the administration application.

Full forename(s)

Paul

Surname

Salter

**8 Proposed liquidator's name**

Full forename(s)

Kikis

Surname

Kallis

Insolvency practitioner number

0 0 4 6 9 2

**9 Proposed liquidator's address**

Building name/number

Mountview Court

Street

1148 High Road

Post town

Whetstone

County/Region

London

Postcode

N 2 0 0 R A

Country

**10** Proposed liquidator's name<sup>①</sup>

Full forename(s)

Surname

Insolvency practitioner  
number**① Other liquidator**Use this section to tell us about  
another liquidator.**11** Proposed liquidator's address<sup>②</sup>

Building name/number

Street

Post town

County/Region

Postcode

Country

**② Other liquidator**Use this section to tell us about  
another liquidator.**12** Period of progress report

From date

d	3	d	0	m	1	m	1	y	2	y	0	y	2	y	0
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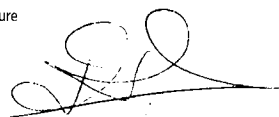
To date

d	1	d	1	m	0	m	5	y	2	y	0	y	2	y	2
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

**13** Final progress report☒ I have attached a copy of the final progress report.**14** Sign and dateAdministrator's  
signature

Signature

X



X

Signature date

d	1	d	2	m	0	m	5	y	2	y	0	y	2	y	2
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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

Company name

Kallis &amp; Company

Address

Mountview Court

1148 High Road

Post town

Whetstone

County/Region

London

Postcode

N 2 0 0 R A

Country

DX

Telephone

020 8446 6699

**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 and dated 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

Administrator's Final Progress Report relating to  
Birley's Limited (**"the Company"**) – In Administration

## Birley's Limited – In Administration

### EXECUTIVE SUMMARY

I was appointed Administrator of Birley's Limited on 30 November 2020. The purpose of the Administration was to realise property to make a distribution to one or more secured or preferential creditors.

Following my appointment, I immediately sold the business and assets of the Company to Sicasa Limited. The business had already been valued and marketed by Lambert Smith Hampton ("LSH") following my instruction on 16 November 2020. Further details regarding the sale are provided later in this report.

The sale has enabled me to pay the secured creditor Barclays Bank plc in full under their security and a full and final dividend to the preferential creditors.

### STATUTORY INFORMATION

Company name:	Birley's Limited
Court name and reference	High Court of Justice Business and Property Courts in London 4281 of 2020
Company number:	03333890
Trading addresses:	Various sites across London as per Appendix 1
Registered office:	Mountview Court, 1148 High Road, Whetstone, London, N20 0RA
Former registered office:	253 Grays Inn Road, London, WC1X 8QT
Principal trading activity:	Sandwich Chain
Administrator's names:	Kikis Kallis
Administrator's address:	Mountview Court□1148 High Road□Whetstone□London□N20 0RA
Date of appointment	30 November 2020
Appointment made by:	The Director

On 30 July 2021, the creditors agreed to extend the Administration of the Company for a period of six months, such that the Administration will now automatically end on 29 May 2022.

### SUMMARY OF THE ADMINISTRATOR'S PROPOSALS

The following proposals were approved by the creditors by way of a Decision Procedure on 5 January 2021.

(a) I continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that I:

- (i) realise the deferred consideration in respect of the sale of the business on the due dates ;
- (ii) realise the credit card receipts held by the merchant providers;
- (iii) realise the insurance refund due to the Company and progress the business interruption

insurance claim.

- (iv) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company and
- (v) do all such things and generally exercise all their powers as Administrator as I consider desirable or expedient at my discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals

(b) the Administration of the Company will end by filing notice of dissolution with the Registrar of Companies. The Company will then automatically be dissolved by the registrar of companies three months after the notice is registered.

(c) the Administration will end by placing the Company into Creditors' Voluntary Liquidation (if the investigations lead to substantial realisations and a dividend to the unsecured creditors is possible), and propose that I, Kikis Kallis am appointed the Liquidator of the Company.

#### STEPS TAKEN DURING THIS REPORTING PERIOD

During this reporting period I have collected the final balance of the deferred consideration, continued to deal with the remaining leasehold trading sites whilst new leases were agreed by the Purchaser and the landlords; and received the final tranche of the Business Interruption Insurance pay-out.

I have agreed the preferential creditors and made a distribution of 100p in the £ to the agreed claims.

I have made distributions to the secured creditor under their floating charge.

There is certain work that I am required by the insolvency legislation to undertake in connection with the Administration 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.

#### OUTCOME OF ADMINISTRATION

I consider that the objective of the Administration has been achieved following the sale of the Company's assets and receipt in full of the sales consideration. I have made distributions to the secured and preferential creditors as proposed.

In accordance with the terms of the proposals, as it appears that the Company may have sufficient property to permit a distribution to be made to unsecured creditors, the necessary steps to place the Company into creditors voluntary liquidation have been taken. Notice to this effect has been sent to the Registrar of Companies on 12 May 2022. On registration of this notice the appointment of the Administrator will cease to have effect and I, Kikis Kallis FCCA FABRP of Kallis & Company will be appointed Liquidator. Enclosed is a copy of the Form AM22 'Notice of move from administration to creditors voluntary liquidation'.

#### RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 30 November, 2020 to 11 May 2022 is attached at Appendix No. 2. The Receipts and Payments account shows that the balance of £12,428.98 has been transferred to the Liquidation. All amounts are shown net of VAT. I have reconciled the account against the financial records that I am required to maintain.

#### ASSETS

Following my appointment as Administrator on 30 November 2020, I completed the sale of the Company's business and assets to Sicasa Limited ("the Purchaser"), a company connected by virtue of a common ultimate beneficial owner in Robin Birley and common director in Paul Anthony Salter.

On 9 November 2020 a valuation of the assets of the Company on a going concern basis was prepared by Lambert Smith Hampton, an independent firm of valuers and Auctioneers ("the Agents") who have confirmed that they hold Professional Indemnity Insurance.

The total consideration payable was as follows, together with a comparison of the "in situ" and "ex situ" valuations provided by the Agent.

Assets	"In Situ" Valuation	"Ex Situ" Valuation	Sales Consideration
	£	£	£
<u>Fixed Charge Assets</u>			
Goodwill, WIP and IPR	Nil	Nil	100,000
Leasehold Property Portfolio	Nil	Nil	Nil
<u>Floating Charge Assets</u>			
Stock	30,000	1,000	30,000
Motor Vehicles	9,000	6,500	10,000
Furniture & Catering Equipment	409,200	40,550	440,000
	448,200	48,050	580,000

I received £250,000 upon the sales agreement being entered into. The balance of £330,000 was due to be paid in monthly instalments of £27,500 from 4 January 2021 to 4 December 2021. I have received £27,500 in this reporting period. I would confirm that the balance of the sales consideration of £580,000 has now been paid in full.

Accordingly, the main actions of the Administrator have been to deal with the various leasehold trading sites whilst new leases were agreed by the Purchaser and the landlords, realising the deferred consideration, realising the Company's cash at bank and credit card receipts, realising the insurance refund, and progressing the Business Interruption Insurance claim.

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

#### Bank Interest Gross

The sum of £12.02 has been realised in respect of gross bank interest in this reporting period with £35.51 being realised in full throughout the Administration.

#### VAT Refund

A VAT refund of £19,825.21 has been received in the current reporting period in respect of the VAT on the rent deposits. No further sums are due in this regard.

#### LIABILITIES



### Secured Liabilities

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has granted the following charges as listed on Appendix 3.

### Preferential Creditors

The statement of affairs anticipated £93,958.86 due in respect of preferential creditors. A final claim of £103,306.70 has been received from the Redundancy Payments Service. Thirteen employees also had residual preferential claims totaling £9,256.69.

### Crown Creditors

The statement of affairs included £617,002.63 owed to HMRC in respect of VAT and PAYE. HMRC's claim has not been received yet.

### Non-preferential Unsecured Creditors

The statement of affairs included 124 non-preferential unsecured creditors with an estimated total liability of £4,669,909.43. I have received claims from 50 creditors at a total of £2,657,384.28. I have not received claims from 134 creditors with original estimated claims in the statement of affairs of £3,264,247.16.

## DIVIDEND PROSPECTS

### Secured Creditor,

A first distribution of £90,000 on account was made to the secured creditor Barclays Bank Plc against the charge holders charge. Subsequently, I have apportioned the expenses and reallocated accordingly as per the attached Receipts and Payments account.. Total payments on account against the floating charge of £528,499.95 have been made with £78,330.60 being paid in the current reporting period.

The final proof of debt form from the secured creditor has been received for £593,330.60.

### Preferential creditors

A preferential dividend of 100p in the £ was paid to the preferential creditors on 18 February 2022. The total amount distributed was £112,585.65.

### Fixed charge creditors

Fixed charge costs of £35,169.35 have been incurred to date, as listed out below.

Nature of Expenditure	Incurred expenses £
Office Holder's fees	6,444.40
Legal Fees	11,224.28
Agents/Valuers Fees	1,786.21
Corporation Tax	15,214.46
Accountancy Fees	500.00
Total	35,169.35

As previously advised, the Company gave a floating charge to Barclays Bank plc on 26 January 1999 and since this charge was given before 15 September 2003 the prescribed part provisions will not apply.

### Unsecured creditors

There is a possible surplus for the unsecured creditors of £17,455.12. The Company will therefore be placed

into Creditors Voluntary Liquidation in order to make a distribution to the unsecured creditors.

## INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. I am required by the Statements of Insolvency Practice to undertake such an initial investigation and the work detailed below has been undertaken in connection with that initial investigation.

Specifically, I recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the 12 months prior to the Company ceasing to trade from the Company's bankers; and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the Administration and made enquiries about the reasons for the changes.

There were no matters that justified further investigation in the circumstances of this appointment.

Within 3 months of my appointment as Administrator, I was required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

## PRE-ADMINISTRATION COSTS

On 5 January 2021 the following pre-administration costs were approved by the Creditors:

Pre-administration fees charged by Kallis & Company	£30,000.00
Valuation agent's fees and disbursements	£10,360.00
Legal fees	£40,779.00

These costs have been paid in full, as detailed in the attached receipts and payments account.

## ADMINISTRATORS' REMUNERATION

My remuneration was approved on a time cost basis based on a fees estimate of £88,766.50. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors.

In my last progress report dated 28 June 2021 I had requested a fee increase to £105,300.50. This was approved by creditors on 30 July 2021, however this approval was subject to the debenture holder Barclays Bank plc being paid in full from the Administration. I would confirm that the final payment of £28,330.60 was made to Barclays Bank plc on 19 April 2022 and therefore Barclays Bank plc has been paid in full

My total time costs to 11 May 2022 amount to £138,850.50 representing 718.90 hours of work at a blended charge out rate of £193.14 per hour of which £24,740.00 representing 126.20 hours of work at a blended charge out rate of £196.04 per hour was incurred since the last progress report. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £189.03 in my fees estimate.

I have drawn £88,766.50 to 29 November 2021. A further £16,534.00 has been drawn on 26 April 2022 once Barclays Bank plc had been paid in full.

A detailed schedule of my time costs incurred to date compared with my original fees estimate is attached as Appendix 5.

A detailed schedule of my time costs incurred to date and since 30 November 2021 compared with my original fees estimate is attached as Appendix 2.

As at 11 May 2022 then as you can see from the information provided in this report, the total time costs I have incurred in this matter, in respect of the categories of work for which I am being remunerated on a time cost basis, have exceeded the total estimated remuneration I set out in my increased fees estimate when my remuneration was authorised by the creditors. However, I have not drawn remuneration in excess of my increased fees estimate. The reasons my time costs have exceeded the fees estimate are due to:

- The ongoing lease matters which proved more protracted than originally anticipated to conclude,
- Removal of a guarantee in order to adjudicate the final claim from Barclays Bank PLC
- Additional communications with regards to the employees balancing claims

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 Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at <http://www.kallis.co.uk/downloads>. There are different versions of these Guidance Notes, and you should refer to the most recent version. Please note that we have also provided further information about an office holder's remuneration and expenses in our practice fee recovery sheet, which is enclosed at Appendix 8.

## ADMINISTRATORS' 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.

I have incurred total expenses of £72,061.72, of which I incurred £2,612.50 in the period since 30 November 2021. I have drawn £72,061.72 of which £2,612.50 was drawn in the period since 30 November 2021.

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

Professional Advisor	Nature of Work	Basis of Fees
Irwin Mitchell LLP	Solicitors	Time cost basis
ERA Solutions	ERA Specialists	Time cost basis

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I also confirmed that they hold appropriate regulatory authorisations. I have reviewed the fees they have charged and am satisfied that they are reasonable in the circumstances of this case.

The solicitors have assisted with the surrender of three leases and assignment of leases further to the Licence to Occupy granted to the purchaser. The solicitors have also assisted with trying to get Barclays Bank plc to remove their security on one of the sites where the lease has been surrendered.

ERA Solutions have assisted with the preferential employee and pension claims.

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

Type of expense	Amount incurred/ accrued in the reporting period £
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Legal Fees (post appointment)	£24,321.81
Postage	£253.20
Statutory Advertising	£181.70
Specific Bond	£720.00
ERA Solutions	£2,975.00

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

I am required to seek approval before I can pay any expenses to associates, or pay expenses where there is an element of shared costs, which are known as category 2 expenses. I have obtained approval to pay the following category 2 expenses. I have not incurred any category 2 expenses in the period since my appointment as Administrator:

Below is a summary of the expenses incurred against my original estimate.

Nature of expense	Estimated expenses £	Expenses incurred to date £
Storage and Destruction & Case files		Nil but now anticipated to be £315.00
Bonding	1,520.00	720.00
Advertising	191.00	181.70
Postage	499.00	253.20
Legal Fees	42,779.00	70,582.31
Valuation and Agent Fees	10,360.00	10,360.00
Disbursements re appointment formalities	62.81	Included in legal fees
ERA Costs	5,000.00	2,975.00
<b>Total</b>	<b>£60,412.00</b>	<b>£85,387.21</b>

As you can see above, the total expenses I have incurred in this matter have exceeded the total expenses I estimated I would incur when my remuneration was approved. The reasons I have exceeded the estimate of expenses are that legal matters pertaining to the surrenders and assignments of leases are more complicated than originally anticipated due to Covid-19 delays.

#### 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 Administrators' remuneration and expenses, within 21 days of 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 and/or basis of the Administrators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of 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 Kallis & Company can be found at [www.kallis.co.uk](http://www.kallis.co.uk).

#### SUMMARY

The purpose of the administration has been sufficiently achieved as detailed above. In accordance with the

terms of the proposals, and as it appears that the Company may have sufficient property to permit a distribution to be made to unsecured creditors, the necessary steps to place the company into creditors' voluntary liquidation have been taken. Notice to this effect has been sent to the Registrar of Companies and at the time this is registered the appointment of the Administrator will cease to have effect and I, Kikis Kallis FCCA FABRP of Kallis & Company will be appointed Liquidator. Enclosed is a copy of the Form AM22 'Notice of move from administration to creditors' voluntary liquidation'.

Creditors are requested to submit proof of debts to lodge their claims in the liquidation. When the company is in liquidation, investigations and asset realisations will continue as previously.

If creditors have any queries regarding the conduct of the Administration, or this report, or if they want hard copies of any of the documents made available on-line, they should contact Bina Kotecha on the above telephone number, or by email at [bina@kallis.co.uk](mailto:bina@kallis.co.uk).

A handwritten signature in black ink, appearing to be 'Kikis Kallis', with a long horizontal stroke extending to the right.

Kikis Kallis FCCA FABRP  
ADMINISTRATOR

The affairs, business and property of the Company are being managed by the Administrator, Kikis Kallis. The Administrator act as agents of the Company and contracts without personal liability.

## Appendix 1

### 1. 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.
- Supervising the work of advisors instructed on the case to assist in dealing with pension schemes; obtaining reports and updates from them on the work done; and checking the adequacy of the work done.
- 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 quarterly 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 6 monthly progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.
- Dealing with the secured creditor to remove the Guarantee on a leasehold trading site.

### 1. Creditors

Secured creditor – Making fixed and floating charge distributions to Barclays Bank plc

Employees - The office holder needs to deal with the ex-employees in order to ensure that their claims are processed appropriately by the Redundancy Payments Office (RPO). The office holder is required to undertake this work as part of their statutory functions.

Claims of creditors - the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

- Corresponding with employees regarding their claims.
- Supervising the work of advisors instructed on the case to assist in dealing with employee claims; obtaining reports and updates from them on the work done; and checking the adequacy of the work done.
- Liaising with the Redundancy Payments Office regarding employee claims.
- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.
- Issuing a notice of intended dividend and placing an appropriate gazette notice.
- Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.

- Calculating and paying a dividend to creditors and issuing the notice of declaration of dividend.
- Paying tax deducted from the dividends paid to employees.

**Birley's Limited**  
**(In Administration)**  
**Administrator's Summary of Receipts & Payments**

Statement of Affairs £		From 30/11/2021 To 13/05/2022 £	From 30/11/2020 To 13/05/2022 £
100,000.00	SECURED ASSETS		
	Goodwill	NIL	100,000.00
		NIL	100,000.00
	COSTS OF REALISATION		
	Office Holders Fees	6,444.40	6,444.40
	Legal Fees	11,224.28	11,224.28
	Agents/Valuers Fees	1,786.21	1,786.21
	Corporation Tax	15,214.46	15,214.46
	Accountancy Fees	500.00	500.00
		(35,169.35)	(35,169.35)
(592,316.03)	SECURED CREDITORS		
	Barclays Bank Plc	(25,169.35)	64,830.65
		25,169.35	(64,830.65)
	HIRE PURCHASE		
56,688.00	Rent Deposit	NIL	NIL
(54,388.04)	SBP 2 S.A.R.L	NIL	NIL
58,699.03	Rent Deposit	NIL	NIL
(69,843.05)	20 Fenchurch Street (GP) Limited	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	12.02	35.51
	Cash at Bank	NIL	4,163.69
10,000.00	Cash in Hand	NIL	10,000.00
8,000.00	Credit Card Receipts	NIL	6,773.94
	DVLA Vehicle tax refund	NIL	287.07
440,000.00	Fixtures & Fittings and Equipment	27,500.00	440,000.00
Uncertain	Insurance Claim (Business Interruptio	NIL	325,173.25
13,179.19	Insurance Refund	NIL	13,199.87
10,000.00	Motor Vehicles	NIL	10,000.00
30,000.00	Stock	NIL	30,000.00
	VAT Refund	19,825.21	19,825.21
		47,337.23	859,458.54



**Birley's Limited**  
**(In Administration)**  
**Administrator's Summary of Receipts & Payments**

Statement of Affairs £	From 30/11/2021 To 13/05/2022 £	From 30/11/2020 To 13/05/2022 £
COST OF REALISATIONS		
Agents/Valuers Fees Pre Appt	(1,786.21)	8,573.79
ERA	2,085.00	2,975.00
Legal Fees	(5,742.78)	59,358.03
Office Holders Fees	10,089.60	98,856.10
Postage	NIL	253.20
Pre-appointment Remuneration	NIL	30,000.00
Specific Bond	444.00	720.00
Statutory Advertising	86.20	181.70
	(5,175.81)	(200,917.82)
PREFERENTIAL CREDITORS		
DE Arrears & Holiday Pay	2,962.14	2,962.14
(78,701.67) Employee Arrears/Hol Pay	6,316.81	6,316.81
NI Contributions Agency	103,306.70	103,306.70
(15,257.19) Pension Contributions	NIL	NIL
	(112,585.65)	(112,585.65)
FLOATING CHARGE CREDITORS		
Barclays Bank plc	103,499.95	528,499.95
	(103,499.95)	(528,499.95)
UNSECURED CREDITORS		
(1,015,628.00) Connected Parties	NIL	NIL
(301,308.60) Employees	NIL	NIL
(556,678.04) HM Revenue & Customs (PAYE)	NIL	NIL
(60,324.59) HM Revenue & Customs (VAT)	NIL	NIL
(656,749.87) Landlords	NIL	NIL
(54,044.95) Pension	NIL	NIL
(2,025,175.38) Trade & Expense Creditors	NIL	NIL
	NIL	NIL
DISTRIBUTIONS		
(1,363,321.00) Ordinary Shareholders	NIL	NIL
	NIL	NIL

<b>(6,117,170.19)</b>		<b>(183,924.18)</b>	<b>17,455.12</b>
REPRESENTED BY			
Barclays Bank Interest Bearing			12,428.98
Vat Control Account			5,026.14
			<b>17,455.12</b>

### Appendix 3

Securities Held:

The following charges are shown on Companies House:

- 1) **Persons entitled:** Barclays Bank PLC

**Charge code:** 0333 3890 0016

**Brief description**

L/H 63 mark lane london t/no AGL426247.

Contains fixed charge.

Contains negative pledge.

**Created:** 31 May 2018

**Delivered:** 1 June 2018

**Status:** Outstanding

- 2) **Persons entitled:** Barclays Bank PLC

**Charge code:** 0333 3890 0015

**Brief description**

L/H property k/a pocket park 20 fenchurch street london.

Contains negative pledge.

**Created:** 17 September 2015

**Delivered:** 18 September 2015

**Status:** Outstanding

- 3) **Persons entitled:** Barclays Bank PLC

**Charge code:** 0333 3890 0014

**Brief description**

L/H property k/a unit c pirin court south crescent cody road london t/no TGL354524.

Contains negative pledge.

**Created:** 1 May 2015

**Delivered:** 6 May 2015

- 4) **Persons entitled:** Barclays Bank PLC

**Charge code:** 0333 3890 0013

**Brief description**

L/H property k/a 89/90 old broad street london t/no AGL336570.

Contains negative pledge.

**Created:** 1 May 2015

**Delivered:** 6 May 2015

**Status:** Outstanding

- 5) **Persons entitled:** Barclays Bank PLC

**Legal Charge**

**Amount Secured**

All monies due or to become due from the company to the chargee on any account whatsoever.

**Short particulars**

L/H property k/a 26 copthall avenue london

**Created:** 14 October 2011

**Delivered:** 17 October 2011

**Status:** Outstanding

- 6) **Persons entitled:** Barclays Bank PLC

**Legal Charge**

**Amount Secured**

All monies due or to become due from the company to the chargee on any account whatsoever.

**Short particulars**

L/H property k/a 12/13 Churchill Place London

**Created:** 29 November 2010

**Delivered:** 2 December 2010

**Status:** Outstanding

- 7) **Persons entitled:** Barclays Bank PLC

**Legal Charge**

**Amount Secured**

All monies due or to become due from the company to the chargee on any account whatsoever.

**Short particulars**

L/H 1-6 essex street, london

**Created:** 23 September 2010

**Delivered:** 1 October 2010

**Status:** Outstanding

8) **Persons entitled:** Barclays Bank PLC

**Legal Charge**

**Amount Secured**

All monies due or to become due from the company to the chargee on any account whatsoever.

**Short particulars**

L/H property k/a unit RS150 cabot place, canary wharf, london, E14 4QS.

**Created:** 5 March 2004

**Delivered:** 9 March 2004

**Status:** Outstanding

9) **Persons entitled:** Barclays Bank PLC

**Mortgage of trade marks tradenames and goodwill**

**Amount Secured**

All monies due or to become due from the company to the chargee on any account whatsoever.

**Short particulars**

By way of first fixed charge all the united kingdom registered trade marks, applications for trade marks, all present and future rights and causes of action, all other trade marks or trade names and all rights in passing off and all goodwill, all licences, registered user agreements and other interests and all the benefits of any licences.

**Created:** 21 November 2002

**Delivered:** 5 December 2002

**Status:** Outstanding

10) **Persons entitled:** Barclays Bank PLC

**Legal Charge**

**Assets ceased/release**

All of the property or undertaking has been released from the charge

**Amount Secured**

All monies due or to become due from the company to the chargee on any account whatsoever.

**Short particulars**

L/H property k/a 14 moorfields london EC2.

**Created:** 20 November 2002

**Delivered:** 26 November 2002

**Status:** Outstanding

11) **Persons entitled:** Barclays Bank PLC

**Legal Charge**

**Amount Secured**

All monies due or to become due from the company to the chargee on any account whatsoever.

**Short particulars**

L/H property k/a unit LIE36/37 london international exhibition centre silvertown london E16.

**Created:** 20 November 2002

**Delivered:** 26 November 2002

**Status:** Satisfied on 7 December 2020

12) **Persons entitled:** Barclays Bank PLC

**Legal Charge**

**Amount Secured**

All monies due or to become due from the company to the chargee on any account whatsoever.

**Short particulars**

L/H property k/a unit 23A canada place canary wharf london E14.

**Created:** 20 November 2002

**Delivered:** 26 November 2002

**Status:** Outstanding

13) **Persons entitled:** Barclays Bank PLC

**Legal Charge**

**Amount Secured**

All monies due or to become due from the company to the chargee on any account whatsoever.

**Short particulars**

L/H property k/a unit RS140/145 cabot place canary wharf london E14.

**Created:** 20 November 2002

**Delivered:** 26 November 2002

**Status:** Outstanding

14) **Persons entitled:** Barclays Bank PLC

**Legal Charge**

**Amount Secured**

All monies due or to become due from the company to the chargee on any account whatsoever.

**Short particulars**

L/H property k/a unit RP475 canada square canary wharf london E14.

**Created:** 20 November 2002

**Delivered:** 26 November 2002

**Status:** Outstanding

15) **Persons entitled:** Barclays Bank PLC

**Legal Charge**

**Amount Secured**

All monies due or to become due from the company to the chargee on any account whatsoever.

**Short particulars**

L/H property k/a unit RS150 cabot place canary wharf london E14.

**Created:** 20 November 2002

**Delivered:** 26 November 2002

**Status:** Outstanding

16) **Persons entitled:** Barclays Bank PLC

**Debenture**

**Assets ceased/released**

Part of the property or undertaking has been released from the charge

**Amount Secured**

All monies due or to become due from the company to the chargee on any account whatsoever.

**Short particulars**

Fixed and floating charges over the undertaking and all property and assets present and future including goodwill bookdebts uncalled capital buildings fixtures fixed plant and machinery.

**Created:** 26 January 1999

**Delivered:** 1 February 1999

**Status:** Outstanding

## Analysis of Office Holder's time costs for the period 30/11/2020 To 11/05/2022

Classification of Work Content	Partner Hours	Senior Manager Hours	Manager Hours	Senior Hours	Support Hours	Total Hours	Total Cost (GBP)	Average Hourly Rate (GBP)
<b>Administration &amp; Planning</b>	<b>59.30</b>	<b>0.20</b>	<b>121.30</b>	<b>172.90</b>	<b>0.90</b>	<b>354.60</b>	<b>72,058.00</b>	<b>203.21</b>
AD1.1 - Case planning and review	10.40	0.00	31.80	25.20	0.10	67.50	14,609.00	216.43
AD1.2 - Ongoing administration matters	19.30	0.20	39.30	116.10	0.00	174.90	30,870.50	176.50
AD1.3 - Statutory notices & reporting	29.60	0.00	45.80	31.60	0.80	107.80	25,522.50	236.76
AD1.5 - Statutory reporting	0.00	0.00	4.40	0.00	0.00	4.40	1,056.00	240.00
<b>Financials</b>	<b>16.70</b>	<b>0.00</b>	<b>0.00</b>	<b>20.70</b>	<b>70.10</b>	<b>107.50</b>	<b>16,118.00</b>	<b>149.93</b>
AD2.1 - Completion and agreement of tax returns	2.40	0.00	0.00	0.20	6.70	9.30	1,531.00	164.62
AD2.2 - Banking and reconciliations	13.20	0.00	0.00	1.00	63.40	77.60	11,345.00	146.20
AD2.3 - Expense reviews and payments	1.10	0.00	0.00	19.50	0.00	20.60	3,242.00	157.38
<b>Realisation of Assets</b>	<b>41.20</b>	<b>0.00</b>	<b>35.40</b>	<b>36.50</b>	<b>0.00</b>	<b>113.10</b>	<b>27,266.50</b>	<b>241.08</b>
AD3 - Realisation of Assets	0.00	0.00	0.00	1.10	0.00	1.10	124.00	112.73
AD3.1 - Dealing with agents, asset and business sales	6.10	0.00	3.20	2.30	0.00	11.60	3,253.50	280.47
AD3.3 - Book debt collection	0.00	0.00	0.50	0.00	0.00	0.50	120.00	240.00
AD3.4 - Identifying assets and recovery	0.40	0.00	3.70	0.00	0.00	4.10	1,016.00	247.80
AD3.5 - Dealing with fixed charge assets	0.40	0.00	1.70	0.60	0.00	2.70	617.00	228.52
AD3.6 - Dealing with leasehold and freehold property	34.30	0.00	26.30	32.50	0.00	93.10	22,136.00	237.77
<b>Investigations</b>	<b>1.60</b>	<b>0.00</b>	<b>4.40</b>	<b>6.30</b>	<b>0.00</b>	<b>12.30</b>	<b>2,525.50</b>	<b>205.33</b>
AD4 - Investigations	0.00	0.00	0.60	0.00	0.00	0.60	144.00	240.00
AD4.1 - SIP 2 review & CDDA reports	0.30	0.00	3.80	4.20	0.00	8.30	1,638.00	197.35
AD4.2 - Inventory and record review	1.30	0.00	0.00	0.80	0.00	2.10	548.50	261.19
AD4.3 - Investigations - antecedent transactions/misconduct	0.00	0.00	0.00	1.30	0.00	1.30	195.00	150.00
<b>Creditors</b>	<b>16.40</b>	<b>0.40</b>	<b>8.40</b>	<b>105.90</b>	<b>0.30</b>	<b>131.40</b>	<b>20,882.50</b>	<b>158.92</b>
AD5 - Creditors	0.00	0.00	0.00	0.20	0.00	0.20	22.00	110.00
AD5.1 - Communication with creditors	11.40	0.00	3.00	40.50	0.00	54.90	9,435.00	171.86
AD5.2 - Creditors' claims (including Employees' and other preferential creditors')	5.00	0.40	5.40	65.20	0.30	76.30	11,425.50	149.74
<b>Total Hours</b>	<b>135.20</b>	<b>0.60</b>	<b>169.50</b>	<b>342.30</b>	<b>71.30</b>	<b>718.90</b>		<b>193.14</b>
<b>Total Fees (GBP)</b>	<b>44,344.00</b>	<b>144.00</b>	<b>40,680.00</b>	<b>45,843.50</b>	<b>7,839.00</b>		<b>138,850.50</b>	



Analysis of Office Holder's time costs for the period 30/11/2021 To 11/05/2022



Classification of Work Content	Partner Hours	Senior Manager Hours	Manager Hours	Senior Hours	Support Hours	Total Hours	Total Cost (GBP)	Average Hourly Rate (GBP)
Administration & Planning	10.00	0.00	44.90	17.50	0.80	73.20	16,330.50	223.09
AD1.1 - Case planning and review	3.80	0.00	7.80	2.10	0.00	13.70	3,371.50	246.09
AD1.2 - Ongoing administration matters	2.00	0.00	16.40	13.70	0.00	32.10	6,333.50	197.31
AD1.3 - Statutory notices & reporting	4.20	0.00	20.70	1.70	0.80	27.40	6,625.50	241.81
Financials	3.00	0.00	0.00	0.20	20.50	23.70	3,241.00	136.75
AD2.1 - Completion and agreement of tax returns	0.80	0.00	0.00	0.20	6.70	7.70	1,019.00	132.34
AD2.2 - Banking and reconciliations	1.50	0.00	0.00	0.00	13.80	15.30	1,998.00	130.59
AD2.3 - Expense reviews and payments	0.70	0.00	0.00	0.00	0.00	0.70	224.00	320.00
Realisation of Assets	0.40	0.00	3.10	0.00	0.00	3.50	872.00	249.14
AD3.4 - Identifying assets and recovery	0.00	0.00	1.10	0.00	0.00	1.10	264.00	240.00
AD3.5 - Dealing with fixed charge assets	0.00	0.00	0.60	0.00	0.00	0.60	144.00	240.00
AD3.6 - Dealing with leasehold and freehold property	0.40	0.00	1.40	0.00	0.00	1.80	464.00	257.78
Creditors	3.00	0.40	2.90	19.20	0.30	25.80	4,296.50	166.53
AD5.1 - Communication with creditors	2.10	0.00	1.00	1.40	0.00	4.50	1,100.00	244.44
AD5.2 - Creditors' claims (including Employees' and other preferential creditors')	0.90	0.40	1.90	17.80	0.30	21.30	3,196.50	150.07
Total Hours	16.40	0.40	50.90	36.90	21.60	126.20		196.04
Total Fees (GBP)	5,248.00	96.00	12,216.00	4,807.00	2,373.00		24,740.00	

## Appendix 5

Description of categories	Estimated time	Estimated value of the time costs £	Blended charge out rate £	Actual time	Actual value of the time costs £	Actual blended charge out rate £
<b>ADMINISTRATION</b>	195.80	44,043.00	224.94	354.60	72,058.00	203.21
<b>FINANCIALS</b>	21.10	3,262.00	154.60	107.50	16,118.00	149.93
<b>REALISATION OF ASSETS</b>	30.00	6,810.00	227.00	113.10	27,266.50	241.08
<b>INVESTIGATIONS</b>	67.50	10,062.50	149.07	12.30	2,525.50	205.33
<b>CREDITORS</b>	155.20	24,589.00	158.43	131.40	20,882.50	158.92
<b>GRAND TOTAL FOR ALL CATEGORIES OF WORK</b>	469.60	88,766.50	189.03	718.90	138,850.50	193.14

## PRACTICE FEE RECOVERY POLICY FOR KALLIS INSOLVENCY PRACTITIONERS

### Introduction

This sheet explains the alternative fee bases allowed by the insolvency 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. The report accompanying the request to fix the basis of remuneration will indicate the basis, or bases, being requested in that particular case and will make it clear what work is to be undertaken in respect of each basis.

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) "Payments to Insolvency Office Holders and their Associates from an Estate" and can be accessed at <https://www.kallis.co.uk/downloads/>. Alternatively, a hard copy may be requested from Kallis Insolvency Practitioners, Mountview Court, 1148 High Road, London N20 0RA. Please note that we have provided further details in this policy document.

SIP 9 also contains various requirements that the office holder has to comply with in connection with their remuneration, both when seeking approval and when reporting to creditors and other interested parties after approval. One of the matters that an office holder has to comply with is that they must also seek approval for any payments that could reasonably be perceived as representing a threat to the office holder's objectivity or independence by virtue of a professional or personal relationship, including to an associate. Where it is anticipated that such payments will be made in a case they will be separately identified when seeking approval for the basis of the office holder's remuneration.

Other than in respect of Voluntary Arrangements an office holder is required to record the time spent on casework in all cases, even if they are being remunerated for that work on a basis other than time costs. Time is recorded directly to the relevant case and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Case Administration (including statutory reporting).
- Financials
- Realisation of Assets.
- Investigations.
- Creditors (claims and distributions).
- Trading
- Case specific matters.

### 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.

### Charge out Rates

Grade of staff	Current charge-out rate per hour, effective from 01/10/2019	Previous charge-out rate per hour, effective from 01/10/2017	Previous charge-out rate per hour, effective from 01/10/2015	Previous charge-out rate per hour, effective from 01/10/2012 £	Previous charge-out rate per hour, effective from 01/10/2010 £
Senior Partner / appointment taker	£420				
Partner / appointment taker	£320-340	£295-375	£340-375	£275-£335	£275-£320
Senior Manager	£295	£285	£285	£275	£275
Manager	£240	£225	£225	£170-£275	£170-£275
Senior/Case Administrator	£110-150	£125-175	£150-175	£90-£175	£90-£175
Support Staff	£100-110	£85-100	£85-100	£60-£85	£60-£85

In cases where these staff undertake work, specific approval will be sought for the payment of the fees incurred.

These charge-out rates charged are reviewed regularly and are adjusted to take account of inflation and the firm's overheads.

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, and by reference to each separate category of work. The blended rate is calculated as the prospective average cost per hour, based upon the estimated time to be expended by each grade of staff at their specific charge out rate. 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.

A report accompanying the request to fix the basis of remuneration will include the fees estimate, as well as details of the expenses that will be, or are likely to be, incurred. Further information about expenses is given in a separate section below.

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 summarise that information in an average or “blended” rate for all of the work being carried out within the estimate, and by reference to each separate category of work, and will also 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 the request to fix the basis of remuneration will set out the potential assets in the case, the remuneration percentage proposed in respect of any realisations and the work covered by that remuneration, which may solely relate to work undertaken in connection with the realisation of the assets, but might also include other categories of work as listed above. The report will also include details of the expenses that will be, or are likely to be, incurred. Further information about expenses is given in a separate section below.

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.

A percentage of distributions made to unsecured creditors may also be requested, in order to cover the work associated with the agreement of claims and making the distribution.

The disclosure that we make will 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. In order to meet the requirements of SIP 9 it will also explain why the basis requested is expected to produce a fair and reasonable reflection of the work that we anticipate will be undertaken on the case.

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 the request to fix the basis of remuneration will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as details of the expenses that will be, or are likely to be, incurred. Further information about expenses is given in a separate section below.

The disclosure that we make will 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. In order to meet the requirements of SIP 9 we will also explain why the basis requested is expected to produce a fair and reasonable reflection of the work that we anticipate will be undertaken on the case.

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.

### **Direct Costs**

Where we seek approval on a percentage and/or fixed fee basis, in order to meet the requirements of SIP 9 we also have to disclose the direct costs that are included within the remuneration that will be charged on those bases in respect of the work undertaken. The following are direct costs that will be included in respect of work undertaken in respect of each of the standard categories of work where the office holder is to be remunerated for such work on either a percentage or fixed fee basis:

- Case Administration (including statutory reporting) – staff costs, costs of case management system.
- Realisation of Assets - staff costs, costs of case management system.
- Investigations - staff costs, costs of case management system.
- Creditors (claims and distributions) - staff costs, costs of case management system.
- Trading - staff costs, costs of case management system, costs of accounting software.

### **Mixed basis**

If remuneration is to be sought on a mixed basis, we will make it clear in the report accompanying the request to fix the basis of remuneration which basis will be charged for each category of work that is to be undertaken on the case.

## **Members' voluntary liquidations and Voluntary Arrangements**

The legislation is different for members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) and Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee, and SIP 9 does not apply unless the members specifically request it. 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 fee bases**

With the exception of IVAs and CVAs, which are usually VAT exempt, the office holder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

### **Expenses**

As already indicated, a report will accompany the request to fix the basis of remuneration and that will include details of expenses to be incurred, or likely to be incurred. 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.

Expenses are any payments from the insolvent estate that are neither an office holder's remuneration nor a distribution to a creditor, or a member. Expenses also include disbursements. Disbursements are payments that are first paid by the office holder and then reimbursed from the insolvent estate. Expenses are divided into those that do not need approval before they are charged to the estate (Category 1) and those that do (Category 2).

Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder. They can be paid by the office holder without obtaining prior approval. . Examples of costs that may amount to Category 1 expenses are professional advisors (who are not associates), statutory advertising, external meeting room hire (where the room is only hired for that meeting), external storage, specific penalty bond insurance, insolvency case management software fees charged on a per case basis, and Company search fees.

Category 2 expenses are either payments to associates, or payments in respect of expenses that have an element of shared costs, such as photocopying and mileage. Category 2 expenses require approval in the same manner as an office holder's remuneration before they can be paid.'

The practice intends to seek approval to recover the following Category 2 expenses that include an element of shared costs:

Room Hire	£50 per hour
Mileage	<a href="http://www.gov.uk/government/publications/rates-and-allowances-travel-mileage-and-fuel-allowances">www.gov.uk/government/publications/rates-and-allowances-travel-mileage-and-fuel-allowances</a>
Storage	£15 per box per annum
Destruction	Costs £5.50 per box

Professional advisors may be instructed to assist the office holder on the case where they consider that such assistance is necessary to enable them to appropriately administer the case. The fees charged by any professional advisors used will be recharged at cost to the case. Where the professional advisor is not an associate of the office holder it will be for the office holder to agree the basis of their fees. Where the professional advisor is an associate of the office holder it will be for those responsible for fixing the basis of the office holder's remuneration to approve payments to them. The fees of any professional advisors are subject to the rights of creditors to seek further information about them or challenge them as summarised below. Professional advisors that may be instructed on a case include:

- Solicitors/Legal Advisors;
- Auctioneers/Valuers;
- Accountants;
- Book Debt Collectors;
- Quantity Surveyors;
- Estate Agents;
- Pension specialists;
- Employment Claims specialists; and
- GDPR/Cyber Security specialists.

### **Reporting and rights to challenge**

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 charged by the office holder in the period covered by the report, i.e., the amount that the office holder is entitled to draw, together with the amount of remuneration actually drawn. If approval has been obtained for remuneration on a time costs basis, the time costs incurred will also be disclosed, whether drawn or not, together with the "blended" rates of such costs. The report will also compare the actual time costs incurred with those included in the fees estimate prepared when fixing the basis of the remuneration, and indicate whether the fees estimate is likely to be exceeded. If the fees estimate has been exceeded, or is likely to be exceeded, the report will explain why that is the case.

The report will also provide information about expenses incurred in the period covered by the report, together with those actually paid, together with a comparison with the estimated expenses. If the expenses incurred, or anticipated to be incurred, have exceeded the estimate provided the report will explain why that is the case.

Under the insolvency legislation the report must also include a statement of the legislative rights of creditors to request further information about the remuneration charged and expenses incurred in the period covered by the report, or to challenge them on the grounds that they are excessive. Extracts of the relevant insolvency rules dealing with these rights are set out below. Once the time period to seek further information about the office holder's remuneration and/or expenses for the period covered by the report has elapsed, then a Court Order is required to compel the office holder to provide further information about the

remuneration and expenses. A Court order is required to challenge the office holder's remuneration and/or expenses for the period covered by the report. Once that period has elapsed, then a separate Court Order is required to allow an application out of time.

Under rule 18.9 of the Insolvency (England and Wales) Rules 2006, 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 office holder's remuneration and expenses, within 21 days of receipt of any report for the period. Any secured creditor may request the same details in the same time limit.

Under rule 18.34, 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 and/or basis of the office holder's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of any report for the period. Any secured creditor may make a similar application to court within the same time limit.

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.

Rule 14.4 The Insolvency (England and Wales) Rules 2016  
Proof of Debt – General Form

IN THE

HIGH COURT OF JUSTICE

Number:

004281 of 2020

Name of Company in Administration:

Birley's Limited

Company Registration Number:

03333890

Date of Administration:

30 November, 2020

1 Name of creditor

(If a company, please also provide the company registration number).

2 Correspondence address of creditor (including any email address)

3 Total amount of claim (£)  
(include any Value Added Tax)

4 If amount in 3 above includes (£)  
outstanding uncapitalised interest, state amount.

5 Details of how and when the debt was incurred.  
(If you need more space, attach a continuation sheet to this form)

6 Details of any security held, the value of the security and the date it was given.

7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.

8 Details of any document by reference to which the debt can be substantiated

9 Signature of creditor  
(or person authorised to act on the creditor's  
behalf)

10 Address of person signing if different from 2  
above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

Admitted to vote for

Amount (£)

Date

Admitted for dividend for

Amount (£)

Date

Kikis Kallis  
ADMINISTRATOR

Kikis Kallis  
ADMINISTRATOR

Notes:

1. There is no need to attach them now but the office holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.

2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.