

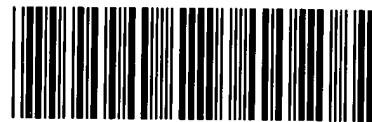
LIQ03

Notice of progress report in voluntary winding up



Companies House

THURSDAY



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04/06/2020

#190

COMPANIES HOUSE

1 Company details

Company number 03364979

Company name in full STREETS METALWORK LIMITED

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

2 Liquidator's name

Full forename(s) GARY STEVEN

Surname PETTIT

3 Liquidator's address

Building name/number 9/10

Street SCIROCCO CLOSE
MOULTON PARK

Post town NORTHAMPTON

County/Region

Postcode NN36AP

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region


Postcode

Country

② Other liquidator
Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	d	2	d	1	m	0	m	5	y	2	y	0	y	1	y	9
To date	d	2	d	0	m	0	m	5	y	2	y	0	y	2	y	0
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	d	2	d	9	m	0	m	5	y	2	y	0	y	2	y	0

STREETS METALWORK LIMITED – IN CREDITORS' VOLUNTARY LIQUIDATION

LIQUIDATOR'S PROGRESS REPORT TO CREDITORS AND MEMBERS FOR THE YEAR ENDING 20 MAY 2020

1 Introduction

- 1.1 This is my report to members and creditors following the seventh anniversary of my appointment as liquidator. This report should be read in conjunction with my previous reports.

2 Statutory Information

- 2.1 The table below details key information regarding the company and the liquidation.

Company name:	Streets Metalwork Limited – In Liquidation
Registered office:	9/10 Scirocco Close, Moulton Park, Northampton, NN3 6AP
Former registered office:	23-26 Motspur Drive, Kingsthorpe Northampton, NN2 6 LN
Registered number:	03364979
Date of winding up resolution:	The company entered liquidation on 21 May 2013 as the exit route from administration. The company entered administration on 21 February 2013.
Liquidator's name:	Gary S Pettit
Liquidator's address:	PBC Business Recovery & Insolvency Ltd ("PBC"), 9/10 Scirocco Close, Moulton Park, Northampton, NN3 6AP
Liquidator's date of appointment:	21 May 2013
Former Liquidators:	<p>Alan R Price (formerly of this firm) who acted as liquidator from 21 May 2013 until he ceased to act on 22 May 2014 pursuant to an order of the High Court.</p> <p>Creditors should also note Gavin Bates has left PBC Business Recovery & Insolvency Ltd. The joint liquidators concluded it was no longer necessary for there to be two liquidators on this case. Accordingly, Mr Bates (who replaced Mr Price on 22 May 2014) resigned as liquidator and the liquidation continued unaffected with Mr Pettit as sole liquidator. In accordance with legislation, his resignation became effective on 27 August 2019.</p>

3 Liquidator's Actions Since Last Report

3.1 Since my last report to creditors, the liquidator has undertaken the following actions:

- i. Realised the assets of the company as detailed below.
- ii. Investigated the affairs of the company as detailed below.
- iii. Dealt with all routine correspondence and emails relating to the case.
- iv. Maintained and managed (including regular bank reconciliations) the office holder's estate bank account and cashbook.
- v. Reviewed the adequacy of the specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).
- vi. Undertaken periodic reviews of the progress of the case.
- vii. Prepared, reviewed and issued annual progress reports to creditors and members.
- viii. Filed returns at Companies House.
- ix. Prepared and filed VAT and Corporation Tax returns.
- x. Obtained information from the case records about employee claims.
- xi. Completed documentation for submission to the Redundancy Payments Office.
- xii. Corresponded with employees regarding their claims.
- xiii. Liaised with the Redundancy Payments Office regarding employee claims.
- xiv. Dealt with creditor correspondence, emails and telephone conversations regarding their claims.
- xv. Maintained up to date creditor information on the case management system.

3.2 The above list includes certain work that I am required by the insolvency legislation to undertake in connection with the liquidation but provides no financial benefit for the creditors.

4 Receipts and Payments

4.1 My receipts & payments account for the period from 21 May 2019 to 20 May 2020 is attached.

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

5 Assets

5.1 The following table details the current asset position.

Asset Type	Estimated to realise (£)	Realisations to date (£)
Plant & Machinery	NIL	82,547.00
Book Debts	NIL	27,570.12
Administration Surplus	NIL	1,637.80
Bank Interest Gross	NIL	69.05
Lump Sum Settlement	NIL	40,200.00
Cash at Bank	NIL	284.69
VAT refund	NIL	606.85
Total	NIL	152,915.51

5.2 Other than a small amount of bank interest, there have been no asset realisations in the period and creditors should refer to my previous reports.

5.3 **Other Assets:** The following assets were realised in the period:

- i **Lump Sum Settlement** - £40,200 (detailed below)

6 Investigation into the affairs of the company

6.1 As previously reported, the liquidators had undertaken an investigation into the affairs of the company (and the group companies of which the company was a member (all of which are in liquidation with me as liquidator)).

6.2 The investigations culminated in legal proceedings being commenced against the group's chairman. The proceedings have been settled by way of a Tomlin Order with the chairman agreeing to pay £200,000 within six months. Creditors should note the £200,000 was a settlement for all five companies within the group and £201,000 was received in total, so £40,200 was received by the company.

7 Liabilities

7.1 **Secured Creditors:** An examination of the company's mortgage register held by the Registrar of Companies showed that the company has granted the following charges:

Name of Chargeholder:	Lloyds TSB Commercial Finance Ltd
Date Charge Registered:	29 November 2011
Type of Security	Fixed charge over book debts and floating charge
Claim on statement of affairs	£14,155
Claim received to date:	NIL as the chargeholder was redeemed in full from book debt collections in the administration

7.2 **Preferential Creditors:** The company's records anticipated £24,000 in preferential creditors. Claims totaling £24,180.96 have been received.

7.3 **Crown Creditors:** The company's records included £136,232 owed to HMRC. HMRC's final claim of £177,847.53 has been received.

7.4 **Non-preferential unsecured Creditors:** The company's records included 92 non-preferential unsecured creditors with an estimated total liability of £178,925. I have received claims from 44 creditors at a total of £705,885.76. I have not received claims from 51 creditors with original estimated claims of £61,666.69.

- 7.5 The total of claims received differs from those anticipated because the landlord's claim includes a demand for future rent. At the time of writing, this claim has not been investigated due to the uncertain nature of a return to creditors. It also includes a claim received from the Redundancy Payments Office in relation to the amounts paid to the employees.

8 Dividends

- 8.1 **Preferential creditors:** As indicated above, I have received preferential claims of £24,180.96.
- 8.2 A distribution of 28.39 pence in the pound was made to preferential creditors on 29 January 2019.
- 8.3 **Non-preferential unsecured creditors:** There will be no return to non-preferential unsecured creditors.

9 Post Appointment Remuneration

- 9.1 My remuneration was previously authorised by the creditors a meeting held on 2 May 2013 to be drawn on a time cost basis. My total time costs to 20 May 2020 amount to £52,138.89 of which £4,827.00, representing 20.50 of hours work, was charged in the period since 21 May 2019.
- 9.2 I have drawn £51,349.73 to 20 May 2020 of which £11,687.35 was drawn in the period since 21 May 2019.
- 9.3 A schedule of my time costs incurred to date and in the period since 21 May 2019 is attached, along with the PBC Business Recovery & Insolvency fee recovery policy.
- 9.4 A description of the routine work undertaken in the liquidation to date is as follows:
1. Administration and Planning
 - Preparing the documentation and dealing with the formalities of appointment.
 - Statutory notifications and advertising.
 - Preparing documentation required.
 - Dealing with all routine correspondence.
 - Maintaining physical case files and electronic case details.
 - Review and storage.
 - Case bordereau.
 - Case planning and administration.
 - Preparing reports to members and creditors.
 - Convening and holding meetings of members and creditors.
 2. Cashiering
 - Maintaining and managing the liquidator's cashbook and bank account.
 - Ensuring statutory lodgements and tax lodgement obligations are met.
 3. Creditors
 - Dealing with creditor correspondence and telephone conversations.
 - Preparing reports to creditors.

- Maintaining creditor information.
- Reviewing and adjudicating on proofs of debt received from creditors.

4. Investigations

- Review and storage of books and records.
- Prepare a return pursuant to the Company Directors Disqualification Act.
- Conduct investigations into suspicious transactions.
- Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors.

5. Realisation of Assets

- Corresponding with debtors and attempting to collect outstanding book debts.
- Liaising with agents regarding the chattel assets.
- Correspondence with the company's bankers.

9.5 **Further Information:** The purpose of these sections is to provide additional information as required by Appendix D to the Statement of Insolvency Practice No. 9.

9.6 **Complexity of the case:** Around the time of appointment the appointees were confronted with various issues, including:

- i) Securing and preserving the assets made known to them at the time of appointment.
- ii) Ensure appropriate communications are made with the 122 known creditors.

9.7 **Exceptional responsibilities:** As reported to creditors, the company is a member of a group of companies and the liquidators have been involved in lengthy investigations.

9.8 **Effectiveness of Appointees:** As reported above, the liquidators' signed a Tomlin Order which resulted in the five companies in the group receiving a total of £201,000.

9.9 The estimated returns to creditors are outlined above.

9.10 A schedule is enclosed with these notes showing a breakdown of the number of hours spent by each grade of staff under the separate headings of work type (e.g. "Creditors") together with the average charge out rate on the assignment.

9.11 **Approval of remuneration:** The remuneration was fixed by reference to time costs properly incurred in dealing with all matters arising while dealing with the assignment. This basis of charging was approved at a meeting of creditors on 2 May 2013.

9.12 **Other professional costs and expenses:** The choice and reasons for instruction of professional bodies such as solicitors are detailed in the body of the progress report or, where this is a subsequent report, in the earlier report submitted to creditors. The decision to use these external advisors was due to their expertise in the specified areas where assistance was required to ensure the assignment progressed in the appropriate manner. Their costs were charged as an expense to the assignment on the bases shown below.

- 9.13 **Charging and disbursement recovery policy:** The charge out rate of each grade of staff and the policy for re-charging expenses incurred is set out in the separate PBC Business Recovery & Insolvency guide to fees and expenses.

10 Liquidator's Expenses

- 10.1 Creditors authorised that I could draw category 2 disbursements on 2 May 2013.
- 10.2 I have incurred expenses to 20 May 2020 of £873.60 none of which was incurred in the period since 21 May 2019.
- 10.3 I have drawn my expenses in full.
- 10.4 I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Keystone Law/Moon Beaver	Solicitors	Time costs
ERA Solutions Ltd	Employee advice	Fixed fee

- 10.5 Messrs Keystone Law/Moon Beaver (the solicitor in question moved practices during the assignment) are solicitors who specialise in corporate recovery and insolvency advice. They have many years of experience and work with a number of different insolvency practitioners.
- 10.6 Messrs ERA Solutions Ltd are experienced employee specialists and work with a number of different insolvency practitioners in respect of insolvency assignments.
- 10.7 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 have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case. It should also be noted that insolvency is a very specialist field. Therefore agents who work for insolvency practitioners have very specialist knowledge and skill set. There are limited numbers of agents available and they are therefore likely to be acting for this firm on a number of cases.

11 Creditors' Rights

- 11.1 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 joint liquidators' remuneration and expenses within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.
- 11.2 An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the joint liquidators' 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.

- 11.3 Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3 is available at <http://www.pbcbusinessrecovery.co.uk/links>. Please note that there are different versions of the guidance notes and in this case you should refer to April 2017. Please note we have provided further details in the attached practice fee recovery sheet.

12 Provision of Services Regulations

- 12.1 To comply with the Provision of Services Regulations, some general information about PBC can be found at <http://www.pbcbusinessrecovery.co.uk/provision-of-services-regulations>

13 Summary

- 13.1 The liquidation will remain open until the following matters have been fully resolved:
- i. A VAT refund has been received from HMRC.
- 13.2 I estimate that this will take approximately 3 months and once resolved the liquidation will be finalised and our files will be closed.
- 13.3 If creditors have any queries regarding the conduct of the liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Jamie Cochrane on the above telephone number, or by email at jamiecochrane@pbcbusinessrecovery.co.uk.


GARY S PETTIT
Liquidator

Streets Metalwork Limited - In Creditors Voluntary Liquidation
Liquidator's Abstract of Receipts & Payments
From 21 May 2019 To 20 May 2020

S of A £		From 21/05/19	From 21/05/13
		To 20/05/20	To 20/05/20
ASSET REALISATIONS			
	Plant & Machinery	NIL	82,547.00
	Book Debts	NIL	27,570.12
	Administration Surplus	NIL	1,637.80
	Bank Interest Gross	9.97	69.05
	Lump Sum Settlement	40,200.00	40,200.00
	Cash at Bank	NIL	284.69
	VAT refund	NIL	606.85
	NIL	40,209.97	152,915.51
COST OF REALISATIONS			
()	Debt Collection Fees	NIL	(6,892.53)
()	Specific Bond	NIL	(377.00)
()	Statement of Affairs Fee	NIL	(525.00)
()	Liquidators' Fees	(11,687.35)	(51,349.73)
()	Liquidators' Expenses	NIL	(873.60)
()	Administrators' Expenses	NIL	(475.02)
()	Agents/Valuers Fees (1)	(130.00)	(20,865.20)
()	Legal Fees	(25,642.76)	(25,829.76)
()	Corporation Tax	NIL	(6.20)
()	Storage Costs	(7.92)	(927.30)
()	Statutory Advertising	NIL	(80.65)
()	Rents Payable	NIL	(6,760.28)
()	Meeting Room Cost	NIL	(158.34)
()	Accountancy Fees	NIL	(6,705.00)
()	Administrators' Fees	NIL	(19,626.66)
()	Pre-Administration Fees	NIL	(3,727.40)
	NIL	(37,468.03)	(145,179.67)
PREFERENTIAL CREDITORS			
NIL	Employee	(1,457.40)	(1,457.40)
NIL	Redundancy Payments Office	(5,407.06)	(5,407.06)
	NIL	(6,864.46)	(6,864.46)
UNSECURED CREDITORS			
NIL	HM Revenue & Customs for PAYE	NIL	NIL
NIL	HM Revenue & Customs for VAT	NIL	NIL
NIL	Redundancy Payments Office	NIL	NIL
(178,924.56)	Trade Creditor	NIL	NIL
(178,924.56)		NIL	NIL
		(4,122.52)	871.38
REPRESENTED BY			
	Vat Receivable		868.67
	PBC Business Recovery & Insolvency Ltd re Streets Metalwork Ltd		2.71
			871.38

Liquidator's Remuneration Schedule
Streets Metalwork Limited
Between 21 May 2013 and 20 May 2020

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	16.90	20.50	66.30	24.20	127.90	21,618.19	169.02
Investigations	5.70	0.40	28.80	0.00	34.90	5,809.97	166.47
Realisations	31.80	1.40	9.90	0.00	43.10	13,653.81	316.79
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	5.20	0.80	17.80	5.90	29.70	4,555.10	153.37
Case Specific Matters	0.30	1.00	20.60	7.90	29.80	3,712.82	124.59
Distributions	0.10	9.60	0.00	0.00	9.70	2,789.00	287.53
Total hours	60.00	33.70	143.40	38.00	275.10		
Time costs	22,657.14	9,312.72	17,910.45	2,258.57		52,138.89	
Average hourly rate	377.62	276.34	124.90	59.44			189.53

Description	Total Incurred £	Total Recovered £
Mileage	4.45	4.45
Cheque fee	7.00	7.00
Postage/Stamps/Copying/Stationery	451.15	451.15
Companies House Services	1.00	1.00
Insolv Case Administration Fee	110.00	110.00
Global Transfer	300.00	300.00
Totals	873.60	873.60

Summary of Fees

Time spent in administering the Assignment	Hours	275.10
Total value of time spent to 10 May 2020	£	52,138.89
Total Liquidator's fees charged to 10 May 2020	£	51,349.73

Liquidator's Remuneration Schedule
Streets Metalwork Limited
Between 21 May 2019 and 20 May 2020

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	0.40	4.60	0.00	2.40	7.40	1,547.00	209.05
Investigations	0.00	0.40	0.00	0.00	0.40	116.00	290.00
Realisations	0.40	0.00	0.00	0.00	0.40	160.00	400.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.40	0.00	2.20	2.60	215.00	82.69
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distributions	0.10	9.60	0.00	0.00	9.70	2,789.00	287.53
Total hours	0.90	15.00	0.00	4.60	20.50		
Time costs	360.00	4,260.00	0.00	207.00		4,827.00	
Average hourly rate	400.00	284.00	0.00	45.00			235.46

Description	Total Incurred £	Total Recovered £
	0.00	0.00
Totals	0.00	0.00

Summary of Fees

Time spent in administering the Assignment	Hours	20.50
Total value of time spent to 20 May 2020	£	4,827.00
Total Liquidator's fees charged to 20 May 2020	£	51,349.73

PRACTICE FEE RECOVERY POLICY FOR PBC BUSINESS RECOVERY & INSOLVENCY LTD

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 via a decision procedure, 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.pbcbusinessrecovery.co.uk/links/>. Alternatively a hard copy may be requested from PBC Business Recovery & Insolvency Ltd, 9/10 Scirocco Close, Moulton Park, Northampton, NN3 6AP. 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.

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 31 March 2019 (£)	Current charge-out rate per hour, effective from 31 March 2017 (£)
Partner (Appointment Takers)		400	380
Manager	Associate	290	275
	Case/Operations Manager	240	230
Other Senior Professionals	Senior Case Administrator	190	180
	Case Administrator	125	120
	Junior Case Administrator	80	75
Assistants & Support Staff		45	45

These charge-out rates charged are reviewed on 31 March each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

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

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 generally now only seek time costs for the following categories:

- Realisation of Assets
- Investigations
- Trading
- Distributions of funds to creditors and/or shareholders
- Case Specific Matters

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

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

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

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. 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 we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the

expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

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

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

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

Fixed fee

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

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

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances

that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Members' voluntary liquidations and Voluntary Arrangements

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

All bases

With the exception of most Individual Voluntary Arrangements and most 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 PBC Business Recovery & Insolvency Ltd and in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

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

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

Room Hire	40.00	Per formal meeting at firm's offices
Mileage	0.45	Per mile travelled
	0.05	Passenger payment (per mile travelled)
Card printing	0.17	Per sheet
Digital photographs	0.50	High Resolution digital photographs - each
Electoral Database Search	1.00	Use of commercial database of electoral rolls
Archive boxes	5.00	Per box
Files & dividers	3.50	Per file
Labels	0.50	Per sheet used
Photocopying	0.15	Per sheet used