

**Return of Final Meeting in a Creditors'
Voluntary Winding Up****S.106**

Pursuant to Section 106 of the Insolvency Act 1986

To the Registrar of Companies

Company Number

03703033

Name of Company

(a) Insert full name of
company

(a) Genesis Home Loans Plc

(b) Insert full name(s) and
address(es) ~~1/1/17~~ (b)

Gavin Geoffrey Bates of PBC Business Recovery & Insolvency Limited, 9-10 Scirocco Close, Moulton Park, Northampton, NN3 6AP and Gary Steven Pettit of PBC Business Recovery & Insolvency Limited, 9-10 Scirocco Close, Moulton Park, Northampton, NN3 6AP.

(c) Delete as applicable
(d) Insert date

1. give notice that a general meeting of the company was duly (c) summoned for (d) 17 March 2017 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached (e)) laid before it showing how the winding up of the company has been disposed of and (c) no quorum was present at the meeting;

(e) The copy account
must be authenticated by
the written signature(s) of
the liquidator(s)(f) Insert venue of the
meeting

2. give notice that a meeting of the creditors of the company was duly (c) summoned for 17 March 2017 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up of the company has been conducted and the property of the company has been disposed of and (c) no quorum was present at the meeting.

The meeting was held at (f) 9/10 Scirocco Close, Moulton Park, Northampton, NN3 6AP

The report covers the period from (d) 23 March 2010 (opening of winding up) to (d) 17 March 2017 (close of winding up).

The outcome of the meeting (including any resolutions passed at the meeting) was as follows:

Signed



Date 21/3/17

Presenter's name,
address and reference
(if any)

Gavin Geoffrey Bates
PBC Business Recovery & Insolvency Limited
9-10 Scirocco Close
Moulton Park
Northampton
NN3 6AP

FRIDAY



A27 *A62WST6P* 24/03/2017 #257
COMPANIES HOUSE

Genesis Home Loans Plc T/A GHL Group - In Creditors Voluntary Liquidation
Joint Liquidators' Abstract of Receipts & Payments

S of A £		From 23/11/16	From 23/03/10
		To 17/03/17	To 17/03/17
ASSET REALISATIONS			
18,133.50	Book Debts	NIL	1,000.00
42,802.50	Cash at Bank	NIL	43,412.43
	Bank Interest Gross	0.07	11.45
NIL	Renewal Commissions	184.93	3,418.98
		<u>185.00</u>	<u>47,842.86</u>
COST OF REALISATIONS			
	Debt Collection Fees	NIL	(1,600.00)
	Specific Bond	NIL	(136.00)
	Office Holders Fees	(70.23)	(40,224.26)
	Office Holders Expenses	NIL	(1,986.31)
	Storage Costs	(158.80)	(2,445.52)
	Statutory Advertising	(69.00)	(69.00)
	Irrecoverable Vat Receivable	(59.61)	(393.77)
	Professional Fees	NIL	(941.00)
	Search Fees	NIL	(47.00)
		<u>(357.64)</u>	<u>(47,842.86)</u>
UNSECURED CREDITORS			
(116,882.28)	Contingent Creditors	NIL	NIL
(360,000.00)	Directors loan	NIL	NIL
NIL	HM Revenue & Customs	NIL	NIL
(15,000.00)	HM Revenue & Customs for PAYE	NIL	NIL
(844.00)	HM Revenue & Customs for VAT	NIL	NIL
(337,839.60)	Trade Creditor	NIL	NIL
(143,124.76)	Unpaid commission	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
		<u>(172.64)</u>	<u>NIL</u>

REPRESENTED BY

Genesis Home Loans Plc

NIL

NIL


Gavin Geoffrey Bates
Joint Liquidator

GENESIS HOME LOANS PLC – IN CREDITORS' VOLUNTARY LIQUIDATION

LIQUIDATORS' FINAL REPORT TO CREDITORS AND MEMBERS FOR THE PERIOD ENDING 15 DECEMBER 2016

1 Introduction

- 1.1 This is the joint liquidators' final report to creditors and members of the above named company. The report covers the duration of the liquidation 23 March 2010 to 14 December 2016 inclusive of the final period 22 May 2016 to 14 December 2016.

2 Statutory Information

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

Company name:	Genesis Home Loans Plc – In Liquidation
Registered office:	9/10 Scirocco Close, Moulton Park, Northampton, NN3 6AP
Former registered office:	Suite 1 Meadow Court, 2-4 Meadow close, Ise Valley Estate, Wellingborough, Northants NN8 4BH formerly Eaglethorpe Barns, Warmington, Peterborough, and GHJ House, Albion Place, Maidstone
Registered number:	3703033
Date of winding up resolution	23 March 2010
Joint Liquidators' names:	Gary S Pettit and Gavin G Bates
Joint Liquidators' address:	PBC Business Recovery & Insolvency Ltd ("PBC"), 9/10 Scirocco Close, Moulton Park, Northampton, NN3 6AP
Joint Liquidators' date of appointment:	22 May 2014
Former Liquidators	Alan R Price and R Neil Marshman (formerly of this firm) who acted as liquidators from 23 March 2010 until they ceased to act on 22 May 2014 pursuant to an order of the High Court

3 Liquidators' Actions Since Appointment

- 3.1 Since my appointment I have undertaken the following actions:
- Realised the assets of the company as detailed below.
 - 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. Undertook 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 returns.
- x. Prepared and filed Corporation Tax returns.
- xi. Dealt with creditor correspondence, emails and telephone conversations regarding their claims.
- xii. Maintained up to date creditor information on the case management system.
- xiii. In the period since my previous report I have been seeking advice from my solicitors, Summers Nigh Law LLP, regarding a potential claim against GHL Network Services Ltd in respect of the sale of the business prior to the liquidation. This is reported in detail below.

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 and payments account for the final period from 22 May 2016 to 14 December 2016 is attached which includes receipts and payments for the full period of the liquidation 23 March 2010 to 14 December 2016.

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

5 Assets

5.1 **Book Debts:** The statement of affairs included book debts with an estimated to realise value of £18,134. I realised £1,000 in this respect which is lower than anticipated. As previously reported, Jack Russell attempted to collect the debts but with difficulty due to the age of the debts and disputes. It was commercial to write off the debts as the costs of pursuing them further would outweigh any benefit to creditors.

5.2 **Cash at Bank:** The statement of affairs included £42,803 in respect of cash at bank. I realised £43,412 in this respect.

5.3 **Bank Interest Gross:** I have received £11 in respect of bank interest gross inclusive of 35p received in the period 22 May 2016 to 15 December 2016.

5.4 **Renewal Commissions:** I have received £3,234, inclusive of £168 in the final period, in respect of renewal commissions which were not anticipated in the statement of affairs.

6 Investigation into the affairs of the company

- 6.1 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.
- 6.2 In particular, I recovered, listed and reviewed the company's accounting records; obtained and reviewed copy bank statements for the 24 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 liquidation and made enquiries about the reasons for the changes.
- 6.3 As previously reported, my investigations into the payment of £35,000 paid to the landlord of Eaglethorpe Barns shortly before the company was placed into liquidation are now complete and I will not be taking any further action in this respect.
- 6.4 Whilst investigating the matter above a further issue arose concerning the sale of the business to GHL Network Services Ltd. However, after taking legal advice, I was advised to take no further action in this respect.
- 6.5 Within six months of my appointment as liquidator, I am 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 them unfit to be concerned with the management of the company. I would confirm that my report has been submitted.

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 Bank plc
Date Charge Registered:	08/01/2003 and 25/09/2009
Type of Security	Deposit agreement to secure own liabilities
Claim on statement of affairs	£Nil

- 7.2 **Preferential Creditors:** The statement of affairs anticipated that there would be no preferential creditors. No claims have been received.
- 7.3 **Crown Creditors:** The statement of affairs included £15,000 owed to HM Revenue & Customs ("HMRC") in respect of PAYE and £844 in respect of VAT. HMRC's final claims of £289,508 and £2,125 have been received for PAYE /NIC and VAT, respectively.

7.4 There is a significant difference between the statement of affairs amount and the amount claimed in respect of PAYE/NIC, which is based on an estimate for the period 2009/2010.

7.5 No steps were taken to look into this difference as there is no dividend to unsecured creditors.

7.6 **Non-preferential unsecured Creditors:** The statement of affairs included 153 unsecured creditors with an estimated total liability of £977,623. I have received claims from 40 creditors at a total of £227,744. To date I have not received claims from 126 creditors with original estimated claims in the statement of affairs of £863,052.

7.7 I have not investigated the reasons for the difference in the level of claims received as there is no dividend payable to unsecured creditors.

8 Dividends

8.1 I confirm no dividend will be paid to any class of creditor.

9 Pre-Appointment Remuneration

9.1 The board previously authorised the payment of a fee of £6,000 plus VAT and disbursements for assistance with the statement of affairs and producing and circulating the notices for the meetings of members and creditors prior to my appointment at a meeting held on 23 March 2010.

9.2 The fee for preparing the statement of affairs and convening and holding the meeting of creditors was paid by the company prior to it entering into liquidation.

10 Post Appointment Remuneration

10.1 My remuneration was previously authorised by the creditors at a meeting held on 23 March 2010 to be drawn on a time cost basis. My total time costs amount to £85,804 representing 676.60 hours of work which is inclusive of £3,670 charged in the period 22 May 2016 to 4 January 2017 representing 31.50 hours of work.

10.2 I have drawn £40,154 and my outstanding time costs will be written off.

10.3 A schedule of my time costs incurred to date is attached, along with the PBC Business Recovery & Insolvency fee recovery policy.

10.4 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.
- Liaising with bank, landlord and solicitors in relation to the investigation into the payment to the landlord.
- Liaising with solicitors in relation to the concerns surrounding the sale of the business prior to the liquidation.

5. Realisation of Assets

- Corresponding with debtors and attempting to collect outstanding book debts.
- Liaising with agents regarding the collection of the book debts.

10.5 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.

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

- Securing and preserving the assets made known to them at the time of appointment.
- Ensure appropriate communications are made with the 167 known creditors.

10.7 Exceptional responsibilities: None.

10.8 Effectiveness of Appointees: The cash at bank realised was in line with that anticipated on the statement of affairs however it was increasingly difficult to collect the book debts and as a result the majority of the debts were written off.

- 10.9 The estimated returns to creditors are outlined above.
- 10.10 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.
- 10.11 **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 23 March 2010.
- 10.12 **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.
- 10.13 **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.

11 Liquidators' Expenses

- 11.1 Creditors authorised that I could draw category 2 disbursements on 23 March 2010.
- 11.2 I have incurred expenses of £2,688 to date.
- 11.3 I have drawn £1,986 and my outstanding expenses will be written off.
- 11.4 The balance in hand of £173 will be used to defray my closing expenses as follows:
- £69 plus VAT in respect of the statutory advertising of the final meetings.
 - The remaining balance of £90 will be used towards the cost of storing my liquidation files for six years which is £159 plus VAT.
- 11.5 I have used the following agents or professional advisors in the reporting period:

<u>Professional Advisor</u>	<u>Nature of Work</u>	<u>Fee Arrangement</u>
Jack Russell	Debt collector	Percentage of realisations
Summers Nigh Law	Solicitors	Time costs

- 11.6 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.

12 Creditors' Rights

- 12.1 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.
- 12.2 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.
- 12.3 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/wp-content/uploads/2014/06/Guide_to_Liquidators_Fees_Oct_2015.pdf. Please note that there are different versions of the guidance notes and in this case you should refer to November 2011 version. Please note we have provided further details in the attached practice fee recovery sheet.

13 Provision of Services Regulations

- 13.1 To comply with the Provision of Services Regulations, some general information about PBC can be found at <http://www.pbcbusinessrecovery.co.uk/wp-content/uploads/2016/03/Provision-Of-Services-Regulations-Summary-v4.pdf>.

14 Meetings of Members' and Creditors'

- 14.1 The final meetings of members and creditors of the company will take place as specified on the notice enclosed with this report and will consider the resolutions detailed on the enclosed proxy form for use at the meeting. **Creditors are not required to attend the meeting in person but are asked to return the completed proxy form to my office prior to the meeting of creditors. The purpose of the meeting is to receive this report and no further information will be available.**

15 Summary

- 15.1 There are no other exceptional points to note. If my release is granted at the final meeting, I will proceed to close my files in this matter.
- 15.2 Should you have any queries regarding this matter please contact Nicole Anderson based at the Northampton office on (01604) 212150 or email nicoleanderson@pbcbusinessrecovery.co.uk.


GAVIN G BATES
Joint Liquidator

Genesis Home Loans Plc T/A GHL Group - In Creditors Voluntary Liquidation
Joint Liquidators' Abstract of Receipts & Payments

From 22 May 2016 To 04 January 2017

S of A £		From 22/05/16	From 23/03/10
		To 04/01/17	To 04/01/17
ASSET REALISATIONS			
18,133.50	Book Debts	NIL	1,000.00
42,802.50	Cash at Bank	NIL	43,412.43
	Bank Interest Gross	0.35	11.38
NIL	Renewal Commissions	167.76	3,234.05
		168.11	47,657.86
COST OF REALISATIONS			
	Debt Collection Fees	NIL	(1,600.00)
	Specific Bond	NIL	(136.00)
	Office Holders Fees	NIL	(40,154.03)
	Office Holders Expenses	NIL	(1,986.31)
	Storage Costs	(1,169.92)	(2,286.72)
	Irrecoverable Vat Receivable	(233.98)	(334.16)
	Professional Fees	NIL	(941.00)
	Search Fees	NIL	(47.00)
		(1,403.90)	(47,485.22)
UNSECURED CREDITORS			
(116,882.28)	Contingent Creditors	NIL	NIL
(360,000.00)	Directors loan	NIL	NIL
NIL	HM Revenue & Customs	NIL	NIL
(15,000.00)	HM Revenue & Customs for PAYE	NIL	NIL
(844.00)	HM Revenue & Customs for VAT	NIL	NIL
(337,839.60)	Trade Creditor	NIL	NIL
(143,124.76)	Unpaid commission	NIL	NIL
		NIL	NIL
		(1,235.79)	172.64
REPRESENTED BY			
	Genesis Home Loans Plc		172.64
			172.64

Gavin Geoffrey Bates
Joint Liquidator

Joint Liquidators' Remuneration Schedule
Genesis Home Loans Plc
Between 23 March 2010 and 04 January 2017

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	21.50	23.10	81.00	158.20	283.80	33,003.00	116.29
Investigations	0.80	2.10	21.20	19.30	43.40	6,153.93	141.80
Realisations	5.60	5.50	50.60	20.20	81.90	13,185.49	161.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	4.90	6.20	15.00	17.50	43.60	6,872.71	157.63
Case Specific Matters	0.10	5.80	94.20	123.80	223.90	26,588.97	118.75
Distributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total hours	32.90	42.70	262.00	339.00	676.60		
Time costs	11,707.54	10,990.40	40,608.09	22,498.08		85,804.11	
Average hourly rate	355.85	257.39	154.99	66.37			126.82

Description	Total Incurred £	Total Recovered £
Mileage	13.10	10.45
Advertising	279.00	279.00
Cheque fee	56.00	49.00
Postage/Stamps/Copying/Stationery	1,472.13	975.16
Companies House Services	4.00	4.00
Bordereau	180.00	180.00
Insolv Case Administration Fee	100.00	100.00
Agents Fees	195.00	0.00
Storage	88.70	88.70
Global Transfer	300.00	300.00
Totals	2,687.93	1,986.31

Summary of Fees

Time spent in administering the Assignment	Hours	676.60
Total value of time spent to 04 January 2017	£	85,804.11
Total Joint Liquidators' fees charged to 04 January 2017	£	40,154.03

Joint Liquidators' Remuneration Schedule
Genesis Home Loans Plc
Between 22 May 2016 and 04 January 2017

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	1.50	1.70	20.00	5.10	28.30	3,122.60	110.34
Investigations	0.00	0.10	1.20	0.00	1.30	237.95	183.04
Realisations	0.30	0.00	0.10	0.00	0.40	130.52	326.30
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.30	0.00	0.10	1.10	1.50	178.92	119.28
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total hours	2.10	1.80	21.40	6.20	31.50		
Time costs	790.61	486.72	2,104.95	287.71		3,669.99	
Average hourly rate	376.48	270.40	98.36	46.41			116.51

Description	Total Incurred £	Total Recovered £
Postage/Stamps/Copying/Stationery	167.52	0.00
Totals	167.52	0.00

Summary of Fees

Time spent in administering the Assignment	Hours	31.50
Total value of time spent to 04 January 2017	£	3,669.99
Total Joint Liquidators' fees charged to 04 January 2017	£	40,154.03

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 in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <http://www.pbcbusinessrecovery.co.uk/links/>. The reader should note there are two versions of these guides and should refer to those titled Post-October 2015. 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.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Charge-out Rates

Grade of staff	Current charge-out rate per hour, effective from 31 March 2013 £	Previous charge-out rate per hour, effective from 31 March 2012 £
Partner – appointment taker	377	250-362
Senior Manager	271	260
Manager	176	176
Supervisor/Senior Administrator	125	75-125
Case Administrator	119	55-120
Junior Case Administrator	55	55
Other clerical/administrative staff	44	42

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.

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 now only seek time costs for the following categories:

- Investigations
- Trading
- Distributions of funds to creditors and/or shareholders

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 Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

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

Disbursements

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or 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
Case File Storage & Destruction	20.00	Storage of case files for 6 years after case closure and final shredding – per case (Min. up to 4 case files). Additional files charged at £5 each.
Mileage	0.45	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

A CREDITORS' GUIDE TO LIQUIDATORS' FEES

ENGLAND AND WALES

1 Introduction

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

2 Liquidation procedure

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

3 The liquidation committee

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

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

4 Fixing the liquidator's remuneration

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

- as a percentage of the value of the assets which are realised or distributed or both,
- by reference to the time properly given by the liquidator and his staff in attending to matters arising in the liquidation, or
- as a set amount.

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the liquidator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the liquidator.

It is for the liquidation committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the committee to determine the percentage or percentages to be applied. Rule 4.127 says that in arriving at its decision the committee shall have regard to the following matters:

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

4.2 If there is no liquidation committee, or the committee does not make the requisite determination, the liquidator's remuneration may be fixed by a resolution of a meeting of creditors. The creditors take account of the same matters as apply in the case of the committee. A resolution specifying the terms on which the liquidator is to be remunerated may be taken at the meeting which appoints the liquidator.

4.3 If the remuneration is not fixed as above, it will be fixed in one of the following ways. In a CVL, it will be fixed by the court on application by the liquidator, but the liquidator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 18 months after his appointment. In a compulsory liquidation, it will be in accordance with a scale set out in the Rules.

4.4 Where the liquidation follows directly on from an administration in which the liquidator had acted as administrator, the basis of remuneration fixed in the administration continues to apply in the liquidation (subject to paragraph 8 below).

5. Review of remuneration

Where there has been a material and substantial change in circumstances since the basis of the liquidator's remuneration was fixed, the liquidator may request that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6 What information should be provided by the liquidator?

6.1 When fixing bases of remuneration

- 6.1.1 When seeking agreement for the basis or bases of remuneration, the liquidator should provide sufficient supporting information to enable the committee or the creditors to make an informed judgement as to whether the basis sought is appropriate having regard to all the circumstances of the case. The nature and extent of the information provided will depend on the stage during the conduct of the case at which approval is being sought. The appendix to this guide sets out a suggested format for the provision of information.
- 6.1.2 If any part of the remuneration is sought on a time costs basis, the liquidator should provide details of the minimum time units used and current charge-out rates, split by grades of staff, of those people who have been or who are likely to be involved in the time costs aspects of the case.
- 6.1.3 The liquidator should also provide details and the cost of any work that has been or is intended to be sub-contracted out that could otherwise be carried out by the liquidator or his or her staff.
- 6.1.4 If work has already been carried out, the liquidator should state the proposed charge for the period to date and provide an explanation of what has been achieved in the period and how it was achieved, sufficient to enable the progress of the case to be assessed and whether the proposed charge is reasonable in the circumstances of the case. Where the proposed charge is calculated on a time costs basis, the liquidator should disclose the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. The liquidator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the liquidator or his or her staff..

6.2 After the bases of remuneration have been fixed

The liquidator is required to send progress reports to creditors at specified intervals (see paragraph 7.1 below). When reporting periodically to creditors, in addition to the matters specified in paragraph 71, the liquidator should provide an explanation of what has been achieved in the period under review and how it was achieved, sufficient to enable the progress of the case to be assessed. Creditors should be able to understand whether the remuneration charged is reasonable in the circumstances of the case (whilst recognising that the liquidator must fulfil certain statutory obligations and regulatory requirements that might be perceived as bringing no added value for the estate). Where any remuneration is on a time costs basis, the liquidator should disclose the charge in respect of the period, the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. If there have been any changes to the charge-out rates during the period under review, rates should be disclosed by grades of staff, split by the periods applicable. The liquidator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the liquidator or his or her staff.

6.3 Disbursements and other expenses

- 6.3.1 Costs met by and reimbursed to the liquidator in connection with the liquidation should be appropriate and reasonable. Such costs will fall into two categories:
- Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the liquidation and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the liquidator or his or her staff.

- **Category 2 disbursements:** These are costs that are directly referable to the liquidation but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the liquidation on a proper and reasonable basis, for example, business mileage.

Category 1 disbursements can be drawn without prior approval, although the liquidator should be prepared to disclose information about them in the same way as any other expenses. Category 2 disbursements may be drawn if they have been approved in the same manner as the liquidator's remuneration. When seeking approval, the liquidator should explain, for each category of expense, the basis on which the charge is being made.

6.3.2 The following are not permissible:

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

6.4 Realisations for secured creditors

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

7. Progress reports and requests for further information

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

- details of the basis fixed for the remuneration of the liquidator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it);
- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report);
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report;
- a statement of the expenses incurred by the liquidator during the period of the report, irrespective of whether payment was actually made during that period;
- a statement of the creditors' rights to request further information, as explained in paragraph 7.2, and their right to challenge the liquidator's remuneration and expenses.

7.2 Within 21 days of receipt of a progress report (or 7 business days where the report has been prepared for the purposes of a meeting to receive the liquidator's resignation) a creditor may request the liquidator to provide further information about the remuneration and expenses set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

7.3 The liquidator must provide the requested information within 14 days, unless he considers that:

- the time and cost involved in preparing the information would be excessive, or

- disclosure would be prejudicial to the conduct of the liquidation or might be *expected to lead to violence against any person, or*
- the liquidator is subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing the information.

Any creditor may apply to the court within 21 days of the liquidator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

8. Provision of information – additional requirements

The liquidator must provide certain information about the time spent on the case, free of charge, upon request by any creditor, director or shareholder of the company.

The information which must be provided is –

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

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

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

9 What if a creditor is dissatisfied?

- 9.1 Except in cases where there is a liquidation committee it is the creditors as a body who have authority to approve the liquidator's fees. To enable them to carry out this function they may require the liquidator to call a creditors' meeting. In order to do this at least ten per cent in value of the creditors must concur with the request, which *must be made to the liquidator in writing*
- 9.2 If a creditor believes that the liquidator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the liquidator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court.
- 9.3 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the liquidator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 7.1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the liquidator a copy of the application and supporting evidence at least 14 days before the hearing.
- 9.4 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not out of the assets of the insolvent company.

10. What if the liquidator is dissatisfied?

If the liquidator considers that the remuneration fixed by the liquidation committee, or in the preceding administration, is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the liquidation committee, the creditors, in the preceding administration or in accordance with the statutory scale is insufficient, or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court he must give at least 14 days' notice to the members of the committee and the committee may nominate one or more of its members to appear or be represented at the court hearing. If there is no committee, the liquidator's notice of his application must be sent to such of the creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid out of the assets.

11 Other matters relating to remuneration

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

12. Effective date

This guide applies where a company goes into liquidation on or after 1 November 2011.

Appendix

Suggested format for the provision of information

Professional guidance issued to insolvency practitioners sets out the following suggested format for the provision of information when seeking approval of remuneration. However, the level of disclosure suggested below may not be appropriate in all cases, and will be subject to considerations of proportionality. In larger or more complex cases the circumstances of each case may dictate the information provided and its format.

Narrative overview of the case

In all cases, reports on remuneration should provide a narrative overview of the case. Matters relevant to an overview are:

- the complexity of the case;
- any exceptional responsibility falling on the liquidator;
- the liquidator's effectiveness;
- the value and nature of the property in question.

The information provided will depend upon the basis or bases being sought or reported upon, and the stage at which it is being provided. An overview might include:

- an explanation of the nature, and the liquidator's own initial assessment, of the assignment (including the anticipated return to creditors) and the outcome (if known);
- initial views on how the assignment was to be handled, including decisions on staffing or subcontracting and the appointment of advisers;
- any significant aspects of the case, particularly those that affect the remuneration and cost expended;
- the reasons for subsequent changes in strategy;
- the steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, and fee drawing;
- any existing agreement about remuneration;
- details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees;
- in a larger case, particularly if it involved trading, considerations about staffing and managing the assignment and how strategy was set and reviewed;
- details of work undertaken during the period;
- any additional value brought to the estate during the period, for which the liquidator wishes to claim increased remuneration.

Time cost basis

Where any part of the remuneration is or is proposed to be calculated on a time costs basis, requests for and reports on remuneration should provide:

- An explanation of the liquidator's time charging policy, clearly stating the units of time that have been used, the grades of staff and rates that have been charged to the assignment, and the policy for recovering the cost of support staff. There is an expectation that time will be recorded in units of not greater than 6 minutes.
- A description of work carried out, which might include:
 - details of work undertaken during the period, related to the table of time spent for the period;
 - an explanation of the grades of staff used to undertake the different tasks carried out and the reasons why it was appropriate for those grades to be used;
 - any comments on any figures in the summary of time spent accompanying the request the liquidator wishes to make.
- Time spent and charge-out summaries, in an appropriate format.

It is useful to provide time spent and charge-out value information in a tabular form for each of the time periods reported upon, with work classified (and sub-divided) in a way relevant to the circumstances of the case

The following areas of activity are suggested as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff:

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The level of disclosure suggested above will not be appropriate in all cases, and considerations of proportionality will apply:

- where cumulative time costs are, and are expected to be, less than £10,000 the liquidator *should, as a minimum, state the number of hours and average rate per hour and explain any unusual features of the case;*
- where cumulative time costs are, or are expected to be, between £10,000 and £50,000, a time and charge-out summary similar to that shown above will usually provide the appropriate level of detail (subject to the explanation of any unusual features);
- where cumulative time costs exceed, or are expected to exceed, £50,000, further and more detailed analysis or explanation will be warranted.