

Liquidator's Progress Report**S.192**

Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986

To the Registrar of Companies

Company Number

03978497

Name of Company

(a) Insert full name of
company

(a) PROSPECTO LIMITED

(b) Insert full name(s) and
address(es)

I (b) Michael Gillard of Mackenzie Goldberg Johnson Limited, Scope House, Weston Road,
Crewe, CW1 6DD

the liquidator of the company attach a copy of my progress report under section 192 of the
Insolvency Act 1986

The progress report covers the period from 3 January 2015 to 2 January 2016

Signed



Date

25/2/16

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

Michael Gillard
Mackenzie Goldberg Johnson Limited
Scope House
Weston Road
Crewe
CW1 6DD





Mackenzie Goldberg Johnson

Business Recovery & Insolvency

Prospecto Limited In Liquidation ("the Company")
Liquidator's Progress Report to Members & Creditors
25 February 2016
Report For The Period Ending 2 January 2016

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1. INTRODUCTION

The purpose of this report is to detail the acts and dealings of the Liquidator for the year ended 2 January 2016 and it should be read in conjunction with the previous correspondence to creditors

2. STATUTORY INFORMATION

Company Name	Prospecto Limited
Registered Office	c/o Mackenzie Goldberg Johnson Limited, Scope House, Weston Road, Crewe, CW1 6DD
Former Registered Office	Jackson's Boat, Rifle Road, Sale, M33 2LX
Registered Number	03978497
Trading Names	T/A Jackson's Boat and T/A The Crown Hotel
Liquidator's Name	Michael Gillard
Liquidator's Address	Mackenzie Goldberg Johnson Limited, Scope House, Weston Road, Crewe, CW1 6DD
Liquidator's Appointment Date	5 December 2013 – This appointment was previously held by Simon Atkins and was transferred to Michael Gillard by a Block Transfer Order
Former Liquidator's Name	Simon Atkins
Former Liquidator's Address	Mackenzie Goldberg Johnson, Scope House, Weston Road, Crewe, CW1 6DD
Former Liquidator's Date of Appointment	3 January 2013
Former Liquidators 's Release Date	5 December 2013

3. BACKGROUND INFORMATION

The Company was incorporated in 2000 and initially developed websites, it then moved into furniture retail shortly afterwards. In 2005, the Company changed its business to running pubs and took on a lease for Jacksons Boat and later a lease for the Crown Inn in 2007. A third lease of a pub known as the Pendle Witch was taken on in 2008.

The Pendle Witch operated at a loss following refurbishment and therefore the directors negotiated a surrender of the lease in early 2009. However, the Company was left with significant debt.

Since 2009, the Company suffered a downturn in trade, suffering a significant loss in 2012. The Company negotiated a surrender of the lease for the Crown Inn and continued to trade Jackson's Boat. However due to the losses incurred, the directors sought advice from Mackenzie Goldberg Johnson Limited and the Company was placed into liquidation on 3 January 2013.

Based on the information provided by the directors in the Statement of Affairs, there were no realisations expected in the liquidation.

The initial strategy was to undertake the necessary investigations in order to submit the required report/return to the Secretary of State and make enquiries in respect of the sale of the fixtures and fittings of the two pubs prior to the liquidation

4. LIQUIDATORS' ACTIONS SINCE LAST REPORT

4.1 Administration & Planning

There is certain work that is required to be undertaken by the insolvency legislation in connection with the liquidation that provides no financial benefit for the creditors. A description of the work undertaken since the last progress report included in administration and planning is as follows

- Email correspondence with the director
- Maintaining and managing the office holder's estate bank account and cashbook
- Undertaking regular bank reconciliations of the bank account containing estate funds
- Filing
- Undertaking periodic reviews of the progress of the case
- Preparing and reviewing annual progress reports to creditors and members
- Enquiries regarding the stock as the business now trading from the premises used the stock following the liquidation
- Filing a return at Companies House
- Overseeing and controlling the work done on the case by case administrators
- Reviewing and updating diary lines on the electronic management system
- Preparing and filing a corporation tax return
- Case planning in respect of the vehicle and instructing agents to deal with the collection and scrapping
- Correspondence with the Environmental Agency and dealing with the surrender of the water discharge permit including completing and submitting a surrender application form
- Amending details of the case held on the practice's case management system
- Completing ethics, anti-money laundering and bribery checklist
- Correspondence with the DVLA

4.2 Investigations

Initial investigations into the Company's affairs were undertaken 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

Actions Taken

Investigations have been undertaken in respect of the sale of the fixtures and fittings to Mitchells and Butler, the landlord prior to the date of the liquidation. The consideration of which was offset against the debt owed to the landlord in respect of arrears of rent and supplies. Further details are given later in the report

During this period, time has been spent reviewing the Excel spreadsheets provided by the landlord and comparing these with the Company records

Actions Completed

As detailed in the previous progress report, the initial investigations identified a preference payment made to the director's parents, further details of which are given later in the report

Further Actions Anticipated

Our investigations regarding the sale of the fixtures and fittings and the offset of the consideration are ongoing

Within six months of the date of liquidation a confidential report/return to the Secretary of State is required to include any matters which have come to the Liquidator's attention which may indicate that the conduct of any past or present director(s) would make them unfit to be concerned with the management of a Company. This report/return has been submitted.

4.3 Realisations of Assets

Below is a table outlining the asset position as at 2 January 2016

Asset Description	Estimated to Realise in the Statement of Affairs as at 3 March 2013 (£)	Amount Realised in this Reporting Period (£)	Actual Realisations to 2 January 2016 (£)
Tax refund	0 00	0 00	314 47
Cash at bank	0 00	0 00	6,240 80
Bank interest net of tax	0 00	1 38	7 49
Legal settlement	0 00	0 00	14,000 00
Potential antecedent transaction	0 00	0 00	0 00
Debtors	0 00	0 00	0 00
Domain name	0 00	0 00	0 00
Stock	0 00	0 00	0 00
Vehicle	0 00	0 00	0 00
Total	0 00	1 38	20,562 76

Tax Refund

A tax refund of £314 47 was received in a prior period.

Cash at Bank

The amount of £6,240 80 was received from The Co-operative Bank in respect of the balance held in the Company's bank account. The funds were received in a prior period.

Bank Interest

Bank interest of £7 49 has been received net of tax, of which £1 38 has been received in this period.

Legal Settlement

As previously reported, the initial investigations identified a preference payment made to the director's parents of £16,000 within the relevant period defined by Section 240 of the Insolvency Act 1986. A preference payment can be challenged by a Liquidator. Correspondence was sent to the director's parents and a settlement was reached of £14,000 which was received in a prior period.

Potential Antecedent Transaction

As mentioned earlier in the report, as part of our investigations, time has been spent making enquiries in respect of the sale of the fixtures and fittings to the landlord, the consideration for which was offset against the balance of rent arrears and supplies owed by the Company. The transaction could be potentially challenged by the Liquidator in order to recover funds for the liquidation.

Solicitors have been instructed in this matter, which is ongoing.

Debtors

The Statement of Affairs showed a book debt figure of £30,822 with an estimated to realise figure of nil. The majority of the book debt figure related to the deposits held by Mitchell and Butler which have been used to reduce the Company's liability prior to the liquidation. According to the directors, £4,500 related to a deposit held by a utility company, which has been offset to reduce the liability. Enquiries regarding the debtors are ongoing.

Domain Name

The Company was the registrant for the domain name, www.jacksonsboat.co.uk. A director of the Company expressed an interest in purchasing the domain name and agents were instructed to deal with the sale. The agents were unable to complete the sale as the director did not respond to email correspondence and calls. No other parties expressed an interest in the domain name.

The domain name has now expired.

Stock

As detailed in the previous progress report, the director advised that an associated company purchased the stock, shortly before the date of liquidation. Our enquiries regarding this matter are ongoing.

Vehicle

The Company owned a motor vehicle, a Fiat Scudo van with the registration MA53 ZWJ. Agents, JPS (Surveyors) Limited were instructed to deal with the collection and scrapping of the van, which appeared to have no value. The vehicle was collected and scrapped and this covered the cost of collection.

Time has been spent during the period on submitting documents to the DVLA and liaising with the agents regarding the scrapping of the van.

4.4 Trading

On initial assessment it was not deemed appropriate to trade the Company on during the liquidation. Therefore, no costs have been incurred in relation to trading.

4.5 Creditors

A description of the work undertaken in relation to creditors since the last progress report is as follows:

- Distributing a progress report to members and creditors
- Entering details of a claim onto the case management system and corresponding with the Environment Agency regarding its claim

4.6 Case Specific Matters

There are no case specific matters in this reporting period.

5. RECEIPTS & PAYMENTS ACCOUNT

Attached at Appendix 1 is a receipts and payments account for the period from 3 January 2015 to 2 January 2016. All amounts are shown net of VAT.

The balance of funds is held in an interest bearing client account at HSBC Bank Plc in the name of Prospecto Limited in liquidation.

6. CREDITORS CLAIMS

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

The Company granted to Mitchells & Butlers Retail (NO 2) Limited a rent deposit deed dated 20 May 2009 giving a fixed charge over the deposit of £10,000 and any further sums. The amount outstanding at the date of the appointment was nil, however we are reviewing the position.

The Company granted to Mitchells & Butlers Retail Limited a rent deposit deed dated 16 February 2005 giving a fixed charge over the deposit of £10,000 and any further sums. The amount outstanding at the date of the appointment was nil, however we are reviewing the position.

Preferential Creditors

There are no preferential creditors in this case.

Non-preferential Unsecured Creditors

Number of Creditors	Statement of Affairs (£)	Number of Submitted Claims	Submitted Claims Value (£)
35	68,511	8*	78,148.87

*The submitted claims figure includes a claim submitted by a creditor not originally included in the Statement of Affairs.

A total of 28 creditors have yet to submit a claim, of which 12 creditors have a total value of £25,350.28 and the remaining 16 creditors had a nil claim in the Statement of Affairs. This was due to the liabilities being unknown at the time. A proof of debt form is attached for any creditor who has not yet submitted a claim.

7. DIVIDEND PROSPECTS

Secured Creditors

The secured creditors are detailed above.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors.

In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

No funds have been distributed to secured creditors at this point in time.

Preferential Creditors

There are no preferential creditors on this assignment.

Unsecured Creditors

No dividend has been paid to unsecured creditors to date. A dividend cannot be paid from the funds currently held as there are outstanding costs to be paid from the balance. At present it appears unlikely that there will be a dividend to unsecured creditors in this case.

Following the Liquidator's appointment, a notice for creditors to submit claims was placed in the London Gazette.

8. PRE-APPOINTMENT REMUNERATION, REMUNERATION, DISBURSEMENTS & EXPENSES

Pre-Appointment Remuneration

As previously reported, the board of directors authorised the payment of a fee of £5,000 plus VAT and disbursements for Mackenzie Goldberg Johnson's assistance with preparing the statement of affairs and convening and holding the meeting of creditors at a meeting held on 13 December 2012. No resolution was sought from creditors for the pre-appointment remuneration and this has been written off.

Liquidator's Remuneration

Remuneration was previously authorised by creditors at a meeting held on 2 May 2013 to be drawn on a time cost basis. Total time costs to 2 January 2016 amount to £28,821.50, representing 147.4 hours work charged at an average charge out rate of £195.53 per hour, of which £5,203.50 was charged in the period 3 January 2015 to 2 January 2016, at an average charge out rate of £199.37 per hour.

A total of £15,000.00 has been drawn to date, all of which was drawn in a prior period.

A schedule of time costs incurred to 2 January 2016 and for the period covering this report is attached as Appendix 2.

Further work remains to be done, as detailed below and it is estimated that it will cost an additional £10,000 to complete it.

- Ongoing investigations regarding the sale of the fixtures and fittings, the debtors and the stock as detailed earlier in the report
- Liaising with the solicitors acting on behalf of the Liquidator
- General day to day duties including dealing with creditor correspondence, filing and cashiering
- Statutory progress reports are to be prepared and distributed on an annual basis
- Case reviews will be carried out on a periodic basis
- Once all realisations have been made, a pre closure review will be completed and a final report will be distributed to members and creditors
- A final meeting will be summoned, advertised and held and the meeting documentation will be prepared

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, together with an explanatory note which shows Mackenzie Goldberg Johnson's fee policy are attached at Appendix 4 and 5.

Liquidator's Disbursements

Disbursements are expenses met by and reimbursed to Mackenzie Goldberg Johnson Limited in connection with the appointment. Disbursements fall into two separate categories known as Category 1 and Category 2 disbursements. Further explanation of disbursements can be found in our fee policy attached at Appendix 4.

Category 1 Disbursements

The disbursements are initially incurred and paid from the office account of Mackenzie Goldberg Johnson and will be recharged to the case when there are sufficient funds available

Disbursements to 2 January 2016 amount to 1,093 71 plus VAT, and are analysed below

Type of Disbursement	Provider	Amount incurred to date			Amount Recharged to date
		(£)	VAT (£)	Total (£)	Total (£)
Specific Bond	Willis	614 50	122 90	737 40	737 40
Statutory Advertising	The Stationery Office	369 21	72 36	441 57	441 57
IT Licence Fee	Vision Blue	110 00	22 00	132 00	132 00
Total		1,093.71	217 26	1,310 97	1,310.97

Note - The statutory advertisement figure includes an amount of £64 72 plus VAT in respect of a pre-appointment advertisement

No disbursements have been incurred or recharged in the period 3 January 2015 to 2 January 2016

Category 2 Disbursements

The disbursements are initially incurred and paid from the office account of Mackenzie Goldberg Johnson and will be recharged to the case when there are sufficient funds available

No Category 2 disbursements have been incurred in this case to date

Future Disbursements

The only Category 1 disbursement expected to be incurred is for the advertisement of the final meeting in the London Gazette The current cost of which is £81 24 plus VAT

It is not anticipated that any Category 2 disbursements will be incurred in this case

Liquidator's Expenses

The Liquidator's expenses are amounts properly payable by the Liquidator from the Company which have not been paid for by Mackenzie Goldberg Johnson

Expenses to 2 January 2016 amount to £2,043 20 plus VAT, and are analysed below

Type of Expense	Provider	Amount incurred to date			Amount Paid to date
		(£)	VAT (£)	Total (£)	Total (£)
Agents	JPS (Surveyors) Limited	200 00	40 00	240 00	0 00
Legal Costs	Bowcock Cuerden LLP	1,836 20	367 24	2,203 44	0 00
Administration Support Services	Creditor Gateway	7 00	1 40	8 40	8 40
Total		2,043.20	408.64	2,451.84	8 40

Expenses incurred in the period covered by this report amount to £93 20 plus VAT, and are analysed on the following page

Type of Expense	Provider	Amount incurred in this period			Amount Paid to date
		(£)	VAT (£)	Total (£)	Total (£)
Legal Costs	Bowcock Cuerden LLP	86 20	17 24	103 44	0 00
Administration Support Services	Creditor Gateway	7 00	1 40	8 40	8 40
	Total	93 20	18 64	111.84	8 40

Agents – JPS (Surveyors) Limited

The agents, JPS (Surveyors) Limited, were instructed to arrange for the collection and scrapping of the vehicle, provide advice and deal with the sale of the domain name. The fees were based on a time costs basis and £200 plus VAT has been incurred to date and these remain unpaid. No fees have been incurred in this period.

No further agent's fees are expected to be incurred.

Legal Costs – Bowcock Cuerden LLP

The solicitors were instructed to review the leases and other documentation provided, provide advice regarding the potential preference payment, provide advice in relation to disclaiming the leases and correspond with the landlord and their solicitors.

The fees are based on a time costs basis and £1,836 20 plus VAT has been incurred to date and these remain unpaid.

During this period time has been spent on liaising with the Liquidator and £86 20 plus VAT has been incurred.

Further fees of approximately £4,000 plus VAT are anticipated in relation to correspondence with the landlord's solicitors and liaising with the Liquidator in relation to the potential antecedent transaction.

Administration Support Services – The Creditor Gateway

The administration support service cost relates to the fee charged for uploading the previous progress report to the Creditor Gateway. The cost is a fixed fee of £7 00 plus VAT and was incurred and paid in this period.

Further costs are anticipated in relation to future progress reports and the final report. The cost of which is anticipated to be £7 00 plus VAT per report.

The choice of professionals was based on the Liquidator's perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them. The fees charged have been reviewed and the Liquidator is satisfied that they are reasonable in the circumstances of this case.

9 FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount

and/or basis of the Liquidator's 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.

10. CONCLUSION

The administration of the liquidation will continue in order to finalise the following outstanding matters:

- Investigations regarding the sale of the fixtures and fittings and offset of the consideration
- Investigations regarding the position of the stock and the debtors

If you require any further information, please contact Samantha Cooke at this office.



**Michael Gillard
Liquidator of Prospecto Limited**

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APPENDIX 1 - RECEIPTS AND PAYMENTS ACCOUNT

**Prospecto Limited T/A Jackson's Boat and T/A The Crown Hotel - In Creditors Voluntary Liquidation
Liquidator's Abstract of Receipts & Payments**

From 03 January 2015 To 02 January 2016

S of A £	From 03/01/15	From 03/01/13
	To 02/01/16	To 02/01/16
ASSET REALISATIONS		
Tax Refund	NIL	314 47
Cash at Bank	NIL	6,240 80
Bank Interest Net of Tax	1 38	7 49
Legal Settlement	NIL	14,000 00
	<u>1 38</u>	<u>20,562 76</u>
COST OF REALISATIONS		
Liquidator's Disbursements	NIL	(1,093 71)
Liquidator's Remuneration	NIL	(15,000 00)
Administration Support Fees	(7 00)	(7 00)
	<u>(7 00)</u>	<u>(16,100 71)</u>
UNSECURED CREDITORS		
(68,511) Unsecured Creditors	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
	<u>(5.62)</u>	<u>4,462 05</u>

REPRESENTED BY

Vat Receivable	1,035 70
Prospecto Limited - HSBC Bank -Interest Bearing Account	<u>3,426 35</u>
	<u>4,462.05</u>



Michael Gillard
Liquidator

APPENDIX 2 - ANALYSIS OF TIME COSTS

Liquidator's Remuneration Schedule
Prospecto Limited
Between 03 January 2013 and 02 January 2016

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	4 90	12 90	37 20	3 20	58 20	11,659 00	200 33
Investigations	1 60	18 40	18 50	3 00	41 50	8,158 50	196 59
Realisation of Assets	1 60	1 10	25 10	0 00	27 80	5,230 50	188 15
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	2 20	0 40	16 20	1 10	19 90	3,773 50	189 62
Case Specific Matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total hours	10 30	32 80	97 00	7 30	147 40		
Time costs	3,347 50	7,380 00	17,546 50	547 50	28,821 50		
Average hourly rate	325 00	225 00	180 89	75 00	195 53		

Summary of Fees

Time spent in administering the Assignment	Hours	147 40
Total value of time spent to 02 January 2016	£	28,821 50
Total Liquidator's fees charged to 02 January 2016	£	15,000 00

Liquidator's Remuneration Schedule
Prospecto Limited
Between 03 January 2015 and 02 January 2016

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	0 40	3 90	16 90	0 00	21 20	4,218 50	198 99
Investigations	0 00	0 00	2 40	0 00	2 40	456 00	190 00
Realisation of Assets	0 00	0 00	0 90	0 00	0 90	171 00	190 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 40	0 00	1 20	0 00	1 60	358 00	223 75
Case Specific Matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total hours	0 80	3 90	21 40	0 00	26 10		
Time costs	260 00	877 50	4,066 00	0 00	5,203 50		
Average hourly rate	325 00	225 00	190 00	0 00	199 37		

Summary of Fees

Time spent in administering the Assignment	Hours	26 10
Total value of time spent to 02 January 2016	£	5,203 50
Total Liquidator's fees charged to 02 January 2016	£	15,000 00

APPENDIX 3 - PROVISION OF SERVICE REGULATION INFORMATION

THE PROVISION OF SERVICES REGULATIONS 2009

Summary of required information as at January 2014

The following information is supplied in accordance with our obligations under The Provision of Services Regulations 2009. Required information not provided below is included in the engagement letter and terms of business between Mackenzie Goldberg Johnson Limited and its clients.

SERVICE PROVIDER INFORMATION	
Service Provider	Mackenzie Goldberg Johnson Limited
Services Provided	Provision of advice in relation to recovery, restructure, security evaluation, lender investigations, creditor representation and general insolvency
Associated Services	None
Legal Status	Limited company
Web Site	www.mgjl.co.uk
Email Address	info@mgjl.co.uk
Registered With	Registrar of Companies in England and Wales
Registered Number	05058424
Registered Office	Scope House, Weston Road, Crewe CW1 6DD
Professional insurers	CNA Insurance Company Limited of 2 Minster Court, Mincing Lane, London, EC3R 7BB
Scope of Cover	Worldwide coverage, excluding professional business carried out from an office in the United States of America or Canada, and any action for a claim bought in any court in the United States of America or Canada
Indemnity Cover	£1,000,000
Telephone Number	01270 212 700
Facsimile Number	0845 680 0325
VAT Registration Number	866 2944 83
Public Registers	The company's registration details can be seen at Companies House, England and Wales, under the registered number given above
Terms of Contract	All engagements are formally governed by our standard terms of contract, whereby the basis of fees are clearly stated prior to formal instruction. Such terms are governed and enforced by the Courts of England and Wales.
Disengagement	Where it is no longer acceptable to act under the terms of original engagement, the company operates a formal disengagement procedure, which terminates contract. A general explanation of the circumstances in which disengagement would occur, and the basis of any resultant fees payable are expressly detailed in the terms of engagement.
Appointment Takers	Michael John Gillard, licensed by the Institute of Chartered Accountants England & Wales ("ICAEW") under licence number 14470

THE PROVISION OF SERVICES REGULATIONS 2009 (Continued)

Regulatory Body Contact Details	ICAEW, Milton Keynes However since July 2013 the regulatory body for dealing with complaints against Insolvency Practitioners is as follows The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA
Complaints	In the rare occasion a complaint is received, the complaint shall be dealt with in the first instance within the terms of our internal policy However if the client is not satisfied with our responses, they can revert to the respective body at the address(es) above
Trading Offices:	
Crewe	Scope House, Weston Road, Crewe CW1 6DD Telephone 01270 212 700
Consumer Credit License:	
The practice has a consumer credit licence via the Financial Conduct Authority ("FCA") The practice is licensed to carry on the business of C Credit brokerage, D Debt-adjusting and debt-counselling, E Debt counselling, This licence is granted under interim permission from April 2014 until further notice	

APPENDIX 4 - MACKENZIE GOLDBERG JOHNSON CHARGE OUT RATE POLICY



Fee Accrual

The Office Holder is the general name for the Insolvency Practitioner dealing with the case affairs

In accordance with the insolvency legislation, the Office Holder is entitled to charge appropriate fees for dealing with the case affairs

It is usual practice for the agreement of fees to be sought on the basis of time properly incurred in dealing with the case. However on occasion it is necessary to seek agreement of fees as a fixed percentage of assets realised and/or distributions made, or indeed as a fixed fee.

The precise basis of how fees are to be charged will be provided to creditors prior to agreement being sought.

The basis upon which post appointment fees are agreed is determined by the relevant category of creditors, detail of which is explained within the relevant creditors' guides to fees.

Unless otherwise advised, fees shall be drawn on account from the case funds as and when realisations allow, subject to agreement.

Fees Charged on a Time Cost Basis & Estimation of Fees

Where an Office Holder wishes to seek the agreement of fees on a time costs basis, he is required to give creditors full details of not only what he believes such fees to be i.e. an estimation, but what work shall be done in relation to those fees.

This estimation is based upon the firm's policy in relation to the projection of fees for this type of insolvency. Calculations have been made using specific details of the case such as the type of realisations, number of creditors and the anticipated duration of the case prior to closure.

Fees Charged on Fixed Fee Basis

Fixed fees are charged per activity undertaken. For example correspondence with creditors may be charged as a fixed fee, similarly employees, directors, and/or shareholders may all be charged as a fixed fee. Any costs shown for these fees should not usually change from that guide provided.

Fees on a Percentage Basis

Where it is intended that fees be drawn on a percentage basis, for example the realisation of assets, or the distribution of funds, these fees can only be calculated on the amount of funds to be dealt with. This final fee may therefore be lower or higher than that information provided in our guide.

Different percentages can be used for different assets or types of assets and any percentage basis sought may vary on a case by case basis.

Fee Basis

In order to simplify information, the basis for post appointment fees shall simply be referred to as our fee policy.

Staff

Each member of staff involved with the case will charge time on an individual basis. The hourly cost of each member of staff shall be calculated in accordance with their experience and resultant grade within the practice.

In view of the complexity of the work involved, it is not practice policy to use sub-contractors, however we reserve the right to do so should the case require. Details of any sub-contractor used shall be provided within the respective statutory report SIP 9 detail.

VAT

Except when acting as Nominee or Supervisor of an estate, fees will be subject to VAT at the appropriate rate. Where the case is not registered for VAT, VAT shall be shown as an irrecoverable expense of the estate.

Disbursements

Every case dealt with will incur disbursements. The Office Holder is required to explain the amount and nature of such disbursements whenever a formal abstract of accounts is produced.

Regulations require that we separate category 1 and 2 disbursements for your information. An explanation of which is as follows:

Category 1 Disbursements

Category 1 disbursements are expenses directly attributable to the case, where exact costs can be ascertained and recharged without profit. These include insolvency bonds, advertising, company searches, post redirection orders, postage, external room hire, external storage as well as public transport and accommodation costs incurred by staff whilst attending to the administration of the estate. This list is not exhaustive and any other external supplies and services, specifically identifiable to the case will also be recovered as a category 1 disbursement at cost.

Category 2 Disbursements

Category 2 disbursements are additional overheads that relate to the estate but are either not directly attributable to it, or the exact cost is not ascertainable and therefore cannot be precisely recharged. These expenses include, inter alia, stationery, photocopying and storage costs.

The following are a current schedule of category 2 disbursements which may (*) be charged by Mackenzie Goldberg Johnson Limited:

- Mileage shall be recharged up to 45 pence per mile.
- (*) Mackenzie Goldberg Johnson Limited does not ordinarily seek to recover category 2 disbursements except for travel and business mileage directly attributable to the case, but reserves the right to do so, where such disbursements are substantial and appropriate sanction has been obtained.

Disclosure of Use of Connected Parties

Please note that where it is necessary to use the services of an external agent who is associated to the Office Holder's business by way of common directors and/or shareholders, this will be disclosed and approved in the same way as category 2 disbursements. Kindly note that no additional profit element will be charged in regard to these services, if applicable.

Charge Out Rates

A table of current hourly charge out rates with effect 1 October 2015 # is provided below:

Charges for Cases	Range (£)	
Partner/Director/Consultant		325
Assistant Manager/Manager	205	225
Senior Administrator/Administrator	175	190
Cashier (#)		150
Support Staff		75

(#) Please note that time charged by our cashiers relates only to accounting matters relevant to the case.

The basis upon which the Office Holder determines the appropriate charge out rate on the complexity of the case is detailed in the respective independent creditors' guides to fees, available to download from our company website www.mgj.co.uk/site/creditors/guide-to-fees or by email from this office.

Further, the Office Holder reserves the right to uplift both the hourly charge out rates and category 2 disbursements periodically without further recourse to the creditors. By law, such increases must be disclosed to creditors within each statutory report.



Support Staff

In an effort to minimise costs to the case, it is necessary to use support staff to undertake certain matters. Support staff time is charged in the same manner as technical staff on the rates outlined above.

Recording of Fees

Time is formally recorded in prescribed categories in units of 6 minutes. All units of time properly spent, shall be recorded on a formal time management system and retained throughout appointment, irrespective of the basis of fees approved.

Reporting of Fees

All reports and correspondence detailing fees incurred and indeed drawn will provide the basis upon which fees have been incurred and from whom sanction was given in relation to those fees.

Such information shall be contained within statutory progress reports and be in the prescribed form. When providing such a report, under existing insolvency regulations, creditors are able to request further and better particulars of fees and disbursements where they believe further explanation is required.

The exact basis of how requisite members and creditors may request such information will be attached with each statutory progress report subsequently issued.

END OF POLICY

**Fee Accrual**

The Office Holder is the general name for the Insolvency Practitioner dealing with the case affairs

In accordance with the Insolvency Act 1986 and Insolvency Rules 1986, the Office Holder shall charge appropriate fees for dealing with the case affairs

It is usual practice for the agreement of fees to be sought on the basis of time properly incurred in dealing with the case. However on occasion it is necessary to seek agreement of fees as a fixed percentage of assets realised and/or distributions made, or indeed a defined fixed fee.

The precise basis of how fees are to be incurred will be formally given to creditors prior to agreement being sought.

The legal agreement and basis upon which post appointment fees are agreed is determined by the relevant category of creditors, details of which are explained within the respective independent creditors' guides to fees.

Unless otherwise advised, fees shall be drawn on account from the case funds as and when realisations allow, subject to agreement.

Staff

Each member of staff involved with the case will time charge on an individual basis. The hourly cost of each member of staff shall be calculated in accordance with their experience and resultant grade within the practice.

In view of the complexity of the work involved, it is not practice policy to use sub contractors, however we reserve the right to do so should the case require. Details of any sub contractor used shall be provided within the respective statutory report SIP 9 detail.

VAT

Except when acting as Nominee or Supervisor of an estate, fees will be subject to VAT at the appropriate rate.

Where the case is not registered for VAT, VAT shall be shown as an irrecoverable expense of the estate.

Disbursements

Every case dealt with will incur disbursements. The Office Holder is required to explain the amount and nature of such disbursements whenever a formal abstract of accounts is produced.

Regulations require that we separate category 1 and 2 disbursements for your information. An explanation of which is as follows:

Category 1 Disbursements

Category 1 disbursements are expenses directly attributable to the case, where exact costs can be ascertained and recharged without profit. These include insolvency bonds, advertising, company searches, post redirection orders, postage, external room hire, external storage as well as public transport and accommodation costs incurred by staff whilst attending to the administration of the estate.

- Postage will be charged at the first class postage rate prevailing.
- The list as stated above is not exhaustive and any other external supplies and services, specifically identifiable to the case will also be recovered as a category 1 disbursement at cost.
- All category 1 disbursements shall be shown in the abstract of accounts suffixed by ⁽¹⁾

Category 2 Disbursements

Category 2 disbursements are additional overheads that relate to the estate but are either not directly attributable to it, or the exact cost is not ascertainable and therefore cannot be precisely recharged.

These expenses include, inter alia, stationery, photocopying and storage costs.

Any authorised category 2 disbursements which have been charged shall be shown in the statutory abstract of accounts suffixed by ⁽²⁾



The following are a current schedule of category 2 disbursements which may^(*) be charged by Mackenzie Goldberg Johnson Limited

- Mileage shall be recharged up to 50 pence per mile in accordance with the appropriate rates determined by the HM Revenue and Customs
- Destruction of boxes shall be recovered as a category 1 expense, and
- Fixed charge for the issue of each and every circular @ £1 per relevant party

^(*) Mackenzie Goldberg Johnson Limited does not ordinarily seek to recover category 2 disbursements except for travel and business mileage directly attributable to the case, but reserves the right to do so, where such disbursements are substantial and appropriate sanction has been obtained

Disclosure of Use of Connected Parties

Please note that where it is necessary to use the services of an external agent who is associated to the Office Holder's business by way of common directors and/or shareholders, it is advised by law, that this shown as a category 2 disbursement. Kindly note that no additional profit element will be charged in regard to these services, if applicable

Charge Out Rates

A table of current hourly charge out rates are provided below

Charges for Usual Cases	Range (£)		Charges for Complex Cases	(£)
Partner/Director/Consultant		325	Partner/Director/Consultant	425
Assistant Manager/Manager	205	225	Assistant Manager/Manager	295
Senior Administrator/Administrator	175	190	Senior Administrator/Administrator	265
Cashier ^(#)		150	Cashier ^(#)	150
Support Staff		75	Support Staff	75

^(#) Please note that time charged by our cashiers relates only to accounting matters relevant to the case

The basis upon which the Office Holder determines the appropriate charge out rate on the complexity of the case is detailed in the respective independent creditors' guides to fees, available to download from our company website www.mjgl.co.uk/site/creditors/guide-to-fees or by email from this office

Further, the Office Holder reserves the right to uplift both the hourly rates and category 2 disbursements periodically without further recourse to the creditors. By law, such increases must be disclosed to creditors within each statutory report

Support Staff

In an effort to minimise costs to the case, it is necessary to use support staff to undertake certain matters. Support staff time is charged in the same manner as technical staff on the rates outlined above

Recording of Fees

Time is formally recorded in prescribed categories in units of 6 minutes. All units of time properly spent, shall be recorded on a formal time management system and retained throughout appointment, irrespective of the basis of fees

Reporting of Fees

All reports and correspondence detailing fees incurred and indeed drawn will provide the legal basis upon which fees have been incurred and from whom sanction was given in relation to those fees

Such information shall be contained within statutory progress reports and be in the prescribed form. When providing such a report, under existing insolvency regulations, creditors are able to request further and better particulars of fees and disbursements where they believe further explanation is required

The exact basis of how requisite members and creditors may request such information will be attached with each statutory progress report subsequently issued

END OF POLICY

APPENDIX - MACKENZIE GOLDBERG JOHNSON LIMITED – FORMER FEE POLICIES

1 JANUARY 2014 TO 30 JUNE 2014

It is the policy of Mackenzie Goldberg Johnson Limited to seek approval to draw fees by reference to the time properly given by the Insolvency Practitioner and other staff in attending to matters arising in the case. The charge-out rates of all grades of staff, including principals, who are likely to be involved in assignments, are as follows

Staff Grade	Standard Rate per Hour (£) (Excluding VAT)	Complex Rate per Hour (£) (Excluding VAT)
Insolvency Practitioner	325	425
Manager	225	295
Assistant Manager	205	265
Senior Administrator	190	245
Administrator	175	225
Support Staff/Cashiering	75	100

Support staff and cashiering work is not charged via the hourly rates of insolvency practitioners, managers, assistant manager, senior administrators, or administrators. Support staff and cashiering work is charged directly on an hourly rate as above.

In line with industry guidelines set out in Statement of Insolvency Practice 9 (SIP 9), timesheets are recorded on a computerised system in 6 minute intervals.

Charge-out rates are subject to periodic review and are subject to change.

MACKENZIE GOLDBERG JOHNSON LIMITED – DISBURSEMENT POLICY

Category 1 Disbursements

It is not necessary to obtain specific resolution for the payment of category 1 disbursements. Category 1 disbursements are expenses that are directly identifiable in relation to the assignment.

Some examples of category 1 disbursements include, post redirection, advertising, bonding, Land Registry search fees, Companies House searches, specific travel costs, external room hire and external box storage.

Category 2 Disbursements

It is necessary to obtain a specific resolution for the payment of category 2 disbursements. Category 2 disbursements are expenses that are not directly identifiable in relation to the assignment. These expenses normally contain an element of shared or apportioned cost.

It is the policy of Mackenzie Goldberg Johnson Limited to seek approval for the following category 2 disbursements:

Item	Description	Rate
Internal Room Hire	Internal meeting room for statutory meetings	£100 per meeting
Stationary, Postage, Telephone, Fax, Photocopies	One off charge per assignment and then pro rata thereafter	£100 initial charge and £60 per annum pro rata for the length of the assignment
Mileage	Staff mileage used in connection with a specific assignment charged at HM Revenue & Customs mileage rate	45p per mile

PRIOR TO 1 JANUARY 2014

It is the policy of Mackenzie Goldberg Johnson Limited to seek approval to draw fees by reference to the time properly given (in six minute units) by the Insolvency Practitioner and other staff in attending to matters arising in the case. The charge-out rates of all grades of staff, including principals, who are likely to be involved in the case are as follows

Staff Grade	Rate per Hour (Excluding VAT)
Insolvency Practitioner	325
Insolvency Manager	225
Insolvency Administrator	175
Support Staff	75

Charge-out rates may be subject to change. It is the policy of Mackenzie Goldberg Johnson Limited to recover the following categories of costs arising in the case (known as 'Category Two Disbursements') which may include an element of shared or allocated costs as follows

Item	Charge	Rate
Paper	Per A4 Sheet	5p
Photocopier	Per A4 Sheet	5p
Envelopes	Each	10p
Postage	Package Rate	£1 50
Postage	Letter Rate	50p
Room Hire	Per 30 minute meeting	£50 00

APPENDIX 5 - STATEMENT OF INSOLVENCY PRACTICE 9 (SIP 9) 'A CREDITORS GUIDE TO FEES'

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 Basis

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.

4.2 Advance information where remuneration not based on time costs

Prior to the determination of the basis of remuneration, the liquidator must give the creditors details of the work the liquidator proposes to undertake, and the expenses he considers will be, or are likely to be, incurred. However, where the liquidator proposes to take any part or all of his remuneration on a time cost basis, he must provide more detailed information in the form of a 'fees estimate', as explained below.

4.3 Fees estimates where remuneration to be based on time costs

Where the liquidator proposes to take remuneration based on time costs, he must first provide the creditors with detailed information in the form of a 'fees estimate'. A fees estimate is a written estimate that specifies –

- details of the work the liquidator and his staff propose to undertake,
- the hourly rate or rates the liquidator and his staff propose to charge for each part of that work,
- the time the liquidator anticipates each part of that work will take,
- whether the liquidator anticipates it will be necessary to seek approval or further approval under the Rules, and
- the reasons it will be necessary to seek such approval.

In addition, the liquidator must give the creditors details of the expenses he considers will be, or are likely to be, incurred.

4.4 Who fixes the remuneration

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 5 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 the 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 6 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 7 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 General principles

6 1 1 The liquidator should provide those responsible for approving his remuneration with sufficient information to enable them to make an informed judgement about the reasonableness of the liquidator's request. The information should be presented in a manner which is transparent, consistent throughout the life of the case and useful to creditors, while being proportionate to the circumstances of the case.

6 1 2 The liquidator should disclose

- payments, remuneration and expenses arising from the administration paid to the liquidator or his or her associates,
- any business or personal relationships with parties responsible for approving the liquidator's remuneration or who provide services to the liquidator in respect of the insolvency appointment where the relationship could give rise to a conflict of interest.

The liquidator should inform creditors of their rights under insolvency legislation, and should advise them how they may access suitable information setting out their rights within the first communication with them and in each subsequent report.

6 1 3 Where the liquidator sub-contracts out work that could otherwise be carried out by the liquidator or his or her staff, this should be drawn to the attention of creditors with an explanation of why it is being done.

6 2 Key issues

6 2 1 The key issues of concern to those with a financial interest in the level of payments from the insolvency estate will commonly be

- the work the liquidator anticipates will be done, and why that work is necessary,

- the anticipated cost of that work, including any expenses expected to be incurred in connection with it,
- whether it is anticipated that the work will provide a financial benefit to creditors, and if so what benefit (or if the work provided no direct financial benefit, but was required by statute),
- the work actually done and why that work was necessary,
- the actual costs of the work, including any expenses incurred in connection with it, as against any estimate provided,
- whether the work has provided a financial benefit to creditors, and if so what benefit (or if the work provided no direct financial benefit, but was required by statute)

When providing information about payments, fees and expenses, the liquidator should do so in a way which facilitates clarity of understanding of these key issues. Narrative explanations should be provided to support any numerical information supplied. Where it is practical to do so, the liquidator should provide an indication of the likely return to creditors when seeking approval for the basis of his remuneration.

- 6.2.2 When approval for a fixed amount or a percentage basis is sought, the liquidator should explain why the basis requested is expected to produce a fair and reasonable reflection of the work that the liquidator anticipates will be undertaken.

6.3 Fee estimates and subsequent reports

- 6.3.1 When providing a fee estimate, the liquidator should supply that information in sufficient time to facilitate that body making an informed judgement about the reasonableness of the liquidator's requests. The estimate should clearly describe what activities are anticipated to be conducted in respect of the estimated fee. When subsequently reporting to creditors, the actual hours and average rate (or rates) of the costs charged for each activity should be provided for comparison.

6.4 Disbursements

- 6.4.1 Costs met by and reimbursed to the liquidator in connection with the liquidation will fall into two categories:

- **Category 1 disbursements** These are payments to independent third parties where there is specific expenditure directly referable to the liquidation. 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** 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 may be incurred by the liquidator or their firm, and that can be allocated to the liquidation on a proper and reasonable basis.

When seeking approval, the liquidator should explain, for each category of cost, the basis on which the charge is being made. If the liquidator has obtained approval for the basis of Category 2 disbursements, that basis may continue to be used in a sequential appointment where further approval of the basis of remuneration is not required, or where the liquidator is replaced.

- 6.4.2 The following are not permissible as disbursements:

- 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.

6.5 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. Exceeding the amount set out in the fees estimate

Remuneration must not exceed the fees estimate without approval by the body which fixed the original basis of the remuneration. The request for approval must specify –

- the reason why the liquidator has exceeded, or is likely to exceed, the fees estimate,
- the additional work the liquidator has undertaken or proposes to undertake,
- the hourly rate or rates the liquidator proposes to charge for each part of that additional work,
- the time that additional work has taken or the liquidator anticipates that work will take,
- whether the liquidator anticipates that it will be necessary to seek further approval, and
- the reasons it will be necessary to seek further approval

8 Progress reports and requests for further information

8.1 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,
- where appropriate, a statement –
 - that the remuneration anticipated to be charged is likely to exceed the fees estimate or any approval given for remuneration exceeding the estimate,
 - that expenses incurred or anticipated to be incurred are likely to exceed, or have exceeded, the details given to the creditors prior to the determination of the basis of remuneration, and
 - the reason for that excess
- a statement of the creditors' rights to request further information, as explained in paragraph 8.2, and their right to challenge the liquidator's remuneration and expenses

8.2 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

8 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

9 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

10 What if a creditor is dissatisfied?

10 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

10 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

10 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 8 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

- 10 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.

11 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.

12 Other matters relating to remuneration

- 12 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.
- 12 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.
- 12 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.
- 12 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.
- 12 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.
- 12 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.

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

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 7.1, 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

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• 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

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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 6 - PROOF OF DEBT FORM

Proof of Debt – General Form

Prospecto Limited In Creditors' Voluntary Liquidation

Date of resolution for voluntary winding-up 3 January 2013

1	Name of creditor (If a company please also give company registration number)	
2	Address of creditor for correspondence	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation	
4	Details of any documents by reference to which the debt can be substantiated (Note There is no need to attach them now but the liquidator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting)	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7	Particulars of any security held, the value of the security, and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
9	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or in relation to creditor	
	Address of person signing (if different from 2 above)	
Admitted to vote for		Admitted for dividend for
£		£
Date		Date
Liquidator		Liquidator