

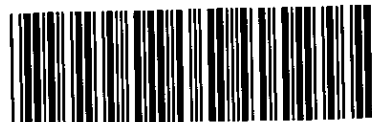
# LIQ13

## Notice of final account prior to dissolution in MVL



Companies House

SATURDAY



\*A84R0N48\*

A25

04/05/2019

#178

COMPANIES HOUSE

### 1 Company details

Company number 0 4 1 0 6 3 1 3

Company name in full C and B Solutions Limited

→ Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Richard

Surname Tonks

### 3 Liquidator's address

Building name/number 6th Floor

Street Bank House

Post town Cherry Street

County/Region Birmingham

Postcode B 2 5 A L

Country

### 4 Liquidator's name ①

Full forename(s) Ian

Surname Gould

① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 6th Floor

Street Bank House

Post town Cherry Street

County/Region Birmingham

Postcode B 2 5 A L

Country

② Other liquidator

Use this section to tell us about  
another liquidator.

# LIQ13

## Notice of final account prior to dissolution in MVL

6

### Final account

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

7

### Sign and date

Liquidator's signature

Signature

X



X

Signature date

d

0

d

1

m

0

m

5

y

2

y

0

y

1

y

9

# LIQ13

## Notice of final account prior to dissolution in MVL



### Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Mei France**

Company name **Baldwins Restructuring and  
Insolvency Limited**

Address **6th Floor  
Bank House**

Post town **Cherry Street**

County/Region **Birmingham**

Postcode **B 2 5 A L**

Country

DX

Telephone **0121 374 0180**



### Checklist

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



### Important information

**All information on this form will appear on the public record.**



### Where to send

**You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.



### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

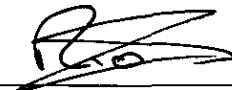
**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

**C and B Solutions Limited  
(In Liquidation)  
Joint Liquidatorss' Abstract of Receipts & Payments  
From 23 May 2018 To 1 May 2019**

Declaration of Solvency £		£	£
	<b>ASSET REALISATIONS</b>		
15,612.60	Tax Refunds	16,098.68	
290,689.81	Cash at Bank	290,733.35	
	Bank Interest Gross	290.24	
19,256.64	Directors' Loan Account	19,256.64	
			326,378.91
	<b>COST OF REALISATIONS</b>		
	Specific Bond	185.00	
	Pre-appointment Fees	2,000.00	
	Office Holders Fees	3,000.00	
	Corporation Tax	55.10	
	Statutory Advertising	352.14	
			(5,592.24)
	<b>DISTRIBUTIONS</b>		
	Ordinary Shareholders	320,786.67	
			(320,786.67)
<b>325,559.05</b>			<b>NIL</b>

REPRESENTED BY

**NIL**



Richard Tonks  
Joint Liquidators

# **Joint Liquidators' Final Account to Members**

**C and B Solutions Limited  
- In Liquidation**

**1 May 2019**

## **C AND B SOLUTIONS LIMITED - IN LIQUIDATION**

### **CONTENTS**

- 1** Introduction
- 2** Receipts and Payments
- 3** Work undertaken by the Liquidators
- 4** *Outcome for Creditors*
- 5** Distributions to Members
- 6** Liquidators' Remuneration
- 7** Conclusion

### **APPENDICES**

- A** Receipts and Payments Account from 23 May 2018 to 1 May 2019
- B** Time Analysis for the period 23 May 2018 to 9 April 2019
- C** Additional Information in relation to Liquidators' Fees, Expenses and Disbursements
- D** A Shareholders' Guide to Liquidators' Fees

**1 Introduction**

- 1.1 Richard Tonks and Ian Gould of Baldwins Restructuring and Insolvency Limited, 6th Floor, Bank House, Cherry Street, Birmingham, B2 5AL, were appointed as Joint Liquidators of C and B Solutions Limited (the **Company**) on 23 May 2018. The affairs of the Company are now fully wound-up and this is our final account of the liquidation, which covers the period since our appointment (the **Period**).
- 1.2 Information about the way that we will use, and store personal data on insolvency appointments can be found at [www.baldwinsaccountants.co.uk/privacy-policy](http://www.baldwinsaccountants.co.uk/privacy-policy). If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.3 The trading address of the Company was 101-103 Park Road, Bedworth, CV12 8LB.
- 1.4 Following the appointment of the Joint Liquidators the registered office was changed to Baldwins Restructuring & Insolvency, Europa House, 72-74 Northwood Street, Birmingham B3 1TT and has subsequently been changed again, to Baldwins Restructuring & Insolvency, 6th Floor, Bank House, Cherry Street, Birmingham, B2 5AL. Its registered number is 04106313.

**2 Receipts and Payments**

- 2.1 At Appendix A, we have provided an account of our Receipts and Payments for the Period with a comparison to the directors' Declaration of Solvency which provides details of the remuneration charged and expenses incurred and paid by the Liquidators.

**3 Work undertaken by the Liquidators**

- 3.1 This section of the report provides creditors with an overview of the work undertaken in the liquidation since 23 May 2018, together with information on the overall outcome of the liquidation.
- 3.2 Since appointment we have carried out the following tasks:

Administration:

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up physical and electronic case files.
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and others required on appointment as office holder, including gazetting the office holders' appointment.
- Obtaining specific penalty bonds (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holders' estate bank account.
- Creating, maintaining and managing the office holders' cashbook.
- Undertaking regular reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bonds on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Dealing with HMRC to recover the Corporation Tax refund.

## **C AND B SOLUTIONS LIMITED - IN LIQUIDATION**

- Seeking closure clearance from HMRC and other relevant parties.
- Preparing, reviewing and issuing draft final accounts to members.

### **3.3 Tax Refunds**

During the Period we have recovered a refund in respect of Corporation Tax in the amount of £16,097.

### **3.4 Cash At Bank**

During the Period we have realised cash at bank in the amount of £290,733, compared with the value of £290,690, as shown in the Declaration of Solvency drawn up by the directors of the Company.

### **3.5 Directors' Loan Account**

The Declaration of Solvency included a figure of £19,257 as due to the Company as a result of the directors' loan account. This asset was realised in full.

### **3.6 Bank Interest Gross**

During the Period we have received £290 in relation to bank interest accrued on funds held in the liquidation estate bank account. No further bank interest will be received.

### **3.7 Unrealisable Assets**

There have been no unrealisable assets in this matter and all assets identified by the directors in their Declaration of Solvency have been realised.

### **3.8 Distributions to Members**

We have made a cash distribution totalling £320,787 to the Company's members during the Period. The cash was distributed in two stages, a first distribution dated 15 October 2018 and a second and final distribution dated 21 February 2019. A more detailed breakdown is provided below, and it is also represented in our receipts and payments account at Appendix A.

### **3.9 Statutory Compliance**

During the Period we have complied with all statutory requirements. This includes regularly reviewing and updating the case strategy, filing documents with the Registrar of Companies as required and preparing all necessary statutory reports for the Company's members.

## **4 Outcome for Creditors**

### **4.1 Secured Creditors**

There were no secured creditors in this matter.

### **4.2 Preferential Creditors**

There were no preferential creditors in this matter.

### **4.3 Unsecured Creditors**

There were no unsecured creditors in this matter.



**5 Distributions to Members**

5.1 *The following cash distributions have been made to members:*

- An interim dividend of £59,628.32 per ordinary share on 15 October 2018, each share having a nominal value of £1.
- A final cash dividend of £100,765.015 per ordinary share on 21 February 2018.

**6 Liquidators' Remuneration**

- 6.1 The members approved that the basis of the Liquidators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the Liquidation with the agreed fees not to exceed £3,000 without the approval of the majority of members.
- 6.2 Our time costs for the period from 23 May 2018 are £8,023. This represents 37.6 hours at an average rate of £208 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by us in managing the Liquidation. We would confirm that £3,000 plus disbursements of £592.24 have been drawn and that no further fees will be taken.
- 6.3 Attached as Appendix C is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade.
- 6.4 A copy of 'A Shareholders' Guide to Liquidator's Fees' is attached at Appendix D.
- 6.5 Since the 23 May 2018 no Category 2 disbursements have been reimbursed.

**7 Conclusion**

- 7.1 The Notice accompanying this final account explains members' rights on receipt of this information and also when we will vacate office and obtain our release as Joint Liquidators.
- 7.2 Finally, to comply with the Provision of Services Regulations, some general information about Baldwins Restructuring & Insolvency, including about our complaints policy and Professional Indemnity Insurance and the Insolvency Code of Ethics, can be found at <https://www.baldwinsaccountants.co.uk/wp-content/uploads/2018/01/Provision-of-Services-Regulations.pdf>.

Yours faithfully



**Richard Tonks & Ian Gould**  
Joint Liquidators

Enc.

**C and B Solutions Limited**  
**(In Liquidation)**  
**Joint Liquidatorss' Summary of Receipts & Payments**  
**To 01/05/2019**

<b>Dec of Sol £</b>		<b>£</b>	<b>£</b>
	<b>ASSET REALISATIONS</b>		
15,612.60	Tax Refunds	16,098.68	
290,689.81	Cash at Bank	290,733.35	
	Bank Interest Gross	290.24	
19,256.64	Directors' Loan Account	19,256.64	
			326,378.91
	<b>COST OF REALISATIONS</b>		
	Specific Bond	185.00	
	Pre-appointment Fees	2,000.00	
	Office Holders Fees	3,000.00	
	Corporation Tax	55.10	
	Statutory Advertising	352.14	
			(5,592.24)
	<b>DISTRIBUTIONS</b>		
	Ordinary Shareholders	320,786.67	
			(320,786.67)
<b>325,559.05</b>			<b>NIL</b>
	<b>REPRESENTED BY</b>		<b>NIL</b>

# SIP9 By Task Code C and B Solutions Limited



## Insolvency: Post Appointment

For the period: 23/05/2018 to 20/03/2019

### Administration and planning

A&P - Bonding & Bordereau	0.35	0.00	0.00	0.00	0.00	0.35	59.15	169.00
A&P - Cashiering & Banking	0.20	0.40	0.00	0.00	0.00	5.55	1,199.00	216.04
A&P - Checklists & Reviews	1.30	0.00	0.00	0.00	0.00	7.10	1,720.00	242.25
A&P - Director/Other Advice	0.00	0.00	0.00	0.00	0.00	0.10	22.00	220.00
A&P - Filing	0.00	0.00	0.00	0.00	0.00	1.60	275.00	171.88
A&P - General Correspondence/Letters/Emails	0.00	0.10	0.00	0.00	0.00	0.20	41.00	205.00
A&P - Other	0.00	0.00	0.00	0.00	0.00	0.20	30.00	150.00
A&P - Post Appointment VAT & Tax	0.00	0.00	0.00	0.00	0.00	3.40	734.00	215.88
A&P - Appointment & Related Formalities	0.50	0.00	0.00	0.00	0.00	3.10	565.00	182.26
A&P - Progress Reports & Related Formalities	0.00	0.00	0.00	0.00	0.00	0.30	66.00	220.00
	<b>2.35</b>	<b>0.50</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>21.90</b>	<b>4,711.15</b>	<b>215.12</b>

### Creditors

CRE - Pre Appointment VAT/PAYE/CTax	0.00	0.00	0.00	0.00	0.00	1.70	255.00	150.00
CRE - Shareholder Distribution	0.00	0.00	0.00	0.00	0.00	8.30	1,770.00	213.25
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>10.00</b>	<b>2,025.00</b>	<b>202.50</b>

### Realisation of assets

ROA - Other	0.10	0.50	0.00	0.00	0.00	1.50	363.00	242.00
	<b>0.10</b>	<b>0.50</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1.50</b>	<b>363.00</b>	<b>242.00</b>

### Total hours

	<b>2.45</b>	<b>1.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>33.40</b>		
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### Time costs

	<b>848.15</b>	<b>260.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>7,099.15</b>	<b>206.98</b>
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Total Time billed to date

3,000.00

## Appendix C

### Additional Information in Relation to the Liquidators' Fees, Expenses & Disbursements

#### 1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of an Office Holder, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 We have not utilised the services of any sub-contractors in this case.

#### 2 Professional Advisors

- 2.1 On this assignment, we have not used the services of any professional advisors.

#### 3 Liquidators' Expenses & Disbursements

- 3.1 The expenses (including disbursements) which were anticipated at the outset of the Liquidation were outlined to the members when the basis of our fees was approved.

##### ***Summary of Liquidators' expenses***

- 3.2 An outline of the total expenses paid during the Liquidation can be found in the Receipts and Payments account at Appendix B.
- 3.3 Category 1 disbursements do not require approval. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also, chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.
- 3.4 Category 2 disbursements do require approval. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. No Category 2 disbursements have been charged by this firm.

#### 4 Charge-Out Rates

- 4.1 Details of our firm's current charge out rates and policy regarding the re-charge of Category 2 disbursements can be found at: <https://www.baldwinsaccountants.co.uk/wp-content/uploads/2018/01/Practice-policy-on-fees-in-insolvency-proceedings.pdf>. Please note this firm records its time in minimum units of 6 minutes.

# A SHAREHOLDERS 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 members (shareholders), who hope to recover some of their investment, 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 members to fix the basis of the Liquidator's fees. This guide is intended to help members be aware of their rights to approve and monitor fees, explains the basis on which fees are fixed and how members 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. A solvent voluntary liquidation is called a members' voluntary liquidation (often abbreviated to 'MVL'). In this type of liquidation an insolvency practitioner acts as Liquidator throughout and the members vote on the appointment of the Liquidator at a meeting of members or by passing written resolutions under the Companies Act 2006.

## 3. Fixing the Liquidator's remuneration

3.1 The basis for fixing the Liquidator's remuneration is set out in Rules 18.16, 18.17 and 18.19 of the Insolvency (England & Wales) Rules 2016. 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. 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.

3.2 If there is no liquidation committee, (which is usually the case in an MVL) or the committee does not make the requisite determination, the Liquidator's remuneration will be fixed by a resolution of a meeting of members. The members 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. 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.

## 5. What information should be provided by the Liquidator?

### 5.1 When fixing bases of remuneration

5.1.1 The Liquidator should provide those responsible for approving the basis of remuneration sufficient information to enable the committee or the members to make an informed judgement about the reasonableness of the Liquidator's request. The information should be presented in such a manner which is transparent, consistent throughout the life of the case, while being proportionate to the circumstances of the case.

### 5.2 Fees estimates where remuneration is based on time costs

5.2.1 If any part of the remuneration is sought on a time costs basis, the Liquidator should provide detailed information in the form of a written fees estimate which specifies:

- Details of the work the Liquidator and staff propose to undertake
- The hourly rates to be charged for each part of that work
- The time the Liquidator anticipates each part of the work will take

In addition, the Liquidator should provide an estimate of the expenses that will be or are likely to be incurred.

### 5.3 Other

#### 5.3.1 General principles

When reporting, the Liquidator should disclose:

- Payments, remuneration and expenses arising from the Liquidation paid to the Liquidator or any 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 members of their rights under insolvency legislation, and should advise them how they may access suitable information setting out their rights, within the first communication and in each subsequent Report.

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.

### 5.4 After the bases of remuneration have been fixed

The Liquidator is required to send progress reports to members at specified intervals (see paragraph 6.1 below). When reporting periodically to members, in addition to the matters specified in paragraph 6.1, 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.

Members 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.

Where a fees estimate has been provided, remuneration cannot be drawn in excess of the fees estimate without the approval of the Liquidation committee, (if there is one) or more likely, the members themselves. The Liquidator should state:

- Why the estimate has been, or is likely to be exceeded
- The additional work required to be undertaken
- The hourly rates proposed to be charged for each part of the additional work
- The time the additional work has taken or is anticipated it will take

## 5.5 Disbursements and other expenses

5.5.1 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.

5.5.2 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.

## 5.6 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 members convened for the purpose of determining his fees, and in any reports he sends to members.

## 6. Progress reports and requests for further information

6.1 The Liquidator is required to send annual progress reports to members. 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;
- details of progress during the period of the report, including a summary of the receipts and payments during the period;
- details of what remains to be done;
- a statement of the members' rights to request further information, as explained in paragraph 6.2, and their right to challenge the Liquidator's remuneration and expenses.

6.2 Within 21 days of receipt of a progress report, a member may request the Liquidator to provide further information about the remuneration and expenses set out in the report. Any request must be in writing.

6.3 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
- the Liquidator is subject to an obligation of confidentiality in relation to the information requested

Any member 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.

## 7. What if a member is dissatisfied?

7.1 Except in cases where there is a liquidation committee, it is the members 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 members' meeting. In order to do this at least ten per cent in value of the members must concur with the request, which must be made to the Liquidator in writing.

7.2 If a member 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.

## 8. What if the Liquidator is dissatisfied?

If the Liquidator considers that the remuneration fixed by the liquidation committee, or by the members is insufficient, or that the basis used to fix it is inappropriate, the Liquidator may apply to the court for the amount or rate to be increased or the basis changed.

If the Liquidator 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 shareholders 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.

## 9. Other matters relating to remuneration

9.1 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.

9.2 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 to a meeting of members.

9.3 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 members or the court.

9.4 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.

9.5 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.

## 10. Effective date

This guide applies where a company goes into liquidation on or after 6 April 2017.

## 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 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 the members, 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;
- 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
- Dealing with creditors' claims
- 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.