

In accordance with  
Rule 18.7 of the  
Insolvency (England &  
Wales) Rules 2016 and  
Sections 92A, 104A and  
192 of the Insolvency  
Act 1986.

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

SATURDAY



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12/05/2018

#288

COMPANIES HOUSE

### 1 Company details

Company number 0 4 1 7 8 2 6 4

Company name in full In-Stone (Europe) Limited

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

### 2 Liquidator's name

Full forename(s) Kevin John

Surname Hellard

### 3 Liquidator's address

Building name/number 30 Finsbury Square

Street

Post town London

County/Region

Postcode E C 2 P 2 Y U

Country

### 4 Liquidator's name ①

Full forename(s)

Surname

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

### 5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

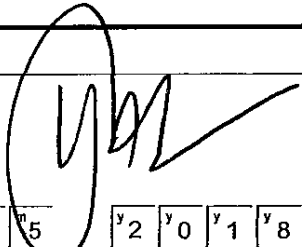
Postcode

Country

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

LIQ03

Notice of progress report in voluntary winding up

<b>6</b>	<b>Period of progress report</b>																
From date	d	1	d	5	m	0	m	3	y	2	y	0	y	1	y	7	
To date	d	1	d	4	m	0	m	3	y	2	y	0	y	1	y	8	
<b>7</b>	<b>Progress report</b>																
<input checked="" type="checkbox"/> The progress report is attached																	
<b>8</b>	<b>Sign and date</b>																
Liquidator's signature	<div>Signature</div> <div>X</div> <div></div> <div>X</div>																
Signature date	d	0	d	2	m	0	m	5	y	2	y	0	y	1	y	8	

LIQ03

## Notice of progress report in voluntary winding up

**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 Richard Wagner

Company name Grant Thornton UK LLP

Address 4 Hardman Square

Spinningfields

Post town Manchester

County/Region

Postcode

M

3

3

E

B

Country

DX

Telephone 0161 214 6303

**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)

Our ref: KJH/TPB/RZW/LKG/I73013/7

To the creditors and members

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**Grant Thornton UK LLP**  
4 Hardman Square  
Spinningfields  
Manchester  
M3 3EB  
T +44 (0)161 953 6900  
F +44 (0)161 953 6901

11 May 2018

Dear Sirs

**In-Stone (Europe) Limited - In Liquidation ("the Company")**

**1 Introduction**

- 1.1 I was appointed joint liquidator of the Company, together with Stephen Hunt of Griffins by an Order of the High Court of Justice on 20 March 2012, in place of Mr Costas Morfakis of Axiom Recovery LLP. Mr Theodoulos Papanicola of Bond Partners LLP was originally appointed administrator on 13 April 2010. The Company entered creditors' voluntary liquidation on 9 December 2010, and Mr Papanicola was appointed liquidator. Mr Morfakis replaced Mr Papanicola as liquidator following an Order of the High Court of Justice. Mr Hunt resigned as joint liquidator on 14 March 2013.
- 1.2 In accordance with section 104A of the Insolvency Act 1986 I now report on the progress of the liquidation for the year ended 14 March 2018 and attach:
- Appendix A, an account of my receipts and payments for the year ended 14 March 2018 and also for the whole liquidation to 14 March 2018. A receipts and payments account for the period Mr Morfakis was in office from 9 December 2010 to 19 March 2012.
  - Appendix B, a statement of the remuneration charged by the liquidator in the period 15 March 2017 to 14 March 2018 and for the whole liquidation to 14 March 2018.
  - Appendix C, an analysis of time costs as required by Statement of Insolvency Practice 9
  - Appendix D, an extract from the Insolvency (England and Wales) Rules 2016 relating to creditors' rights to request additional information from the liquidator (rule 18.9)
  - Appendix E, an extract from the Insolvency (England and Wales) Rules 2016 relating to creditors' rights to challenge the liquidator's remuneration or expenses if excessive (rule 18.34).
- 1.3 Please note that I am authorised by the Insolvency Practitioners Association to act as an insolvency practitioner and I am bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

**2 Statutory information**

The Company's registered number is 04178264.

### **3 Progress report**

#### **Claims against directors of the Company**

- 3.1 Court proceedings were issued against the directors of the Company, Richard Olley, David Olley, Susan Jerry and Philip Holliday (together "the Respondents"), on 28 July 2015 in relation to:
- (i) the disposal of an Italian Property with a book value of £211,598
  - (ii) dividends unlawfully paid to the shareholders totalling £25,629
  - (iii) increase in the deficit to creditors £318,776.61 since 2 September 2009
- 3.2 After the Event Insurance policy ("ATE") was incepted, to protect the Company's interest should a costs order be made against it. My solicitors, Mills & Reeve LLP ("Mills & Reeve") and Counsel agreed to act on a Conditional Fee Agreement basis in this matter.
- 3.3 In October 2015, the Respondents filed their defence in the proceedings and a response to their defence was filed with the Court on 20 November 2015.
- 3.4 In January 2016 directions were agreed between the parties in relation to standard disclosure, the filing of further evidence with the matter set down for trial in August 2016.
- 3.5 Following extensive disclosure by the Respondents in March 2016, the Respondents produced a further witness statement in April 2016 and our witness statement in response to this was filed in June 2016.
- 3.6 The Respondents then instructed an expert witness. As a result of this I had no alternative other than to re-arrange court directions with the parties and have the trial re-listed for a later date. The Respondents Experts report was produced in October 2016. In the interests of saving costs, I elected not to instruct an expert. Instead, it was agreed that I would prepare a joint statement with the Respondent's expert setting out the issues we agree and disagree upon in order to assist the Court. The joint statement was prepared and filed in November 2016.
- 3.7 The matter was then re-listed for a four day trial commencing on 9 May 2017.
- 3.8 In the run up to the trial we settled with all four respondents for a total sum of £240,000 on terms which we considered reflected a fair apportionment of both each individuals culpability and means to settle.
- 3.9 Following the settlement of the claims against all of the Respondents, the trial was vacated and the case stayed.

#### **Bond claim**

- 3.10 It is a statutory duty that all practising licensed insolvency practitioners have suitable insurance in place to protect the creditors in the event of fraud and dishonesty by the practitioner. This is commonly known as a bond. It is a requirement that there should be both a specific bond, in relation to the specific assets of each individual case and a general bond in relation to a practitioner's whole portfolio of cases.
- 3.11 I had submitted a notification of claim against the previous liquidator's insolvency bonding in respect of excessive fees drawn and sale of assets at an undervalue. The claim also included a request that the bondsman reimburse the current office holders for the duplication costs incurred in progressing the case and the costs of compilation and negotiation of the bond claim itself. We have incurred central costs in taking over Mr Papanicola's portfolio of cases and the claim includes a request that the bondsman reimburse a portion of these costs.
- 3.12 As previously reported, I have received £313,775 in respect of the primary loss, interest and our case specific costs.
- 3.13 The claims in relation to our central costs remain outstanding in respect of all cases in Mr Papanicola's portfolio. Any payment received in respect of central costs will not result in any further return to creditors.

#### **Creditors and distributions**

- 3.14 There are no preferential creditors in this matter.
- 3.15 Total unsecured claims were estimated at £696,501 as at the date of administration. I have received unsecured claims totalling £1,401,245.
- 3.16 A dividend will be paid to creditors in due course.

#### **4 Investigations into the affairs of the Company**

- 4.1 Full details of my investigations into the affairs of the Company are set out above. There are no further matters identified that need to be reported to the creditors.

#### **5 Liquidator's remuneration and expenses**

- 5.1 At a meeting of creditors convened for 14 June 2013, the following resolution was passed:  
"The liquidator's remuneration be fixed by reference to the time properly given by the liquidator and his staff in attending to matters arising in the liquidation in accordance with the firm's London charge out rates given from time to time."
- 5.2 You will note from the SIP 9 table attached at Appendix C that my time costs to 14 March 2018 are £491,193.25. You will also note from the receipts and payments account attached at Appendix A, that £50,000 was drawn on account of my remuneration in relation to the claim against the directors pending resolution of the final fee position with counsel and the solicitors. Time costs of £115,121 were incurred in the period of which £50,000 were drawn as remuneration are disclosed in Appendix B.
- 5.3 The bond claim settlement received, which is detailed earlier in this report, included a contribution towards my costs of £51,938. This balance was drawn in the previous period, as shown in Appendix A & B. Please note that this payment towards my costs was agreed directly with the bondsman under the terms of the bond and does not constitute an asset of the insolvency estate. Accordingly, I do not require permission from creditors to draw these fees.
- 5.4 The time costs of £115,121 incurred in the period have been in respect of the following:

#### **Administration and planning**

- 5.5 This work involved meeting the Liquidator's statutory obligations including, statutory reporting to creditors, filing statutory documents with Companies House, carrying out case reviews, maintaining records and managing the bank account. I have also spent time preparing reports to creditors. The statutory work undertaken, although mandatory, is not of financial benefit to creditors.
- 5.6 This work also includes correspondence with my legal advisers in relation to the proceedings issued against the directors. A substantial amount of time was also spent preparing for the trial, dealing with the settlement negotiations (including a settlement meeting), and finalising the settlement agreements with the directors and their respective legal advisors. This work has a financial benefit to the creditors as it relates to actual receipts to the liquidation estate.

#### **Investigations**

- 5.7 The work performed on investigations involved research into the directors' asset positions. This has included investigations in relation to properties held in the UK and in Italy, including searches on the Land Registry.
- 5.8 The investigation work undertaken has been of financial benefit to creditors as it has resulted in agreeing a settlement with the directors based on their available means.

#### **Taxation**

- 5.9 Time incurred on taxation included corresponding with HMRC regarding pre and post appointment tax periods, filing VAT returns, dealing with tax correspondence and ensuring compliance with tax statutory requirements. This work had no financial benefit to the creditors but is a statutory requirement.

#### **Creditors**

- 5.10 The time incurred in respect of creditors has been in respect of communicating with creditors on the position of the liquidation and dividend prospects.
- 5.11 Although a statutory requirement, the work undertaken has not been of financial benefit to creditors.

#### **Realisation of Assets**

- 5.12 The time incurred in relation to realisation of assets relates to internal strategy discussions in relation to the claims against the directors. This work has a financial benefit to the creditors as it relates to actual receipts to the liquidation estate.
- 5.13 Time is charged in units of 6 minutes. Background information regarding the fees of liquidators can be found at [https://www.r3.org.uk/media/documents/publications/professional/Guide to Liquidators Fees - April 2017.pdf](https://www.r3.org.uk/media/documents/publications/professional/Guide%20to%20Liquidators%20Fees%20April%202017.pdf). Alternatively, I will supply this information by post on request free of charge.

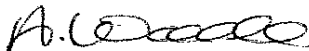
#### **Griffin's Time**

- 5.14 Griffin's time costs to 14 March 2013 total £50 represented by 0.25 hours at an average hourly rate of £200.

#### **6 Other expenses incurred by the Liquidator**

- 6.1 In addition, I have drawn expenses of £3,827.62 as indicated in Appendix A and have further expenses to take in due course as set out in Appendix B.
- 6.2 Mills & Reeve are acting on a Conditional Fee Agreement ("CFA") basis. Their legal costs and disbursements in the period of this report are £28,795 and £18,442, respectively, as set out in Appendix B.
- 6.3 ATE Insurance cover was provided by AmTrust Europe Limited in respect of the legal proceedings outlined above. The insurance premium of £38,500 has been paid in the period.
- 6.4 Olswang LLP is instructed to act on behalf of the Company on a CFA basis in respect of the bond claim referred to in paragraphs 3.14 to 3.17 above. Legal costs totalling £12,198 have been paid to date.

Yours faithfully  
for and on behalf of In-Stone (Europe) Limited



pp Kevin J Hellard  
Liquidator

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## A Abstract of the liquidator's receipts and payments

**In-Stone (Europe) Limited - in liquidation**  
**Summary of receipts and payments**  
**from 9 December 2010 to 14 March 2018**

	From 09-Dec-10 to 14-Mar-17 £	From 15-Mar-17 to 14-Mar-18 £	Total £
<b>Receipts</b>			
Settlement from Directors	-	240,000.00	240,000.00
Cash at Bank	77.06	-	77.06
Receipt - Balance in hand	63.74	-	63.74
Bank/ISA InterestGross	0.04	-	0.04
Bond Settlement in ADM	250,000.00	-	250,000.00
Bond Settlement in CVL	63,775.00	-	63,775.00
Vat Control Account	12,827.20	10,009.00	22,836.20
	<b>326,743.04</b>	<b>250,009.00</b>	<b>576,752.04</b>
<b>Payments</b>			
Liquidators Fees Agreed by the Bondsman	51,938.00	-	51,938.00
Liquidators Fees	-	50,000.00	50,000.00
Liquidators Expenses	-	3,827.62	3,827.62
ATE Premium	-	38,500.00	38,500.00
Agents/Valuers Fees	65.00	-	65.00
Legal Fees	12,198.00	50,000.00	62,198.00
Professional Fees	-	198.00	198.00
Legal Disbursements	2,418.03	-	2,418.03
Bank Charges	44.74	-	44.74
Vat Receivable	13,098.11	10,503.61	23,601.72
	<b>79,761.88</b>	<b>153,029.23</b>	<b>232,791.11</b>
<b>Net Receipts/(Payments)</b>	<b>246,981.16</b>	<b>96,979.77</b>	<b>343,960.93</b>
<b>Made up as follows</b>			
Floating Current Account NIB 22/08/2013	246,981.16	(44,520.23)	202,460.93
Solicitor's client account	-	141,500.00	141,500.00
	<b>246,981.16</b>	<b>96,979.77</b>	<b>343,960.93</b>



**B Remuneration charged and expenses incurred by the liquidators in the period**

	Charged/incurred in period to 14-Mar-18	Cumulative charged/incurred from 20-Mar-12 to 14-Mar-18	Of which paid to 14-Mar-18
	£	£	£
<b>Liquidator's fees:</b>			
Grant Thornton UK LLP (time costs or agreed basis)	115,120.75	491,153.25	101,938.00
<b>Liquidator's expenses:</b>			
Land Registry Searches	428.00	772.00	617.00
Courier	0.00	197.93	166.20
Travel and Subsistence	1,711.85	2,367.25	2,367.25
Other searches, including Experian and Foreign Govt.	505.70	625.70	565.70
Other	7.00	101.47	101.47
Bonding - JLT	0.00	10.00	10.00
<b>Professional fees:</b>			
Velinko Limited	198.00	198.00	198.00
<b>Legal fees:</b>			
Mills & Reeve LLP	28,794.95	129,713.00	50,000.00
Olswang LLP	0.00	12,198.00	12,198.00
<b>Legal disbursements:</b>			
Mills & Reeve LLP	18,441.50	54,918.73	2,418.03
<b>Agents/valuers:</b>			
AITrace	0.00	65.00	65.00
<b>After the Event Insurance:</b>			
AmTrust Europe Limited	38,500.00	38,500.00	38,500.00

## C SIP 9 information

Transaction period : 15/03/2017 to : 14/03/2018

	Partner			Manager			Executive			Administrator			Total		
	Hrs	£	Avg. Hrly Rate	Hrs	£	Avg. Hrly Rate	Hrs	£	Avg. Hrly Rate	Hrs	£	Avg. Hrly Rate	Hrs	£	Avg. Hrly Rate
Administration and Planning Creditors	96.05	49,990.75	520.47	88.80	29,447.75	331.62	40.85	9,806.00	240.05	24.55	4,084.00	166.35	250.25	93,328.50	372.94
Investigations	-	-	-	-	-	-	-	-	-	0.30	69.00	230.00	0.30	69.00	230.00
Realisation of Assets	-	-	-	3.00	990.00	330.00	49.90	15,246.00	305.53	10.25	962.75	93.93	63.15	17,198.75	272.35
Taxation	-	-	-	2.75	1,182.50	430.00	-	-	-	0.70	115.50	165.00	3.45	1,298.00	376.23
	-	-	-	8.90	3,178.50	357.13	0.20	48.00	240.00	-	-	-	9.10	3,226.50	354.56
<b>Total</b>	<b>96.05</b>	<b>49,990.75</b>	<b>520.47</b>	<b>103.45</b>	<b>34,798.75</b>	<b>336.38</b>	<b>90.95</b>	<b>25,100.00</b>	<b>275.98</b>	<b>35.80</b>	<b>5,231.25</b>	<b>146.12</b>	<b>326.25</b>	<b>115,120.75</b>	<b>352.86</b>

Transaction period : 20/03/2012 to : 14/03/2018

	Partner			Manager			Executive			Administrator			Total		
	Hrs	£	Avg. Hrly Rate	Hrs	£	Avg. Hrly Rate	Hrs	£	Avg. Hrly Rate	Hrs	£	Avg. Hrly Rate	Hrs	£	Avg. Hrly Rate
Administration and Planning Creditors	179.07	93,130.90	520.08	520.32	180,906.95	347.68	410.49	98,148.50	239.10	57.47	9,441.90	164.29	1,167.35	381,628.25	326.92
Investigations	-	-	-	1.65	531.50	322.12	3.60	858.00	238.33	2.60	590.00	226.92	7.85	1,979.50	252.17
Pensions	-	-	-	66.55	21,984.00	330.34	277.10	72,289.00	260.88	16.75	2,063.00	123.16	360.40	96,336.00	267.30
Realisation of Assets	-	-	-	0.05	18.00	360.00	-	-	-	0.10	15.50	155.00	0.15	33.50	223.33
Taxation	-	-	-	3.25	1,362.50	419.23	2.35	568.00	241.70	0.70	115.50	165.00	6.30	2,046.00	324.76
	-	-	-	20.20	7,236.50	358.24	6.10	1,581.50	259.26	4.05	312.00	77.04	30.35	9,130.00	300.82
<b>Total</b>	<b>179.07</b>	<b>93,130.90</b>	<b>520.08</b>	<b>612.02</b>	<b>212,039.45</b>	<b>346.46</b>	<b>699.64</b>	<b>173,445.00</b>	<b>247.91</b>	<b>81.67</b>	<b>12,537.90</b>	<b>163.52</b>	<b>1,572.40</b>	<b>491,153.25</b>	<b>312.36</b>

**Administration & Planning** Includes; case planning; statutory obligations (e.g. statutory returns); maintenance of cash and estate records; general correspondence; dealing with tax correspondence. Correspondence with solicitors and issuing proceedings against the directors; Preparation for trial; settlement meeting with directors; correspondence with the directors regarding the settlement.

**Investigations** Includes; Investigation into Company's affairs and assets that may have been held prior to Liquidation. Investigations into the conduct of the previous office-holder and submit bond claim.

**Realisation of Assets** Includes; realisation of property; dealing with Solicitors and liaising with our agents.

**Creditors** Includes; correspondence with unsecured creditors.

The day to day conduct of the liquidation is under the control of partners and staff of Grant Thornton UK LLP. The routine administration of the case will be at the level of administrator, who is responsible to a manager is experienced in insolvency matters and, together with the appointed partner who is licensed to act as an insolvency practitioner will deal with technical complex matters as they arise. The extent to which time will be incurred by managers and partners will depend on issues which arise as our investigations continue. Details of the hourly rates are made available to creditors or creditor's committees at the time of fixing the basis of our fees. Personnel carrying the Treasury, secretarial and filing functions are charged separately to the professional staff on the case based on the time they work on it.

My charge out rates and those of Griffins are as follows:-

Grant Thornton UK LLP		From 1/07/10	From 1/7/11	From 1/7/12	From 1/7/13	From 1/7/14	From 1/7/15	From 1/7/16	From 1/7/17
Grade	£/hour	£/hour	£/hour	£/hour	£/hour	£/hour	£/hour	£ Per Hour	£ Per Hour
Partners	425-535	445-560	465-580	480-600	495-615	495-615	495-615	495-615	495-650
Directors	405-440	425-460	440-480	455-500	470-515	470-515	470-515	470-515	485-545
Managers	245-405	260-425	270-440	280-455	290-470	290-470	290-470	290-470	300-470
Other Senior Professionals	200-260	210-275	220-285	230-295	240-305	240-305	240-305	240-305	245-325
Administrator	140-195	145-205	150-210	160-220	160-230	160-230	160-230	160-230	165-240
Support Staff	130-150	135-160	140-165	145-170	150-175	150-175	150-175	150-175	155-175

Griffins	
Grade	£/hour
Partners	495-545
Managers/Senior investigators	300-395
Administrators/investigators	200-300
Junior Administrator/ junior investigators	145-190
Support staff	70-170

Time Entry - SIP9 Time & Cost Summary

INST001- In- Stone (Europe) Limited  
Project Code: PCST  
From: 20/03/2012 To: 14/03/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning		0.00	0.00	0.00	0.00	0.00	0.00
Creditors		0.00	0.00	0.00	0.00	0.00	0.00
Investigations		0.00	0.00	0.25	0.25	50.00	200.00
Legal & Litigation		0.00	0.00	0.00	0.00	0.00	0.00
Realisations of Assets		0.00	0.00	0.00	0.00	0.00	0.00
Trading		0.00	0.00	0.00	0.00	0.00	0.00
Total Hours		0.00	0.00	1125	1125	50.00	200.00
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at standard rates which comply with HM Revenue & Customs limits or AA recommended rates. VAT is added to disbursement charges as necessary.

In-Stone (Europe) Limited - in liquidation  
 Costs incurred in the period 15/03/2017 to 14/03/2018

TASKS	Incurred in the period		
	Av Hrlly Rate	Hrs	£
<b>ADMINISTRATION AND PLANNING</b>	<b>£372.94</b>	<b>250.25</b>	<b>93,328.50</b>
Case planning and strategy (e.g. internal meetings and discussions)			
Statutory obligations (e.g. Companies House filings)			
File reviews			
General administration (e.g. filing)			
Reporting to creditors			
Bank account administration (treasury)			
Correspondence with my legal advisers in relation to proceedings issued against the directors including meetings and conference calls to discuss case strategy			
Preparation for trial			
Attendance at court			
Settlement negotiations (including a settlement meeting) with the directors			
Finalising settlement agreements with directors and their legal advisers			
<b>CREDITORS</b>	<b>£230.00</b>	<b>0.30</b>	<b>69.00</b>
Creditor queries on the position of the liquidation and dividend prospects			
Updating creditors details on internal systems			
General correspondence with creditors			
<b>INVESTIGATIONS</b>	<b>£272.35</b>	<b>63.15</b>	<b>17,198.75</b>
Researching the asset position of the directors			
Land Registry searches			
Enquiries in relation to a property in Italy			
<b>REALISATION OF ASSETS</b>	<b>£376.23</b>	<b>3.45</b>	<b>1,298.00</b>
Internal discussions / notes on strategy in relation to the claims against the directors			
<b>TAXATION</b>	<b>£354.56</b>	<b>9.10</b>	<b>3,226.50</b>
Tax compliance			
Liaising with HMRC with regards to the Company's Corporation Tax and VAT position			
<b>Total costs</b>	<b>£352.86</b>	<b>326.25</b>	<b>115,120.75</b>

**D An extract from the Insolvency (England and Wales) Rules 2016 relating to creditors' rights to request additional information from the liquidator**

**Rule 18.9**

- (1) The following may make a written request to the office-holder for further information about remuneration (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report or account under rule 18.14 -
  - (a) a secured creditor;
  - (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
  - (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
  - (d) any unsecured creditor with the permission of the court; or
  - (e) any member of the company in a members' voluntary winding up with the permission of the court.
- (2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report or account by the person, or by the last of them in the case of an application by more than one member or creditor.
- (3) The office holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by-
  - (a) providing all of the information requested;
  - (b) providing some of the information requested;
  - (c) declining to provide the information requested.
- (4) The office-holder may respond by providing only some of the information requested or decline to provide the information if-
  - (a) the time or cost of preparation of the information would be excessive; or
  - (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
  - (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
  - (d) the office-holder is subject to an obligation of confidentiality in relation to the information.
- (5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.
- (6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of –
  - (a) the office holder giving reasons for not providing all of the information requested; or
  - (b) the expiry of the 14 days within which an office-holder must respond to the request.
- (7) The court may make such order as it thinks just on an application under paragraph (6).

**E An extract from the Insolvency (England and Wales) Rules 2016 relating to creditors' rights to challenge the liquidator's remuneration or expenses if excessive**

**Rule 18.34**

- (1) This rule applies to an application in an administration, a winding up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that-
  - (a) the remuneration charged by the office-holder is in all the circumstances excessive;
  - (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
  - (c) the expenses incurred by the office-holder are in all the circumstances excessive.
- (2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable-
  - (a) a secured creditor;
  - (b) an unsecured creditor with either-
    - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
    - (ii) the permission of the court, or
  - (c) in a members' voluntary winding up-
    - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
    - (ii) a member of the company with the permission of the court.
- (3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3 or final report or account under rule 18.14 which first reports the charging of remuneration or the incurring of the expenses in question ("the relevant report").