

CVA4

Notice of termination or full implementation of voluntary arrangement



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 4 5 7 5 9 6 3

Company name in full Safeguard Refrigeration Services Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Supervisor's name

Full forename(s) Martin

Surname Maloney

3 Supervisor's address

Building name/number Leonard Curtis

Street Riverside House

Irwell Street

Post town Manchester

County/Region

Postcode M 3 5 E N

Country

4 Supervisor's name ^①

Full forename(s) Andrew

Surname Poxon

① Other supervisor

Use this section to tell us about
another supervisor.

5 Supervisor's address ^②

Building name/number Leonard Curtis

Street Riverside House

Irwell Street

Post town Manchester

County/Region

Postcode M 3 5 E N

Country

② Other supervisor

Use this section to tell us about
another supervisor.

CVA4

Notice of termination or full implementation of voluntary arrangement

6 Date voluntary arrangement fully implemented or terminated

Date

d	1	d	1	m	0	m	1	y	2	y	0	y	2	y	2
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7 Attachments


- ☒ I have attached a copy of the notice to creditors
☒ I have attached the supervisor's report

8 Sign and date

Supervisor's signature

Supervisor's signature

X



X

Signature date

d	1	d	1	m	0	m	1	y	2	y	0	y	2	y	2
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CVA4

Notice of termination or full implementation of voluntary arrangement



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 **Rhuari Robb**

Company name **Leonard Curtis**

Address **Riverside House**

Irwell Street

Manchester

Post town

County/Region

Postcode **M 3 5 E N**

Country

DX

Telephone **0161 831 9999**



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 and dated 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 or email 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



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

SAFEGUARD REFRIGERATION SERVICES LTD

(Failed Company Voluntary Arrangement)

Company Number: 04575963

High Court of Justice Business and Property Courts in Manchester

Company & Insolvency List (CHD)

Reference Number CR-2020-MAN-000920

Joint Supervisors' Final Report to Creditors

11 January 2022

Leonard Curtis

**Riverside House, Irwell Street,
Manchester, M3 5EN**

Tel : 0161 831 9999 Fax: 0161 831 9090

recovery@leonardcurtis.co.uk

Ref: M/26/RR/SE11K/1010

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**TO: ALL CREDITORS BOUND BY THE ARRANGEMENT
THE MEMBERS OF THE COMPANY
THE AUDITORS OF THE COMPANY
THE COMPANY
THE COURT**

1 INTRODUCTION

- 1.1 Martin Maloney and I were appointed Joint Supervisors of a Company Voluntary Arrangement (“CVA”) for Safeguard Refrigeration Services Ltd (“the Company”) at meetings of creditors and members held on 18 November 2020. We are insolvency practitioners licensed in the UK by the Institute of Chartered Accountants in England and Wales.
- 1.2 The CVA has now failed and this is our final report as required by Rule 2.44 of the Insolvency (England and Wales) Rules 1986. It shows how the CVA has been conducted, the reasons why it has not been implemented in accordance with the Proposal as approved, the outcome for creditors and other information that we are required to disclose.

2 FAILURE AND TERMINATION OF THE ARRANGEMENT

- 2.1 The terms of the CVA were that the Company would make voluntary contributions totalling £222,000 over a period of 60 months as follows:
- November 2020 to October 2021 at £2,000 per month
 - November 2021 to October 2022 at £3,200 per month
 - November 2022 to October 2023 at £3,800 per month
 - November 2023 to October 2024 at £4,750 per month
 - November 2024 to October 2025 at £4,750 per month
- 2.2 Monies received were to be utilised as follows:
- a) To pay the fees and expenses of the Joint Nominees.
 - b) To pay the fees and expenses of the Joint Supervisors and the costs of CVA.
 - c) To pay preferential claims, if any, in full in priority to the claims of unsecured creditors.
 - d) To pay a dividend or dividends to those ordinary creditors whose claims were received by the last date of proving.
- 2.3 As previously reported, at the anniversary of the CVA (17 November 2021), the Company was in arrears of £4,000.00 in respect of the monthly contributions due, with contributions totalling £20,000.00 having been received during the CVA. As at the date of this report, the Company is in arrears totalling £10,400.00 in respect of the monthly contributions due. Following the appointment of Mike Dillon and Andrew Poxon as Joint Administrators of the Company on 14 December 2021, there have been no further payments made in respect of the voluntary contributions.

- 2.4 Upon approving the CVA Proposal, HMRC proposed modifications, which were duly agreed by the Joint Supervisors, to the terms relating to the submission and payment of all post-CVA returns and liabilities. HMRC stated within their proposed modifications that: “All statutory returns and payments due to HMRC post approval of the arrangement shall be provided on or before their due date.” It was brought to the Joint Supervisors’ attention that the Company has incurred net post-CVA liabilities of approximately £90,000.00 in respect of PAYE and further post-CVA VAT Liabilities of approximately £90,000.00. The Company indicated that it was to contact the relevant departments at HMRC to put forward a payment proposal plan to reduce the debt whilst trading continued. A payment proposal was put in place at an agreed amount of £5,000.00 per month. The payment plan was not subsequently adhered to and HMRC wrote to the Joint Supervisors advising that the Company was in breach of the CVA as it had fallen behind in its “Time To Pay Agreement” and the post-CVA returns had not been submitted on time.
- 2.5 HMRC requested that a breach notice be issued to the Directors of the Company to remedy the arrears. The Joint Supervisors issued a Notice of Breach to the Company on 1 November 2021 and advised that if the breach was not remedied by 1 December 2021, the Joint Supervisors would be required to terminate the CVA or present a petition for the winding up of the Company. At a meeting on 11 November 2021, the Company confirmed that it was not in a position to remedy the breach and therefore it was considered that the Company was insolvent in accordance with S123 of the Insolvency Act 1986 (as amended) in so far as the Company cannot pay its debts as and when they fall due.
- 2.6 It was concluded that Administration was the most suitable insolvency procedure for the Company as it would best allow the possibility of selling the business as a going concern. It was considered that a sale, without the need for ongoing trading whilst in Administration, would be preferable to allow maximum value to be realised from the Company assets and to minimise the professional costs of the Administration. Following discussions with the Directors, where the Company’s position and the relevant options were discussed, the strategy to place the Company in Administration was agreed. The Directors verbally instructed Leonard Curtis to assist in placing the Company into Administration on 11 November 2021.
- 2.7 Mike Dillon and Andrew Poxon of Leonard Curtis were appointed as Joint Administrators of the Company on 14 December 2021.
- 2.8 A formal certificate of Termination of the CVA is attached at Appendix A.

3 RECEIPTS AND PAYMENT ACCOUNT AND OUTCOME FOR CREDITORS

- 3.1 I attach at Appendix B a final summary of our receipts and payments for the period from 18 November 2020 to 11 January 2022
- 3.2 All figures are stated net of VAT.

Outcome for Creditors

Secured Creditors

- 3.3 As previously reported, there are two outstanding charges registered against the Company in favour of Clydesdale Bank plc, who were owed an amount totalling approximately £373,981.00 as at the commencement of the CVA. The Charges consist of a Legal Charge and a Debenture comprising Fixed and Floating Charges. The secured creditors are not bound by the CVA, as their debt is secured and they are continuing to rely on their security.

Preferential Claims

- 3.4 As previously detailed in the Joint Supervisors' First Progress Report to creditors, it was anticipated that there would be preferential claims in the CVA. No preferential claims have been received in the CVA at this time, however following the submission of the RP15A form to the Redundancy Payments Service ("RPS") a final claim has been requested.
- 3.5 Due to the non-payment of the voluntary contributions in full, with no further contributions due to be received, there have been insufficient realisations to enable a dividend to be paid to the preferential creditors.

Unsecured Claims

- 3.6 As detailed in the CVA Proposals, it was proposed that there would be a total distribution to unsecured creditors of approximately 26 pence in the £ upon the successful completion of the CVA. The proposed estimated dividend was based on all voluntary contributions being received, that costs and expenses were not substantially higher than anticipated at the outset, and that claims received were in the region of what was originally stated in the proposals.
- 3.7 Unsecured claims totalling £748,792.91 have been received in the CVA. This figure includes a Directors' Loan Account balance of £280,000.00 which is referred to in paragraph 3.10 below, being a connected creditor, deemed to be deferred under the CVA for dividend purposes. The CVA Proposal estimated that total unconnected unsecured creditors of the Company totalled approximately £597,468.00. Claims have not been adjudicated on at this time.
- 3.8 The CVA Proposal estimated a financial return to unsecured creditors at approximately 26 pence in the pound, with there being no distribution to creditors at the end of the first year of the CVA. However, given the premature end to the CVA, and the reduction in asset realisations in the form of voluntary contributions received compared to those anticipated, there will be no distributions made to unsecured creditors as there are insufficient funds held to enable any form of distribution following the defrayment of remuneration, costs and expenses of the CVA. All unsecured creditor claims will be provable in the subsequent Administration of the Company.
- 3.9 If creditors have a post CVA liability, i.e. a debt or claim that falls after the date of the approval of the CVA (after 18 November 2020), that liability will form a claim in the subsequent Administration. Those claims should be forwarded to the Joint Administrators, Mike Dillon and Andrew Poxon of Leonard Curtis, Riverside House, Irwell Street, Manchester, M3 5EN.

Connected Creditors & Directors' Loan Accounts

- 3.10 As detailed in the CVA Proposal, there was one connected creditor that was treated as deferred under the CVA. Where a connected creditor is proposed as deferred under the CVA, the connected creditor will not participate in a dividend to CVA creditors under the CVA. Where the claim of a connected creditor survives the CVA, the recovery by the connected creditor from the Company after the successful conclusion of the CVA, is to be limited to the dividend percentage recovery received by CVA creditors (subject to the respective class of the connected creditor under the CVA).

Contingent and / or Disputed Creditors

- 3.11 As detailed in the CVA Proposal, there was one creditor who was considered contingent / disputed. Contingent and disputed creditor claims shall be treated as a CVA creditor under the CVA and is without prejudice to value placed on such claims, by the relevant persons authorised, with regard to agreeing the value of such claims for voting and dividend purposes.

4 JOINT SUPERVISORS' REMUNERATION AND DISBURSEMENTS

- 4.1 The CVA proposal approved by creditors on 18 November 2020 provided that the Joint Supervisors' remuneration be payable by reference to time properly given by them staff in attending to matters arising in the CVA.
- 4.2 As advised in my previous report dated 6 January 2022 our time costs as at 17 November 2021 were £33,453.50. Thereafter further costs of £2,085.50 have been incurred during the period of this report to 3 January 2022. These costs are summarised at Appendix C and comprise 11 hours at an average rate of £189.59 per hour. Please note that further unposted time costs have been incurred in the period subsequent to 3 January 2022, tending to matters relating to the finalisation of the Joint Supervisors' First Progress Report, the drafting of the Joint Supervisors' Final Report, and the finalisation of the CVA. Total time costs incurred in this matter are summarised at Appendix D. Details of our company's charge out rates and policy regarding the recharge of disbursements, staff allocation, support staff and the use of subcontractors are also attached at Appendix E. Please be aware that the firm's charge out rates have been amended with effect from 1 March 2021.
- 4.3 You will note that, in general, the nature and value of expenses incurred to date fall within those anticipated within the original estimate of expenses.
- 4.4 Additional costs totalling £295.00 have been incurred than originally anticipated as Emprove Limited ("Emprove") were engaged by the Joint Supervisors to assist in processing of employee claims. The initial estimated cost was £250.00, however total costs incurred equated to £545.00. They have been able to provide their expert assistance with regard to assisting in liaising with employees and providing confirmation and verification that employee claims have been submitted as appropriate.

Joint Nominees' Fees

- 4.5 Our remuneration as Joint Nominees of £15,000.00 was paid by the Company. As previously reported, an amount of £1,000.00 plus VAT was proposed, as part of the Joint Nominee's Fee, as payable to Anthony Marshall Accountants for their assistance to the Joint Nominees regarding the basic work undertaken by the Joint Nominees in the pre-CVA period. This amount has been paid, accounted for as part of the aforementioned amount of £15,000.00 that has been paid by the Company, and is detailed in the Receipts and Payments account at Appendix A.

Joint Supervisors' Remuneration

- 4.6 In the CVA Proposal it was estimated that the Joint Supervisors' remuneration would be approximately £45,000.00 over the proposed duration of the arrangement (estimated at a cap of £9,000.00 per annum for the duration of the CVA).
- 4.7 To date we have drawn £3,787.29 on account of these costs and, in the absence of further funds, the balance will be written off.
- 4.8 Further information may be found in "Guide to Voluntary Arrangement Fees" (Version 1 April 2021). This is available from our office free of charge or may be downloaded from <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>.

Expenses

- 4.9 Below is a table detailing the Joint Supervisors' expenses to date. To assist creditors' understanding of this information, it has been separated into the following two categories:

1. Standard Expenses: this category includes expenses payable by virtue of the nature of the VA process and / or payable in order to comply with legal or regulatory requirements.
2. Case Specific Expenses: this category includes expenses likely to be payable by the Joint Supervisors in carrying out their duties in dealing with issues arising in a particular case. Also included within this category are costs that are directly referable to the CVA but are not paid to an independent third party (and which may include an element of allocated costs). These are known as "Category 2 expenses" and are subject to the approval of the creditors.

Additionally, with effect from 1 April 2021, the Joint Supervisors are required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to associates of Leonard Curtis. Payments to associates are subject to the same level of approval as the office holder's fees and category 2 expenses and further details are included at Appendix E.

Standard Expenses

		Category	Incurred To Date	Paid	Unpaid
Charged By	Services provided			£	£
AUA Insolvency Risk	Bordereau Fee	1	260.00	260.00	-
Postworks	Postage Fees	1	39.08	39.08	-
Total			299.08	299.08	-

Case Specific Expenses

		Category	Incurred To Date	Paid	Unpaid
Charged By	Services provided			£	£
Pelstar*	IT Licence Fee & Document Hosting	2	117.00	-	117.00
Total			117.00	-	117.00

* Payment to Associate required specific creditor / committee approval if drawn after April 2021. This balance will duly remain unpaid as approval has not been sought / received.

- 4.10 On approval of the CVA, creditors approved the basis for recharging category 2 disbursements could be drawn by the Joint Supervisors, albeit no such disbursements have been incurred. As noted above, approval has not been provided in regard to payments to associates, and therefore the costs payable to Pelstar will remain unpaid.
- 4.11 Details of professional advisors, including subcontractors used during the CVA, are provided below:

Name of Professional Advisor	Service Provided	Basis of Fees
Emprove Limited	Assistance in dealing with any prospective employee claims that may arise	Fixed Fee

- 4.12 The professional advisors instructed by the Joint Supervisors have been instructed on the basis of their knowledge and expertise with regard to employees and employment law and regulations, and their ability to do the work in a more cost and time efficient manner than would be achievable by the Supervisors and their staff.

5 DATA PROTECTION

- 5.1 When submitting details of your claim in the CVA, you may have disclosed personal data to us. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. We act as Data Controller in respect of personal data we obtain in relation to this CVA and are therefore responsible for complying with Data Protection Law in respect of any personal data we process. Our privacy notice, which is attached at Appendix F, explains how we process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

If you have any queries please contact my office, in writing. Electronic communications should include a full postal address.

Yours faithfully



ANDREW POXON
JOINT SUPERVISOR

Martin Maloney and Andrew Poxon are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 9628 and 8620, respectively

APPENDIX A

**IN THE HIGH COURT OF JUSTICE BUSINESS AND PROPERTY COURTS IN MANCHESTER – COMPANY &
INSOLVENCY LIST (CHD) COURT No CR-2020-MAN-000920**

IN THE MATTER OF THE INSOLVENCY ACT 1986

and

IN THE MATTER OF


SAFEGUARD REFRIGERATION SERVICES LTD

**CERTIFICATE OF TERMINATION
PURSUANT TO THE COMPANY VOLUNTARY ARRANGEMENT
OF SAFEGUARD REFRIGERATION SERVICES LTD**

I, Andrew Poxon, the Joint Supervisor of the above Company Voluntary Arrangement hereby confirm that there has been a material failure, irregularity or non-compliance in connection with the above-named Company Voluntary Arrangement, in that pursuant to the terms of the Company Voluntary Arrangement the Company has failed to comply with its obligations to the agreement stated in the Proposals and modified terms of the CVA. The Company has not made payment of all post-appointment tax liabilities due to HMRC as and when they fell due. In addition, post CVA HMRC returns have not been submitted for VAT for post appointment periods, along with the split return covering the last pre-CVA period. The Company has also failed to maintain the monthly contributions into the Company Voluntary Arrangement.

I hereby confirm that the Company Voluntary Arrangement has been terminated pursuant to Rule 2.44 of The Insolvency (England and Wales) Rules 2016 as amended.

This certificate has been filed with the relevant Court, the Company, all known creditors and members, and the Registrar of Companies.



**ANDREW POXON
JOINT SUPERVISOR**

Dated this 11th day of January 2022

Contact details of the Joint Supervisors
Martin Maloney and Andrew Poxon
Leonard Curtis
Riverside House
Irwell Street
Manchester
M3 5EN

Telephone: 0161 831 9999

APPENDIX B

**SUMMARY OF JOINT SUPERVISORS' RECEIPTS AND PAYMENTS
FROM 18 NOVEMBER 2020 TO 11 JANUARY 2022**

	Estimated to realise £	Previous period £	18 November 2021 to 11 January 2022 £	Cumulative £
RECEIPTS				
Voluntary Contributions	222,000.00	20,000.00	-	20,000.00
Bank Interest	0.00	0.19	-	0.19
	<u>222,000.00</u>	<u>20,000.19</u>	<u>-</u>	<u>20,000.19</u>
PAYMENTS				
Nominees' Fees		(13,000.00)	(1,000.00)	(14,000.00)
Supervisors' Fees		-	(3,787.29)	(3,787.29)
Accountancy Fees		(1,000.00)	-	(1,000.00)
Employment Agent Fees		(545.00)	-	(545.00)
Bordereau Fee		(260.00)	-	(260.00)
Postage Costs		(38.19)	(0.89)	(39.08)
Irrecoverable VAT		-	(368.82)	(368.82)
		<u>(14,843.19)</u>	<u>(5,157.00)</u>	<u>(20,000.19)</u>
BALANCE IN HAND		<u>5,157.00</u>	<u>(5,157.00)</u>	<u>Nil</u>

SUMMARY OF JOINT SUPERVISORS' TIME COSTS FROM 18 NOVEMBER 2021 TO 3 JANUARY 2022 (THE PERIOD)

	Units	Average hourly rate £	Cost £
Statutory and Review	13	193.46	251.50
Insurance, Bonding and Pensions	4	235.00	94.00
Liabilities	84	175.00	1,470.00
General Administration	9	300.00	270.00
	110	189.59	2,085.50

All Units are 6 Minutes

APPENDIX C (cont)

DETAILED NARRATIVE OF WORK PERFORMED BY THE JOINT SUPERVISORS AND THEIR STAFF IN THE PERIOD

Statutory and Review

This category of activity encompasses work undertaken for both statutory and case-management purposes. Whilst this work will not directly result in any monetary value for creditors, it will ensure that the case is managed efficiently and resourced appropriately, which will be of benefit to all creditors. The work that has been carried out under this category during the period of this report to 3 January 2022 has comprised the following:

- Case reviews between management and staff in respect of the prospective termination of the CVA;
- Liaise with HMRC in regard to the breach notice issued to the Company and matters relating to the termination of the CVA; and
- Completion of closing procedures at the end of the case.

Insurance, Bonding and Pensions

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect Company assets (see insurance and bonding matters below), whilst requirements in respect of Company pension schemes are there to protect the pension funds of Company employees. Whilst there is no direct financial benefit to Company creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of creditor. Work undertaken during the period of this report to 3 January 2022 has comprised of the following:

- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice.

Liabilities

This category of time includes both statutory and non-statutory matters.

Statutory

- Preparation of the Joint Supervisors' First Progress Report to creditors; and
- Drafting of the Joint Supervisors' Final Report to creditors.

Non statutory

- Dealing with correspondence received from one of the Company's creditors.

General Administration

- Maintaining the supervisors' records;
- Review of documents relating to the notice of intention to appointment administrators; and
- Dealing with general correspondence and communicating with directors as appropriate in regard to the termination of the CVA.

SUMMARY OF JOINT SUPERVISORS' TIME COSTS FROM 18 NOVEMBER 2020 TO 3 JANUARY 2022

	Units	Average hourly rate £	Cost £
Statutory and Review	287	341.86	9,811.50
Receipts and Payments	52	235.77	1,226.00
Insurance, Bonding and Pensions	39	335.38	1,308.00
Assets	33	298.03	983.50
Liabilities	350	250.76	8,776.50
Landlords	1	525.00	52.50
General Administration	228	342.02	7,798.00
Appointment	86	360.23	3,098.00
Post Appointment Creditors' Decisions	52	477.88	2,485.00
	1,128	315.06	35,539.00

All Units are 6 Minutes

LEONARD CURTIS POLICY REGARDING FEES AND EXPENSES

The following Leonard Curtis policy information is considered to be relevant to creditors:

Staff Allocation and Charge Out Rates

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by the appropriate body of creditors that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to request and obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rates given below.

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

	6 Jan 2014 onwards		1 Aug 2019 onwards		1 March 2021 onwards	
	Standard	Complex	Standard	Complex	Standard	Complex
	£	£	£	£	£	£
Director	450	562	525	656	550	688
Senior Manager	410	512	445	556	465	581
Manager 1	365	456	395	494	415	518
Manager 2	320	400	345	431	365	456
Administrator 1	260	325	280	350	295	369
Administrator 2	230	287	250	313	265	331
Administrator 3	210	262	230	288	245	306
Administrator 4	150	187	165	206	175	219
Support	0	0	0	0	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, which may be used for non-contentious matters pertaining to the insolvency appointment.

Use of Associates

We are required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to Associates of Leonard Curtis. The term "Associate" is defined in s435 of the Insolvency Act 1986 but we are also required to consider the substance or likely perception of any association between the appointed insolvency practitioner, their firm (LC) or an individual within the firm and the recipient of a payment. Payments to Associates are subject to the same level of approval as the office holder's fees and category 2 expenses (see table below).

Whilst we are not aware of any third parties who meet the legal definition of "Associate" we are aware that there is a perceived association between LC and Pelstar Limited. Pelstar Limited provides insolvency case management software and document hosting facilities to LC. LC employs an individual who is married to a director of Pelstar Limited. Pelstar Limited's costs are set out in the tables below.

Use of Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Safeguard Refrigeration Services Ltd – Failed Company Voluntary Arrangement

Use of Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

Categorisation of Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

Type	Description	Amount																								
AML checks via Smartsearch	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per search																								
Bond / Bordereau fee via AUA Insolvency Services	Insurance bond to protect the insolvent entity against any losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches via Companies House	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting via Pelstar Limited (see Use of Associates and Category 2 expenses)	Hosting of documents via a secure portal for access by creditors/shareholders. Costs are charged per upload plus VAT and are generally dependent upon the number of creditors. The costs are commensurate with those charged by other providers of comparable services.	<table><tr><th>Type</th><th>First 100</th><th>Every addtl 10</th></tr><tr><td>ADM</td><td>£14.00</td><td>£1.40</td></tr><tr><td>CVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>MVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CPL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CVA</td><td>£10.00</td><td>£1.00</td></tr><tr><td>BKY</td><td>£10.00</td><td>£1.00</td></tr><tr><td>IVA</td><td colspan="2">£10 p.a. or £25 for life of case</td></tr></table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
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Software Licence fee hosting via Pelstar Limited (see Use of Associates and Category 2 expenses)	Payable to software provider for use of case management system. The costs are commensurate with those charged by other providers of comparable services.	£87.00 plus VAT per case																								
Postage via Royal Mail or Postworks	Cost of posting documents which are directly attributable to a case to external recipients	Calculated in accordance with applicable supplier rates and dependent on the number of pages and whether the document is sent by international, first or second class post.																								
Post re-direction via Royal Mail	Redirection of post from Company's premises to office-holders' address	0-3 months £216.00 3-6 months £321.00 6-12 months £519.00																								
Statutory advertising via advertising agents	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£91.80 - £102.00 plus VAT per advert Dependent upon advert and publication																								

Safeguard Refrigeration Services Ltd – Failed Company Voluntary Arrangement

Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges
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- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include but may not be restricted to:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions	Time costs plus disbursements plus VAT
Other expenses	See Category 1 and 2 expenses notes below	See Category 1 and 2 expenses notes below

Please note that expenses are generally categorised as Category 1 or Category 2:

- a) Category 1 expenses: These are payments to independent third parties providing the service to which the expense relate. These may include, for example, advertising, external room hire, storage costs, postage costs, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 expenses may be paid without prior approval.
- b) Category 2 expenses: These are costs that are directly referable to the appointment in question, but not paid to an independent third party. They may include costs which have an element of shared cost. The following items of expenditure are recharged on this basis and are charged at HMRC approved rates:

Business mileage	45p per mile
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Payments to Associates (as defined above) are categorised by LC in the same way as Category 2 expenses. Category 2 expenses and payments to Associates may only be drawn if they have been approved in the same manner as an office holder's remuneration.

**LEONARD CURTIS
PRIVACY NOTICE FOR CREDITORS**

Information we collect and hold about you

By requesting details of your claim in this insolvency, we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation ("the GDPR"). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

Legal justification for processing your Personal Data

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

How we use your information

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity's liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

Who we share your information with

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

How long will we hold your Personal Data for?

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

Your rights in respect of your Personal Data

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.

Your right to complain

You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.

If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliff House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

Contacting us

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, 5th Floor, Grove House, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: privacy@leonardcurtis.co.uk.

Data Controller: LEONARD CURTIS