

# Liquidator's Progress Report

# S.192

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

To the Registrar of Companies

Company Number

04628454

Name of Company

Absolute Insulation Limited

I/We

Edward T Kerr of BDO LLP, Pannell House, 159 Charles Street, Leicester, LE1 1LD

Ian J Gould of BDO LLP, Two Snowhill, Birmingham, B4 6GA

the liquidator(s) of the company attach a copy of my/our Progress Report  
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 15/09/2015 to 14/09/2016

Signed



Date

28/10/16

BDO LLP  
Pannell House  
159 Charles Street  
Leicester  
LE1 1LD

Ref 00245221/ETK/IJG/BP/EH/AS/RH/KB

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COMPANIES HOUSE

**Absolute Insulation Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs	From 15/09/2015 To 14/09/2016	From 15/09/2014 To 14/09/2016
<b>FIXED CHARGE ASSETS</b>		
Investment Account	44,902 53	44,902 53
	<u>44,902 53</u>	<u>44,902 53</u>
<b>FIXED CHARGE CREDITORS</b>		
HSBC Bank Plc	44,902 53	44,902 53
	<u>(44,902 53)</u>	<u>(44,902 53)</u>
<b>HP ASSETS</b>		
70,240 00 Motor Vehicles	NIL	NIL
(74,825 00) Lombard North Central Plc	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<b>ASSET REALISATIONS</b>		
NIL Fixtures, Furniture & Equipment	NIL	NIL
Motor Vehicles Surplus From Lombard	NIL	8,180 53
NIL Stock	NIL	NIL
28,078 68 Book Debts	25,968 47	36,924 91
NIL Shares in Absolute Solar Ltd	NIL	NIL
NIL Investments	NIL	NIL
Stock, Furniture and Equipment	NIL	1,380 00
Insurance Refund	NIL	556 50
Rates Refund	NIL	5,077 12
Bank Interest Gross	99 31	146 92
Sundry Refunds	NIL	34 12
Prepayments	NIL	618 75
	<u>26,067 78</u>	<u>52,918 85</u>
<b>COST OF REALISATIONS</b>		
Specific Bond	NIL	80 00
Preparation of S of A	NIL	5,000 00
Liquidators' Fees	12,500 00	20,500 00
Agents Fees	NIL	678 00
Debt Collection Fees	2,852 82	3,607 62
Legal Fees	NIL	1,500 00
Corporation Tax	9 60	9 60
Printing & Postage	310 80	310 80
Company Searches	NIL	18 00
Storage Costs	43 68	56 16
Statutory Advertising	NIL	253 80
Insurance of Assets	NIL	685 82
	<u>(15,716 90)</u>	<u>(32,699 80)</u>
<b>PREFERENTIAL CREDITORS</b>		
(22,204 00) Preferential Wages	NIL	NIL
(9,453 85) Preferential Hol Pay	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<b>FLOATING CHARGE CREDTS</b>		
(235,954 34) HSBC Bank Plc	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<b>UNSECURED CREDITORS</b>		
(595,525 52) Trade & Expense Creditors	NIL	NIL

**Absolute Insulation Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 15/09/2015 To 14/09/2016	From 15/09/2014 To 14/09/2016
(33,985 00)	Unsecured Directors	NIL	NIL
(140,386 91)	HM Revenue & Customs (PAYE/NIC)	NIL	NIL
(17,806 00)	HM Revenue & Customs VAT	NIL	NIL
(22,058 56)	Unsecured Employee Wages	NIL	NIL
(57,325 49)	Unsecured Pay in Lieu of Notice	NIL	NIL
(91,960 96)	Unsecured Redundancy Pay	NIL	NIL
(40,563 21)	Intercompany Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(2 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(1,243,732 16)</b>		<b>10,350 88</b>	<b>20,219.05</b>
	REPRESENTED BY		
	Bank 2 Current		20,219 05
			<b>20,219.05</b>

Edward T Kerr  
Joint Liquidator



Tel +44 (0)116 250 4400  
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Pannell House  
159 Charles St  
Leicester  
LE1 1LD

## Private and Confidential

To All Known Members and Creditors

28 October 2016

Our ref 00245221/ETK/BP/EH

Please ask for Alaina Stredder  
Direct line 0115 962 9245  
Email [alaina.stredder@bdo.co.uk](mailto:alaina.stredder@bdo.co.uk)

Dear Sirs

**Absolute Insulation Limited - In Creditors' Voluntary Liquidation ("the Company")**  
**Registered Address:** Pannell House, 159 Charles Street, Leicester LE1 1LD  
**Registered number:** 04628454  
**Joint Liquidators:** Edward Terence Kerr and Ian James Gould  
**Joint Liquidators Address:** BDO LLP, Pannell House, 159 Charles Street, Leicester LE1 1LD  
**Date of Appointment:** 15 September 2014

As you are aware, Ian Gould and I were appointed Joint Liquidators of the Company on 15 September 2014

I enclose for your information an annual progress report in accordance with Rule 4.49C of the Insolvency Rules 1986, covering the period from 15 September 2015 to 14 September 2016 ("the period")

I also enclose a Receipts and Payments account showing a balance in hand of £20,219

### Progress of the Liquidation

During the period, I have dealt with the statutory obligations of the Liquidation, realising the assets of the Company and investigations into the conduct of the directors prior to my appointment

It is not anticipated that there will be sufficient realisations to enable a dividend distribution to the unsecured creditors.

The final issue to be resolved in the Liquidation is the two year clause in the settlement agreement, discussed later in this report. The Liquidation will remain open until the accounts of Absolute Solar Limited ("AS") for the years ending 31 July 2016 and 31 July 2017 have been received and reviewed. Please refer to the 'Book Debts' paragraph on page two for further details.

### Receipts

The receipts shown are largely self-explanatory, although I would comment specifically on the following:

### Investment Account

The Company held an investment account with HSBC Bank Plc ("the Bank") which had a credit balance of £44,903. These funds were subject to the Bank's fixed charge and, as a result, were used by the Bank to reduce their indebtedness by way of set-off.

Details of the authorising bodies of the insolvency appointment takers of BDO LLP are available at [www.bdo.co.uk/services/business\\_restructuring/authorising\\_bodies\\_of\\_insolvency\\_appointment\\_takers](http://www.bdo.co.uk/services/business_restructuring/authorising_bodies_of_insolvency_appointment_takers)

BDO LLP, a UK limited liability partnership registered in England and Wales under number OC305127, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. A list of members' names is open to inspection at our registered office, 55 Baker Street, London W1U 7EU. BDO LLP is authorised and regulated by the Financial Conduct Authority to conduct investment business.





### Book Debts

As at the date of appointment, the Company had book debts with an estimated realisable value of £28,079. During the period, the sum of £25,968 has been realised. This included £127 received from a debtor following completion of the retention period, bringing total realisations to £36,925.

As creditors will recall, there were further sums due from Npower which required guarantees that the Liquidators were unable to provide.

As previously reported, in order to secure these amounts from Npower an agreement was made with the former director, Brian Martin ("BM"), by way of a settlement agreement dated 9 June 2015 ("the Agreement").

I would remind creditors that, under the terms of the Agreement, there is a clause covering the eventuality that the director's company, AS, becomes profitable within a two year period ending on 31 July 2017.

No further funds are expected to be received.

### Bank Interest

Interest of £99 has been received during the period on the funds held in the Liquidation bank account. Total interest earned to date is £147.

### Assets

#### Shares in Absolute Solar Ltd and Intercompany Balance

As previously advised, these shares had little or no value and, as a result, the intercompany balance due from AS has been written off and the shares transferred to BM as part of the Agreement, above.

### Investments

It was previously identified that the Company held shares in a number of other companies. It appears that these companies have either been dissolved or are inactive, however I am finalising my investigations into the final position to ensure that there is no residual value to the Company from these investments.

### Payments

#### Agents Fees

Colligant Limited has been paid £2,853 in the period for assisting in the collection of book debts of the Company. This brings their total fees to £3,608. No further costs have been incurred.

The choice of professional advisers is based upon their experience and ability to perform this type of work, the nature and complexity of the assignment and the basis of my fee arrangement with them.

### Corporation Tax

Corporation Tax of £10 has been paid in the period, which relates to the year ended 14 September 2015. There may be additional Corporation Tax to pay for the year ended 14 September 2016. This will be known once the tax computations have been completed for the period.





## Investigations

I have concluded my investigations and submitted my confidential report to the Department for Business Innovation and Skills

Creditors are invited to advise me of any matters relating to the Company's affairs which merit investigation and which they have not already brought to my attention by contacting this office and quoting reference 00245221/ETK/BP/EH

## Future Prospects

### Secured Creditors

The Bank has a fixed and floating charge debenture dated 20 January 2006 over the property and assets of the company. Additionally, the Bank has the benefit of a fixed charge dated 2 April 2008 over the HSBC Guaranteed Capital Account and a fixed charge dated 14 May 2012 over the Stock Market Linked Savings Account.

The Bank was owed £235,954 at the date of Liquidation. As detailed in 'Investment Account' paragraph on page one, the Bank has received £44,903 under its fixed charge in relation to the Investment Account. Based on current information, it is unlikely that there will be sufficient funds for any further distribution to the Bank under either its fixed or floating charge.

### Preferential Creditors

Preferential claims have been agreed at £31,658, of which £30,503 is due to the Redundancy Payments Services and £1,155 is due to the former employees in respect of arrears of wages and accrued holiday pay.

There may be sufficient funds to enable a dividend to be paid to the preferential creditors, however the timing and quantum of any dividend is dependent upon the level of future realisations, specifically any realisations from the Agreement.

### Unsecured Creditors

Unsecured claims received total £456,240 compared to £999,612 in the Statement of Affairs.

Current information indicates that, due to insufficient funds, it is unlikely that there will be a return to the unsecured creditors in this matter.

### Prescribed Part

Section 176A of the Insolvency Act 1986 requires the Liquidators to set aside a prescribed proportion of the Company's 'net property' towards the satisfaction of unsecured, non-preferential claims. Net property is the amount of property that would otherwise be available to holders of debentures secured by, or holders of, any floating charge created by the Company after 15 September 2003.

As there will be no net property in the case, the provisions of the Prescribed Part will not be applied.

### Joint Liquidators' Remuneration

At the meeting of creditors held on 15 September 2014, a resolution was passed that BDO LLP be paid £5,000 plus VAT plus disbursements in respect of the costs of convening the meeting of creditors, preparation of the Statement of Affairs and general assistance provided to the Company in the prior to Liquidation. This fee has been paid in full.



At the same meeting, it was also resolved that the Joint Liquidators' remuneration be fixed by reference to the time properly given in attending to matters arising in the Liquidation at BDO LLP's usual charge out rates

The time costs in the period 15 September 2015 to 14 September 2016 amount to £19,668 and represents 85 hours at an average hourly rate of £230 per hour. During the period, fees of £12,500 plus VAT have been drawn.

The total time costs to 15 September 2016 amount to £72,092 and represents 335 hours at an average hourly rate of £215. Total fees drawn to date are £20,500

A detailed analysis of the time costs incurred for the period that I am reporting is enclosed together with the total time costs to 14 September 2016.

Also enclosed is a document that outlines the policy of BDO LLP in respect of fees and disbursements

Creditors may access information setting out creditors' rights in respect of the approval of the remuneration of the office-holders at <https://www.r3.org.uk/what-we-do/publications/professional/fees>. A hard copy of this guide can be sent upon request by contacting this office

## Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements.

Category 1 disbursements incurred and in the period of my report total £355 and are detailed as follows:

	Category 1 Disbursement £
Printing & Postage	311
Storage Costs	44
	<hr/> 355 <hr/>

Liquidators often charge expenses for example postage, stationery, photocopying charges, telephone and fax costs, which cannot economically be recorded in respect of a specific case. Such expenses, which are apportioned to cases, require the approval of the creditors, before they can be drawn and these are also known as category 2 disbursements. The policy of BDO LLP is not to charge any of these category 2 disbursements

## Creditors' Rights

I provide at the end of this report an extract from the Insolvency Rules 1986 setting out the rights of creditors to request further information and/or challenge the remuneration or expenses within the Liquidation

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint



The office holder is bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code is available at <http://www.icaew.com/en/members/regulations-standards-and-guidance/ethics/code-of-ethics-d>

I trust the above provides you with sufficient information, but if you require further assistance, please contact Alaina Stredder on 0115 962 9245.

Edward T Kerr  
Joint Liquidator  
28 October 2016

*Edward Terence Kerr and Ian James Gould are authorised by the Institute of Chartered Accountants in England & Wales in the UK to act as Insolvency Practitioners*

#### Encs

- 1 An abstract of the Liquidators' receipts and payments account for the period of the report from 15 September 2015 to 14 September 2016 and from 15 September 2014 to 14 September 2016.
2. Analysis of the time charged to the Liquidation in the period of 15 September 2015 to 14 September 2016.
3. Analysis of the time charged to the Liquidation in the period since the date of appointment of 15 September 2014 to 14 September 2016.
- 4 Summary of the policies of BDO LLP in respect of fees and expenses.
- 5 An extract from the Insolvency Rules 1986 concerning members and creditors rights.





**Absolute Insulation Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs	From 15/09/2015 To 14/09/2016	From 15/09/2014 To 14/09/2016
	<b>FIXED CHARGE ASSETS</b>	
	Investment Account	
	44,902 53	44,902.53
	44,902 53	44,902.53
	<b>FIXED CHARGE CREDITORS</b>	
	HSBC Bank Plc	
	44,902 53	44,902 53
	(44,902.53)	(44,902 53)
	<b>HP ASSETS</b>	
70,240 00	Motor Vehicles	NIL
(74,825 00)	Lombard North Central Plc	NIL
	NIL	NIL
	<b>ASSET REALISATIONS</b>	
NIL	Fixtures, Furniture & Equipment	NIL
	Motor Vehicles Surplus From Lombard	8,180 53
NIL	Stock	NIL
28,078.68	Book Debts	36,924 91
NIL	Shares in Absolute Solar Ltd	NIL
NIL	Investments	NIL
	Stock, Furniture and Equipment	1,380.00
	Insurance Refund	556.50
	Rates Refund	5,077.12
	Bank Interest Gross	146.92
	Sundry Refunds	34 12
	Prepayments	618 75
	26,067.78	52,918 85
	<b>COST OF REALISATIONS</b>	
	Specific Bond	80 00
	Preparation of S.of A	5,000 00
	Liquidators' Fees	20,500 00
	Agents Fees	678.00
	Debt Collection Fees	3,607.62
	Legal Fees	1,500 00
	Corporation Tax	9 60
	Printing & Postage	310 80
	Company Searches	18 00
	Storage Costs	56 16
	Statutory Advertising	253 80
	Insurance of Assets	685.82
	(15,716.90)	(32,699.80)
	<b>PREFERENTIAL CREDITORS</b>	
(22,204 00)	Preferential Wages	NIL
(9,453 85)	Preferential Hol Pay	NIL
	NIL	NIL
	<b>FLOATING CHARGE CREDS</b>	
(235,954.34)	HSBC Bank Plc	NIL
	NIL	NIL
	<b>UNSECURED CREDITORS</b>	
(595,525 52)	Trade & Expense Creditors	NIL

**Absolute Insulation Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 15/09/2015 To 14/09/2016	From 15/09/2014 To 14/09/2016
(33,985.00)	Unsecured Directors	NIL	NIL
(140,386.91)	HM Revenue & Customs (PAYE/NIC)	NIL	NIL
(17,806.00)	HM Revenue & Customs VAT	NIL	NIL
(22,058.56)	Unsecured Employee Wages	NIL	NIL
(57,325.49)	Unsecured Pay in Lieu of Notice	NIL	NIL
(91,960.96)	Unsecured Redundancy Pay	NIL	NIL
(40,563.21)	Intercompany Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(2.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(1,243,732.16)</b>		<b>10,350.88</b>	<b>20,219.05</b>
	REPRESENTED BY		
	Bank 2 Current		20,219.05
			<b>20,219.05</b>

Absolute Insulation Limited - In Liquidation

Summary of time charged and rates applicable for the period from 15 September 2015 to 14 September 2016

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		TOTAL		AVERAGE HOURLY RATE £ P/H
	Hours	Value £	Hours	Value £	Hours	Value £	Hours	Value £	Hours	Value £	Hours	Value £	Hours	Value £	
A Pre appointment matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B Steps on appointment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C Planning and Strategy	1 00	484 00	0 30	155 00	-	-	-	-	-	-	-	-	1 50	639 00	426 00
D General administration	1 25	605 00	12 35	3,731 95	5 10	979 20	13 60	2,630 70	8 45	943 70	3 30	237 05	44 05	9,127 60	207 21
E Asset and realisations/dealing	-	-	9 40	2,918 80	1 95	374 40	1 55	297 60	-	-	-	-	12 90	3,590 80	278 36
F Trading related matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
G Employee matters	-	-	0 05	11 20	-	-	-	-	0 40	50 40	0 20	20 80	0 65	82 40	126 77
H Creditor claims	-	-	1 40	435 60	2 45	470 40	1 55	303 60	-	-	0 10	10 40	5 50	1,220 00	221 82
I Reporting	0 50	242 00	6 00	1,860 00	13 00	2,496 00	0 90	181 80	-	-	-	-	20 40	4,779 80	234 30
J Distribution and closure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
K Other work	-	-	0 60	228 00	-	-	-	-	-	-	-	-	0 60	228 00	380 00
TOTAL	2 75	1,331 00	30 30	9,340 55	22 50	4,320 00	17 60	3,413 70	8 85	994 10	3 60	268 25	85 60	19,667 60	229 76

Absolute Insulation Limited - In Liquidation

Summary of time charged and rates applicable for the period from 15 September 2014 to 14 September 2016

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		TOTAL		AVERAGE HOURLY RATE £/PH
	Hours	Value £	Hours	Value £	Hours	Value £	Hours	Value £	Hours	Value £	Hours	Value £	Hours	Value £	
A Pre appointment matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B Steps on appointment	-	-	0 40	118 00	-	-	-	-	-	-	-	-	0 40	118 00	295 00
C Planning and Strategy	1 75	829 75	1 50	450 00	-	-	-	-	-	-	-	-	3 25	1,279 75	393 77
D General administration	2 45	1,158 20	28 95	8,384 35	5 30	1,015 80	87 50	16,177 80	16 10	1,694 95	3 30	237 05	143 60	28,668 15	199 64
E Asset and realisations/dealing	1 85	852 85	46 10	13,826 30	2 25	429 30	75 80	13,973 55	-	-	-	-	126 00	29,082 00	230 81
F Trading related matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
G Employee matters	-	-	9 20	1,950 55	-	-	0 60	109 80	4 60	466 20	4 60	456 40	19 00	2,982 95	157 00
H Creditor claims	-	-	4 40	1,335 60	2 45	470 40	8 60	1 617 15	-	-	0 10	10 40	15 55	3,433 55	220 81
I Reporting	1 00	472 50	6 00	1,860 00	13 00	2,496 00	5 10	950 40	-	-	-	-	25 10	5,778 90	230 24
J Distribution and closure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
K Other work	-	-	2 30	748 20	-	-	-	-	-	-	-	-	2 30	748 20	325 30
TOTAL	7 05	3,313 30	98 85	28,673 00	23 00	4 411 50	177 60	32,828 70	20 70	2,161 15	8 00	703 85	335 20	72,091 50	215 07



## Absolute Insulation Limited - In Liquidation

In accordance with best practice we provide below details of the policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within our firm, who may be involved in working on the insolvency, follows. This in no way implies that staff at all such grades will work on the case.

GRADE	£
Partner	509
Director/Senior Manager	300-326
Manager	224-255
Assistant Manager/Senior Executive	202
Executive	172-191
Administration Assistant	110-153
Junior Administrator	87
Support staff/Secretary	69

The rates charged by BDO LLP are reviewed in December and July each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories -

- Pre Appointment
- Steps upon Appointment
- Planning and Strategy
- General Administration
- Asset Realisation/Management
- Trading Related Matters
- Employee Matters
- Creditor Claims
- Reporting
- Distribution and Closure
- Other Issues

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where officeholders' remuneration is approved on a time cost basis, the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.



## **Other Costs**

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories

### **Category 1**

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents etc. In each case the recharge will be reimbursement of a specific expense incurred.

### **Category 2**

Insolvency practice additionally provides for the recharge of expenses such as postage, stationery, photocopying charges, telephone, fax and other electronic communications, which cannot be economically recorded in respect of each specific case. Such expenses, which are apportioned to cases, must be approved by the creditors in accordance with the Insolvency Rules 1986, before they can be drawn, and these are known as category 2 disbursements. The current policy of BDO LLP is to recharge this expense on the basis of a figure based upon the number of creditors with whom we have to communicate and report during the insolvency. This is the method of calculation that was historically provided under statutory orders for the Official Receiver.

Where applicable, all disbursements will be subject to VAT at the prevailing rate.

BDO LLP

**Statement from the Insolvency Rules 1986 (as amended) regarding the rights of creditors in respect of the Joint Liquidators' fees and expenses:**

**Rule 4.49E Creditors' and members' request for further information**

**(1) If-**

- (a) within the period mentioned in paragraph (2)~
  - (i) a secured creditor, or
  - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
  - (iii) 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, or
- (b) with the permission of the court upon an application made within the period mentioned in paragraph (2)-
  - (i) any unsecured creditor, or
  - (ii) any member of the company in a members voluntary winding up,

makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4.49B(1)(e) or (f) (including by virtue of Rule 4.49C(5)) or in a draft report under Rule 4.49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter[s] in a draft report under Rule 4.49D or a progress report required by Rule 4.108 which (in either case) was previously included in a progress report not required by Rule 4.108

**(2) The period referred to in paragraph (1)(a) and (b) is-**

- (a) 7 business days of receipt (by the last of them in the case of an application by more than one member) of the progress report where it is required by Rule 4.108, and
- (b) 21 days of receipt (by the last of them in the case of an application by more than one member) of the report or draft report in any other case

**(3) The liquidator complies with this paragraph by either-**

- (a) providing all of the information asked for, or
- (b) so far as the liquidator considers that-
  - (i) the time or cost of preparation of the information would be excessive, or
  - (ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
  - (iii) the liquidator is subject to an obligation of confidentiality in respect of the information, giving reasons for not providing all of the information

**Rule 4.131 Creditors' claim that remuneration is or other expenses are excessive**

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

**(1A) Application may be made on the grounds that-**

- (a) the remuneration charged by the liquidator,
- (b) the basis fixed for the liquidator's remuneration under Rule 4.127, or
- (c) expenses incurred by the liquidator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

- (1B) The application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or, in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report, or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice but which is without notice to any other party

If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

- (3) The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders-
- (a) an order reducing the amount of remuneration which the liquidator was entitled to charge,
  - (b) an order fixing the basis of remuneration at a reduced rate or amount,
  - (c) an order changing the basis of remuneration,
  - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation,
  - (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the liquidation