

The Insolvency Act 1986

Liquidator's Statement of
Receipts and Payments
Pursuant to Section 192 of
The Insolvency Act 1986**S.192**

To the Registrar of Companies

For Official Use

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Company Number

04651103

Name of Company

Agresol Limited

I / We

Sandra McAlister
10 St Helen's Road
Swansea
SA1 4AWSimon Thomas Barriball
10 St Helen's Road
Swansea
SA1 4AWthe liquidator(s) of the company attach a copy of my/our statement of receipts and
payments under section 192 of the Insolvency Act 1986

Signed



Date

5-12-14

McAlister & Co
10 St Helen's Road
Swansea
SA1 4AW

Ref A100621/SM/STB/H J/LT

Insolve

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COMPANIES HOUSE

Statement of Receipts and Payments under section 192 of the Insolvency Act 1986

Name of Company	Agresol Limited
Company Registered Number	04651103
State whether members' or creditors' voluntary winding up	Creditors
Date of commencement of winding up	06 November 2013
Date to which this statement is brought down	05 November 2014
Name and Address of Liquidator	
Sandra McAlister 10 St Helen's Road Swansea SA1 4AW	Simon Thomas Barriball 10 St Helen's Road Swansea SA1 4AW

NOTES

You should read these notes carefully before completing the forms. The notes do not form part of the return to be sent to the registrar of companies.

Form and Contents of Statement

(1) Every statement must contain a detailed account of all the liquidator's realisations and disbursements in respect of the company. The statement of realisations should contain a record of all receipts derived from assets existing at the date of the winding up resolution and subsequently realised, including balance at bank, book debts and calls collected, property sold etc., and the account of disbursements should contain all payments of costs, charges and expenses, or to creditors or contributories. Receipts derived from deposit accounts and money market deposits are to be included in the 'balance at bank'. Only actual investments are to be included in the 'amounts invested' section in the analysis of balance on page 5 of the form. Where property has been realised, the gross proceeds of sale must be entered under realisations and the necessary payments incidental to sales must be entered as disbursements. A payment into the Insolvency Services Account is not a disbursement and should not be shown as such, nor are payments into a bank, building society or any other financial institution. However, the interest received on any investment should be shown in the realisations. Each receipt and payment must be entered in the account in such a manner as sufficiently to explain its nature. The receipts and payments must severally be added up at the foot of each sheet and the totals carried forward from one account to another without any intermediate balance, so that the gross totals represent the total amounts received and paid by the liquidator respectively.

Trading Account

(2) When the liquidator carries on a business, a trading account must be forwarded as a distinct account, and the total of receipts and payments on the trading account must alone be set out in this statement.

Dividends

(3) When dividends, instalments of compositions, etc. are paid to creditors or a return of surplus assets is made to contributories, the total amount of each dividend, etc. actually paid, must be entered in the statement of disbursements as one sum, and the liquidator must forward separate accounts showing in lists the amount of the claim of each creditor, and the amount of dividend, etc. payable to each creditor or contributory.

(4) When unclaimed dividends, etc. are paid into the Insolvency Services Account, the total amount so paid in should be entered in the statement of disbursements as one sum. The items to be paid in relation to unclaimed dividends should first be included in the realisations side of the account.

(5) Credit should not be taken in the statement of disbursements for any amount in respect of liquidator's remuneration unless it has been duly allowed by resolutions of the liquidation committee or of the creditors or of the company in general meeting, or by order of the court as the case may require, or is otherwise allowable under the provisions of the Insolvency Rules.

Liquidator's statement of account
under section 192 of the Insolvency Act 1986

Realisations			
Date	Of whom received	Nature of assets realised	Amount
		Brought Forward	0 00
25/11/2013	Gavel Auctioneers	Plant & Machinery	90,909 09
25/11/2013	Gavel Auctioneers	Vat Payable	18,181 82
30/12/2013	RBS Gross Interest	Bank Interest Gross	4 44
28/03/2014		Bank Interest Gross	13 13
27/06/2014	RBS Grs Int	Bank Interest Gross	7 04
29/09/2014	RBS Bank interest	Bank Interest Gross	4 56
28/10/2014	Funds from HSBC Finance	Book Debts Surplus from HSBC	3,320 48
Carried Forward			112,440 56

NOTE No balance should be shown on this account but only the total realisations and disbursements which should be carried forward to the next account

Disbursements			
Date	To whom paid	Nature of disbursements	Amount
		Brought Forward	0 00
25/11/2013	Gavel Auctioneers	Agents/Valuers Fees	9,090 91
25/11/2013	Gavel Auctioneers	Vat Receivable	1,818 18
25/11/2013	Gavel Auctioneers	HSBC Finance	29,406 81
25/11/2013	Gavel Auctioneers	Renault Finance/Societe General	1,346 90
25/11/2013	Gavel Auctioneers	Agents Disbursements	2,519 17
25/11/2013	Gavel Auctioneers	Vat Receivable	503 83
26/11/2013	TMP (UK) 100000968417	Statutory Advertising	70 35
26/11/2013	TMP (UK) 100000968417	Vat Receivable	14 07
26/11/2013	S of A Fee Inv 201693	Preparation of S of A	5,000 00
26/11/2013	S of A Fee Inv 201693	Vat Receivable	1,000 00
26/11/2013	Liquidator Fee Inv 201694	Liquidators Fees	4,000 00
26/11/2013	Liquidator Fee Inv 201694	Vat Receivable	800 00
19/12/2013	TMP advertising costs	Statutory Advertising	211 05
19/12/2013	TMP advertising costs	Vat Receivable	42 21
19/12/2013	MCA Invoice 201713	Liquidators Fees	3,000 00
19/12/2013	MCA Invoice 201713	Vat Receivable	600 00
03/01/2014	Lockton - Bond	Insurance of Assets	439 90
13/01/2014	HMRC VAT payable on VAT193	Vat Payable	13,403 53
01/02/2014	liquidator fees	Liquidators Fees	10,000 00
01/02/2014	liquidator fees	Vat Receivable	2,000 00
19/03/2014	Morgan Cole LLP	Legal Fees	1,500 00
19/03/2014	Morgan Cole LLP	Vat Receivable	300 00
19/03/2014	Morgan Cole LLP	Legal disbursements	6 00
30/04/2014	liquidator fees	Liquidators Fees	6,000 00
30/04/2014	liquidator fees	Vat Receivable	1,200 00
26/06/2014	Liquidator fees	Liquidators Fees	3,000 00
26/06/2014	Liquidator fees	Vat Receivable	600 00
02/07/2014	Morgan & Cole Solicitors	Professional Fees	147 00
02/07/2014	Morgan & Cole Solicitors	Vat Receivable	29 40
29/10/2014	MCA Invoice 202006	Liquidators Fees	9,200 00
29/10/2014	MCA Invoice 202006	Vat Receivable	1,840 00
Carried Forward			109,089 31

NOTE No balance should be shown on this account but only the total realisations and disbursements which should be carried forward to the next account

Analysis of balance

Total realisations	£	112,440 56
Total disbursements		109,089 31
Balance £		3,351 25
This balance is made up as follows		
1 Cash in hands of liquidator		0 00
2 Balance at bank		3,351 25
3 Amount in Insolvency Services Account		0 00
4 Amounts invested by liquidator	£	0 00
Less The cost of investments realised		0 00
Balance		0 00
5 Accrued Items		0 00
Total Balance as shown above		3,351 25

NOTE - Full details of stocks purchased for investment and any realisation of them should be given in a separate statement

The Liquidator should also state -

- (1) The amount of the estimated assets and liabilities at the date of the commencement of the winding up

	£
Assets (after deducting amounts charged to secured creditors including the holders of floating charges)	10,140 91
Liabilities - Fixed charge creditors	30,358 00
Floating charge holders	82,203 31
Preferential creditors	16,969 06
Unsecured creditors	209,646 41

- (2) The total amount of the capital paid up at the date of the commencement of the winding up -

Paid up in cash	300 00
Issued as paid up otherwise than for cash	0 00

- (3) The general description and estimated value of any outstanding assets (if there is insufficient space here, attach a separate sheet)

Book Debts

- (4) Why the winding up cannot yet be concluded

Recovery of further book debts, recovery of outstanding VAT

- (5) The period within which the winding up is expected to be completed

12 - 24 months

Agresol Limited
(In Creditors Voluntary Liquidation)

Liquidator's Report for the first year of the liquidation, 6th November 2013 to 5th November 2014

1 Introduction

We were appointed Joint Liquidator's on the 6th November 2013 by members and creditors of the company

The company's former registered office was Agresol Limited Neath Abbey Wharf Skewen Neath SA10 6BL and the company's registration number is 04651103

2 Realisation of Assets

Book Debts

The Directors Statement of Affairs showed expected book debt realisations of £70,000 subject to a finance agreement of £ with HSBC Invoice Finance (the net amount is shown as the statement of affairs figure on the attached receipts and payments) HSBC Invoice Finance have now completed collecting in the debts and a surplus of £3,320 48 was received into the liquidation

One debt was assigned back to the liquidation from HSBC Invoice Finance and further unfinanced book debts have been identified of approximately £13,176 66 However these debts have all been disputed and further realisations are unlikely

Plant & Machinery

The Directors Statement of Affairs estimated the sum of £47,000 00 would be realised in relation to unencumbered assets with a further £65,000 00 subject to finance agreements estimated at £29,358

Agents Gavel Auctioneers were instructed and dealt with the sale and are confident that the £90,909 09 (excluding VAT) realised was a fair price Unfortunately their invoice does not separate out the charged assets from the uncharged and so these have been lumped together on the receipts and payments account

An amount of £29,406 81 was paid to HSBC Finance in relation to their fixed charge

Vehicle

The Statement of Affairs also showed a vehicle estimated to be worth £12,000 with finance of £13,000 with Renault

The vehicle was sold by Gavel Auctioneers and is included in the figure of £90,909 09 for the Plant & Machinery

A payment of £1,346 90 was made to Renault/Societe General in relation to their charge

Bank Interest

A sum of £29 17 has been received, gross of tax, for bank interest

A total amount of £94,258 74 has been realised to date. A receipts and payments account is attached to this report. VAT in the sum of £5,969 40 is still to be recovered.

Ongoing Investigations

Investigations are still on-going into a number of possible assets and into the conduct of the directors. It is hoped that these investigations may lead to further realisations but at the moment this is uncertain.

3 Costs in the Liquidation

The Receipts and Payments account sets out the details of all payments made to the date of this report.

An analysis of the Liquidator's costs and time spent to the date of this report is also attached.

At the creditors meeting held on 06 November 2013 a resolution was passed that the Liquidator's be remunerated on a time cost basis according to the time properly spent by them and their staff in their duties in relation to the liquidation, this remuneration being drawn from time to time at the Liquidator's discretion.

A copy of the Liquidators time and costs is attached to this report (SIP 9) which shows that to date £42,968 75 of time costs have been incurred. Fees of £35,200 00 have been recovered leaving outstanding time costs of £7,768 75.

A description of the routine work undertaken in the liquidation to date is as follows -

1 Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation provided
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on IPS
- Review and storage
- Case bordereau
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors

2 Cashiering

- Maintaining and managing the liquidator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

3 Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on IPS
- Reviewing and adjudicating on proofs of debt received from creditors

4 Investigations

- Review and storage of books and records
- Prepare a return pursuant to the Company Directors Disqualification Act
- Conduct investigations into suspicious transactions
- Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors

5 Realisation of Assets

- Liaising with the company's bank regarding the closure of the accounts
- Liaising with relevant parties in relation to realisation of assets, namely Plant & Machinery and Book Debts

Costs which have been incurred during the period but have not been recovered from the Liquidation estate are as follows

	£
Companies House searches	18 00
Bonding	180 00
Postage	22 08
Photocopying	31 50
Total	<u>251 58</u>

The following professional advisors have been utilised in this matter -

Gavels Auctioneers	Agents fees re sale of assets	£9,090 91
Gavels Auctioneers	Agents disbursements	£2,519 17
Morgan Cole	Solicitors professional fees re advice given in regards to environmental issues	£1,500 00
Morgan Cole	Legal disbursements	£6 00
Insolvency Risk Services	Insurance of Assets	£439 90

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

At the meeting held 6th November 2013 it was also resolved that payment shall be made, as an expense of the liquidation, of the necessary expense of preparing the Statement of Affairs in the sum of £5,000 00 plus VAT.

4 Dividends

Whilst it is possible that there will be a return to preferential creditors and possibly to floating charge creditors it is not currently anticipated that any dividend will become payable unsecured creditors in this liquidation. However this may change depending on our ongoing investigations.

5 Conclusion

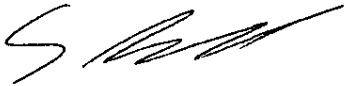
The liquidation remains open at this time to continue the investigations into trading activities and assets of the company, together with the recover of outstanding VAT and the pursuit of the remaining book debts. It is anticipated that the liquidation will be closed within the next 12-24 months.

I attach a copy of Rule "4 49E Creditors' and members' request for further information" and Rule "4 131 Creditors' claim that remuneration is or other expenses are excessive" of the Insolvency Rules (as amended) 1986 for your reference

Should you require any further information please contact my Swansea office



Sandra McAlister FCCA, MABRP
Joint Liquidator



Simon Barriball FCCA
Joint Liquidator

5th December 2014

McAlister & Co
10 St Helens Road
Swansea
SA1 4AW

Agresol Limited
(In Liquidation)

S' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 06/11/2013 To 05/11/2014 £	From 06/11/2013 To 05/11/2014 £
RECEIPTS			
Plant & Machinery (HSBC Finance)	65,000 00	0 00	0 00
Plant & Machinery	47,000 00	90,909 09	90,909 09
Book Debts Surplus from HSBC	9,702 22	3,320 48	3,320 48
Bank Interest Gross		29 17	29 17
Vat Payable		4,778 29	4,778 29
		<u>99,037 03</u>	<u>99,037 03</u>
PAYMENTS			
HSBC Finance	(29,358 00)	29,406 81	29,406 81
Renault Finance/Societe General	(1,000 00)	1,346 90	1,346 90
Preparation of S of A		5,000 00	5,000 00
Professional Fees		147 00	147 00
Liquidators Fees		35,200 00	35,200 00
Agents/Valuers Fees		9,090 91	9,090 91
Agents Disbursements		2,519 17	2,519 17
Legal Fees		1,500 00	1,500 00
Legal disbursements		6 00	6 00
Statutory Advertising		281 40	281 40
Insurance of Assets		439 90	439 90
Employee - Wage Arrears/Holiday Pay	(16,969 06)	0 00	0 00
Floating Charge Creditor	(82,203 31)	0 00	0 00
Trade & Expense Creditors	(160,452 12)	0 00	0 00
Employees	(30,440 35)	0 00	0 00
Directors	(17,753 94)	0 00	0 00
Ordinary Shareholders	(300 00)	0 00	0 00
Vat Receivable		10,747 69	10,747 69
		<u>95,685 78</u>	<u>95,685 78</u>
BALANCE - 05 November 2014			<u><u>3,351.25</u></u>

A CREDITORS' GUIDE TO LIQUIDATORS' FEES

ENGLAND AND WALES

1 Introduction

- 1.1 When a company goes into liquidation the costs of the proceedings are paid out of its assets. The creditors, who hope to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as liquidator. The insolvency legislation recognises this interest by providing mechanisms for creditors to fix the basis of the liquidator's fees. This guide is intended to help creditors be aware of their rights to approve and monitor fees, explains the basis on which fees are fixed and how creditors can seek information about expenses incurred by the liquidator and challenge those they consider to be excessive.

2 Liquidation procedure

- 2.1 Liquidation (or 'winding up') is the most common type of corporate insolvency procedure. Liquidation is the formal winding up of a company's affairs entailing the realisation of its assets and the distribution of the proceeds in a prescribed order of priority. Liquidation may be either voluntary, when it is instituted by resolution of the shareholders, or compulsory, when it is instituted by order of the court.
- 2.2 Voluntary liquidation is the more common of the two. An insolvent voluntary liquidation is called a creditors' voluntary liquidation (often abbreviated to 'CVL'). In this type of liquidation an insolvency practitioner acts as liquidator throughout and the creditors can vote on the appointment of the liquidator at the first meeting of creditors.
- 2.3 In a compulsory liquidation on the other hand, the function of liquidator is, in most cases, initially performed not by an insolvency practitioner but by an official called the official receiver. The official receiver is an officer of the court and an official belonging to The Insolvency Service. In most compulsory liquidations, the official receiver becomes liquidator immediately on the making of the winding-up order. Where there are significant assets an insolvency practitioner will usually be appointed to act as liquidator in place of the official receiver, either at a meeting of creditors convened for the purpose or directly by The Insolvency Service on behalf of the Secretary of State. Where an insolvency practitioner is not appointed the official receiver remains liquidator.
- 2.4 Where a compulsory liquidation follows immediately on an administration the court may appoint the former administrator to act as liquidator. In such cases the official receiver does not become liquidator. An administrator may also subsequently act as liquidator in a CVL.

3 The liquidation committee

- 3.1 In a liquidation (whether voluntary or compulsory) the creditors have the right to appoint a committee called the liquidation committee, with a minimum of 3 and a maximum of 5 members, to monitor the conduct of the liquidation and approve the liquidator's fees. The committee is usually established at the creditors' meeting which appoints the liquidator, but in cases where a liquidation follows immediately on an administration any committee established for the purposes of the administration will continue in being as the liquidation committee.
- 3.2 The liquidator must call the first meeting of the committee within 6 weeks of its establishment (or his appointment if that is later), and subsequent meetings must be held either at specified dates agreed by the committee, or when requested by a member of the committee, or when the liquidator decides he needs to hold one. The liquidator is required to report to the committee at least every 6 months on the progress of the liquidation, unless the committee directs otherwise. This provides an opportunity for the committee to monitor and discuss the progress of the insolvency and the level of the liquidator's fees.

4 Fixing the liquidator's remuneration

- 4.1 The basis for fixing the liquidator's remuneration is set out in Rules 4.127 – 4.127B of the Insolvency Rules 1986. The Rules state that the remuneration shall be fixed

- as a percentage of the value of the assets which are realised or distributed or both,
- by reference to the time properly given by the liquidator and his staff in attending to matters arising in the liquidation, or
- as a set amount.

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the liquidator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the liquidator.

It is for the liquidation committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the committee to determine the percentage or percentages to be applied. Rule 4.127 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case,
- any responsibility of an exceptional kind or degree which falls on the liquidator in connection with the insolvency,
- the effectiveness with which the liquidator appears to be carrying out, or to have carried out, his duties,
- the value and nature of the assets which the liquidator has to deal with.

- 4.2 If there is no liquidation committee, or the committee does not make the requisite determination, the liquidator's remuneration may be fixed by a resolution of a meeting of creditors. The creditors take account of the same matters as apply in the case of the committee. A resolution specifying the terms on which the liquidator is to be remunerated may be taken at the meeting which appoints the liquidator.

4 3 If the remuneration is not fixed as above, it will be fixed in one of the following ways. In a CVL, it will be fixed by the court on application by the liquidator, but the liquidator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 18 months after his appointment. In a compulsory liquidation, it will be in accordance with a scale set out in the Rules.

4 4 Where the liquidation follows directly on from an administration in which the liquidator had acted as administrator, the basis of remuneration fixed in the administration continues to apply in the liquidation (subject to paragraph 8 below).

5 Review of remuneration

Where there has been a material and substantial change in circumstances since the basis of the liquidator's remuneration was fixed, the liquidator may request that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6 What information should be provided by the liquidator?

6 1 When seeking remuneration approval

6 1 1 When seeking agreement to his fees the liquidator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on:

- the nature of the approval being sought,
- the stage during the administration of the case at which it is being sought, and
- the size and complexity of the case.

6 1 2 Where, at any creditors' or committee meeting, the liquidator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

6 1 3 Where the liquidator seeks agreement to his fees during the course of the liquidation, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the liquidator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the liquidator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the liquidator must fulfill certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4 1 above. To enable this assessment to be carried out it may be necessary for the liquidator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff:

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the liquidator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain:

- Any significant aspects of the case, particularly those that affect the amount of time spent.
- The reasons for subsequent changes in strategy.
- Any comments on any figures in the summary of time spent accompanying the request the liquidator wishes to make.
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement.
- Any existing agreement about fees.
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees.

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

6 1 4 Where the fee is charged on a percentage basis the liquidator should provide details of any work which has been or is intended to be subcontracted out which would normally be undertaken directly by a liquidator or his staff.

6.2 After remuneration approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the liquidator should notify the creditors of the details of the resolution in his next report or circular to them. When subsequently reporting to creditors on the progress of the liquidation, or submitting his final report, he should specify the amount of remuneration he has drawn in accordance with the resolution (see further paragraph 7.1 below). Where the fee is based on time costs he should also provide details of the time spent and chargeout value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 6.1.3. Where the fee is charged on a percentage basis the liquidator should provide the details set out in paragraph 6.1.4 above regarding work which has been sub-contracted out.

6.3 Disbursements and other expenses

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements, but there is provision for the creditors to challenge them, as described below. Professional guidance issued to insolvency practitioners requires that, where the liquidator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the liquidator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

6.4 Realisations for secured creditors

Where the liquidator realises an asset on behalf of a secured creditor and receives remuneration out of the proceeds (see paragraph 11.1 below), he should disclose the amount of that remuneration to the committee (if there is one), to any meeting of creditors convened for the purpose of determining his fees, and in any reports he sends to creditors.

7 Progress reports and requests for further information

7.1 The liquidator is required to send annual progress reports to creditors. The reports must include

- details of the basis fixed for the remuneration of the liquidator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it),
- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report),
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report,
- a statement of the expenses incurred by the liquidator during the period of the report, irrespective of whether payment was actually made during that period,
- a statement of the creditors' rights to request further information, as explained in paragraph 7.2, and their right to challenge the liquidator's remuneration and expenses.

7.2 Within 21 days of receipt of a progress report (or 7 business days where the report has been prepared for the purposes of a meeting to receive the liquidator's resignation) a creditor may request the liquidator to provide further information about the remuneration and expenses set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

7.3 The liquidator must provide the requested information within 14 days, unless he considers that

- the time and cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the liquidation or might be expected to lead to violence against any person, or
- the liquidator is subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing the information.

Any creditor may apply to the court within 21 days of the liquidator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

8 Provision of information – additional requirements

The liquidator must provide certain information about the time spent on the case, free of charge, upon request by any creditor, director or shareholder of the company.

The information which must be provided is –

- the total number of hours spent on the case by the liquidator or staff assigned to the case,
- for each grade of staff, the average hourly rate at which they are charged out,
- the number of hours spent by each grade of staff in the relevant period.

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the liquidator's appointment, or where he has vacated office, the date that he vacated office.

The information must be provided within 28 days of receipt of the request by the liquidator, and requests must be made within two years from vacation of office

9 What if a creditor is dissatisfied?

9.1 Except in cases where there is a liquidation committee it is the creditors as a body who have authority to approve the liquidator's fees. To enable them to carry out this function they may require the liquidator to call a creditors' meeting. In order to do this at least ten per cent in value of the creditors must concur with the request, which must be made to the liquidator in writing.

9.2 If a creditor believes that the liquidator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the liquidator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court.

9.3 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the liquidator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 7.1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the liquidator a copy of the application and supporting evidence at least 14 days before the hearing.

9.4 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not out of the assets of the insolvent company.

10 What if the liquidator is dissatisfied?

If the liquidator considers that the remuneration fixed by the liquidation committee, or in the preceding administration, is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the liquidation committee, the creditors, in the preceding administration or in accordance with the statutory scale is insufficient, or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court he must give at least 14 days' notice to the members of the committee and the committee may nominate one or more of its members to appear or be represented at the court hearing. If there is no committee, the liquidator's notice of his application must be sent to such of the creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid out of the assets.

11 Other matters relating to remuneration

11.1 Where the liquidator realises assets on behalf of a secured creditor he is entitled to be remunerated out of the proceeds of sale in accordance with a scale set out in the Rules. Usually, however, the liquidator will agree the basis of his fee for dealing with charged assets with the secured creditor concerned.

11.2 Where two (or more) joint liquidators are appointed it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute between them may be referred to the court, the committee or a meeting of creditors.

11.3 If the appointed liquidator is a solicitor and employs his own firm to act in the insolvency, profit costs may not be paid unless authorised by the committee, the creditors or the court.

11.4 If a new liquidator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new liquidator until a further determination, resolution or court order is made.

11.5 Where the basis of the remuneration is a set amount, and the liquidator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing liquidator. The application must be made to the same body as approved the remuneration. Where the outgoing liquidator and the incoming liquidator are from the same firm, they will usually agree the apportionment between them.

11.6 There may also be occasions when creditors will agree to make funds available themselves to pay for the liquidator to carry out tasks which cannot be paid for out of the assets, either because they are deficient or because it is uncertain whether the work undertaken will result in any benefit to creditors. Arrangements of this kind are sometimes made to fund litigation or investigations into the affairs of the insolvent company. Any arrangements of this nature will be a matter for agreement between the liquidator and the creditors concerned and will not be subject to the statutory rules relating to remuneration.

12 Effective date

This guide applies where a company -

- goes into liquidation on a winding-up resolution passed on or after 6 April 2010,
- goes into voluntary liquidation immediately following an administration on or after 6 April 2010, except where the preceding administration began before that date,
- goes into compulsory liquidation as the result of a petition presented on or after 6 April 2010, except where the liquidation was preceded by
 - an administration which began before that date,
 - a voluntary liquidation in which the winding-up resolution was passed before that date.

Time Entry - SIP9 Time & Cost Summary

A100621 - Agresol Limited
Project Code POST
From 06/11/2013 To 05/11/2014

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	16.25	5.50	0.00	6.85	28.60	7,677.50	268.44
Case Specific Matters	9.50	0.00	0.00	6.25	15.75	4,017.50	255.08
Creditors	21.75	0.00	0.00	13.00	34.75	9,485.00	272.95
Investigations	28.25	16.85	0.00	3.00	48.10	13,281.25	276.12
Realisation of Assets	25.00	0.70	0.00	1.75	27.45	8,507.50	309.93
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	100.75	23.05	0.00	30.85	154.65	42,968.75	277.85
Total Fees Claimed						35,200.00	
Total Disbursements Claimed						0.00	

MCALISTER & CO INSOLVENCY PRACTITIONERS LIMITED

MCALISTER & CO CHARGE OUT RATES

POSITION	HOURLY CHARGE OUT RATE (£)
Director & Licensed Insolvency Practitioner	250 - 320
Manager	160 - 225
Case Administrator	110 - 205
Assistant	75 - 140
Secretarial and cashiering	50 - 75

Please note that our system records time in units of 6 minutes, with a minimum of 1 unit per entry

MCALISTER & CO DISBURSEMENT CHARGES

Category 2 disbursement rates (as defined in SIP 9 – requiring prior approval of creditors)

Photocopying/Printing	15p per sheet
Fax	40p per sheet
Postage	Per current postal charges
IPS charge	£8 per quarter
Mileage	45p mile
Meeting Room Hire	£60 per meeting where held at McAlister & Co offices

Standard Activity

Example of Work

<i>Administration and Planning</i>	Statutory reporting and compliance Compliance with other regulatory requirements Case planning Administrative set up Appointment notification Maintenance of records and progress reviews
<i>Investigation</i>	SIP 2 review CDDA report Review of questionnaires Investigation of antecedence transactions Liaising with committee
<i>Realisation of Assets</i>	Identification, secure and insure assets Retention of property Debt collection Property, business and asset sales
<i>Trading</i>	Management of operation Accounting for trading On-going employee issues
<i>Creditors</i>	Communication with creditors Creditors' claim and queries Reservation of title claims Employee claims and Redundancy Payments claims Preferential Claims Reviewing and evaluating claims

Rates quoted are correct as at 29 July 2013. All rates are subject to review annually. There may be a number of promotions throughout the various grades during the administration of cases. We reserve the right to change the rates without prior notice. Any change will be reported in the next statutory report to creditors. Should you require clarification on any of the above, do not hesitate to contact McAlister & Co on 01792 459600.

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 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

(4) Any creditor, and any member of the company in a members' voluntary winding up, who need not be the same as the creditors or members who asked for the information, may apply to the court within 21 days of—

- (a) the giving by the liquidator of reasons for not providing all of the information asked for, or
- (b) the expiry of the 14 days provided for in paragraph (1), and the court may make such order as it thinks just

(5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks or, as the case may be, 4 weeks provided for in Rule 4 131(1B) or 4 148C(2) by such further period as the court thinks just

(6) This Rule does not apply where the liquidator is the official receiver

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 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