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

LIQ03

Notice of progress report in voluntary winding up

Companies House

MONDAY

A9A74SWY

A08 27/07/2020 #61

COMPANIES HOUSE

1 Company details

Company number	0 5 0 6 0 3 7 6
Company name in full	C.K Design & Shopfitting Limited

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

2 Liquidator's name

Full forename(s)	Andrew
Surname	Davenport

3 Liquidator's address

Building name/number	Maxim
Street	Omega Court
	358 Cemetery Road
Post town	Sheffield
County/Region	South Yorkshire
Postcode	S 1 1 8 F T
Country	

4 Liquidator's name ❶

Full forename(s)	
Surname	

❶ **Other liquidator**
Use this section to tell us about another liquidator.

5 Liquidator's address ❷

Building name/number	
Street	
Post town	
County/Region	
Postcode	
Country	

❷ **Other liquidator**
Use this section to tell us about another liquidator.

LIQ03
Notice of progress report in voluntary winding up

6 Period of progress report

From date	d 1 d 6	m 0 m 7	y 2 y 0 y 1 y 9
To date	d 1 d 5	m 0 m 7	y 2 y 0 y 2 y 0

7 Progress report

☑ The progress report is attached

8 Sign and date

Liquidator's signature	Signature X	X
Signature date	d 2 d 4	m 0 m 7 y 2 y 0 y 2 y 0

LIQ03

Notice of progress report in voluntary winding up

Presenter information

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

Contact name: Jonathan Cutts

Company name: Maxim

Address: Omega Court

358 Cemetery Road

Post town: Sheffield

County/Region: South Yorkshire

Postcode: S 1 1 8 F T

Country:

DX:

Telephone: 0114 349 6927

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

Important information

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

Where to send

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

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

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse 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

XCVL1205P

C.K Design & Shopfitting Limited (in Creditors' Voluntary Liquidation)

Progress report pursuant to Section 104A of the Insolvency Act 1986 and Rule 18.3 of the Insolvency Rules 2016

Period: 16 July 2019 to 15 July 2020

Important Notice

This progress report has been produced solely to comply with my statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them or by any other person for any purpose whatsoever.

Contents

- Interpretation
- Company information
- Details of appointment of the Liquidator
- Progress during the period
- Estimated outcome for creditors
- Remuneration and disbursements
- Liquidator's expenses
- Assets that remain to be realised and other matters to be dealt with
- Other relevant information
- Creditors' rights
- Conclusion
- Appendices
    1. Liquidator's account of receipts and payments
    2. Liquidator's time costs and disbursements
    3. Statement of Liquidator's expenses

1. INTERPRETATION

Expression	Meaning
"the Company"	C.K Design & Shopfitting Limited (in Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of a liquidator on 16 July 2019 via the deemed consent procedure
"the Liquidator"	Andrew Davenport of Maxim, Omega Court, 358 Cemetery Road, Sheffield S11 8FT
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	C.K Design & Shopfitting Limited
Company registered number:	05060376
Company registered office:	c/o Maxim, Omega Court, 358 Cemetery Road, Sheffield S11 8FT
Former trading address:	Units 6-11, 165 Watch House Lane, Doncaster DN5 9LX

3. DETAILS OF APPOINTMENT OF THE LIQUIDATOR

Date winding up commenced:	16 July 2019
Date of liquidator's appointment:	16 July 2019
Changes in liquidator (if any):	N/a

4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is my abstract of receipts and payments for the period from 16 July 2019 to 15 July 2020.

Receipts

- **Machinery, Tools & Equipment**

  It was anticipated on the Statement of Affairs that £15,000.00 would be realised from the sale of the Company's machinery, tools and equipment, and that a further £2,696.00 would be realised in relation to the equity in a piece of machinery financed with Close Brothers Asset Finance. The total amount anticipated to be realised was therefore £17,696.00. An offer of £18,150.00 was received from CDM Design & Shopfitting Limited, an associated company, for the purchase of these assets. After liaising with BPI Asset Advisory, a firm of professional valuers and auctioneers (RICS qualified surveyors), this offer was accepted as it was higher than the amount expected to be received on the Statement of Affairs and there were no other interested parties. Funds of £18,150.00 were duly received.

- **Motor vehicle**

  It was anticipated on the Statement of Affairs that £500.00 would be realised from the sale of the Company's motor vehicle. An offer of £500.00 was received from CDM Design & Shopfitting Limited for the purchase of this asset. After liaising with BPI Asset Advisory, this offer was accepted as it was in line with the amount expected to be received on the Statement of Affairs and there were no other interested parties. Funds of £500.00 were duly received.

- **Stock**

  It was anticipated on the Statement of Affairs that £1,350.00 would be realised from the sale of the Company's stock. An offer of £1,350.00 was received from CDM Design & Shopfitting Limited for the

purchase of the stock. After liaising with BPI Asset Advisory, this offer was accepted as it was in line with the amount expected to be received on the Statement of Affairs and there were no other interested parties. Funds of £1,350.00 were duly received.

- **Book Debts**

  The Statement of Affairs indicated that the Company had debtors with a book value of £17,180.00 and it was anticipated that 50% of these funds would be collectable. As a result of my collection efforts, funds totalling £6,512.52 were realised. My collection efforts have now been concluded.

- **Bank Interest**

  Bank interest of £26.70 was earned on the funds held.

Payments

- **Agent's/Valuer's Fees**

  I paid £1,180.00 to BPI Asset Advisory for providing me with a valuation of the Company's assets and advising on their sale.

- **Statutory Advertising**

  The sum of £147.10 was paid to Gazette Direct for advertising the initial meetings of members and my appointment as liquidator. This is a requirement of the Insolvency Act 1986.

5. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of my appointment (as detailed in the Company's Statement of Affairs) are as follows:

Secured creditors

Close Brothers Asset Finance held a secured charge over a piece of machinery owned by the Company. The indebtedness to Close Brothers Asset Finance was £5,304.00, as at the date of liquidation. This amount was paid in full by Colin Tempest, the director of the Company, shortly after liquidation. As there was equity in the machine, an amount of £2,696.00 was paid to the liquidation estate by CDM Design & Shopfitting Limited, as detailed previously in this report.

Preferential creditors

Claims in respect of outstanding holiday pay were made by employees of the Company to the Redundancy Payments Office ("RPO").

A preferential claim has yet to be received from the RPO, however, based on realisations to date and estimated future realisations, there will be insufficient funds available to enable a dividend to be paid in respect of any claim.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the Liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential

debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- 50% of the first £10,000 of net property;
- 20% of net property thereafter;
- Up to a maximum amount to be made available of £600,000

The Liquidator will not be required to set aside the prescribed part of net property if:

- the net property is less than £10,000 and the Liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- the Liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

To the best of my knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

Unsecured creditors

Unsecured creditors were estimated at £271,862.00.

Based upon realisations to date and estimated future realisations, there will be insufficient funds available to enable a dividend to be paid to unsecured creditors.

6. REMUNERATION & DISBURSEMENTS

The following resolutions by correspondence were passed by creditors, on 9 April 2020, in relation to my remuneration and disbursements:

1. THAT the Liquidator be authorised to pay £5,000.00 plus disbursements, plus VAT, to Maxim for assisting in the preparation of the Statement of Affairs and the deemed consent procedure used to appoint a Liquidator.
2. THAT the Liquidator's remuneration be fixed by reference to the time properly given by him (as Liquidator) and the various grades of his staff calculated at the prevailing hourly charge-out rates of Maxim for attending to matters arising in the winding up.*
3. THAT the Liquidator be authorised to draw disbursements, including disbursements for services provided by his firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9), in accordance with his firm's policy.

* This was based on a fees estimate of £20,435.50.

My time costs for the period 16 July 2019 to 15 July 2020 amount to £16,652.00 which represents 60.00 hours at an average rate of £277.53 per hour.

The following further information in relation to my time costs and disbursements is set out at Appendix 2:

- Narrative summary of office holder's time costs and expenses,
- Table of time spent and charge-out value for the period 16 July 2019 to 15 July 2020,

- Maxim's charging policy.

I have not drawn any funds in respect of my remuneration or disbursements during the period of this report.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2017', which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration, and on how the remuneration is set, can be obtained online at www.maximrecovery.co.uk/resources/creditor-guides. Alternatively, if you require a hard copy of the Guide, please contact my office and I will arrange to send you a copy.

7. LIQUIDATOR'S EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3.

8. ASSETS THAT REMAIN TO BE REALISED AND OTHER MATTERS TO BE DEALT WITH

There are no remaining assets to be realised, however, I am currently awaiting receipt of a final VAT refund from HM Revenue & Customs in relation to the case.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on director's conduct

You may be aware that the Liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, the Liquidator is also required to consider the conduct of the Company's director and to make an appropriate submission to the Secretary of State (formerly submitted to the Department for Business, Energy and Industrial Strategy). I can confirm that I have discharged my duties in these respects.

Investigations carried out to date

I have made an initial assessment as to whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate, and I concluded that no further investigations were necessary.

Connected party transactions

In accordance with Statement of Insolvency Practice 13, I confirm that the following assets were sold to CDM Design & Shopfitting Limited, an associated company:

Date of sale	Asset sold and nature of transaction	Consideration paid and dates	Name of Purchaser	Relationship with the Company
26/07/2019	Machinery, Tools, Equipment, Motor Vehicle and Stock (paid via direct bank transfers to Maxim)	£24,000.00 (£20,000.00 plus VAT) – received by Maxim as follows: 02/09/2019: £4000.00 30/09/2019: £4000.00 30/10/2019: £4000.00 02/12/2019: £4000.00 15/01/2020: £4000.00 04/02/2020: £4000.00	CDM Design & Shopfitting Limited	Associated company (common directors/shareholders)

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that I provide further information about my remuneration or expenses which have been detailed in this progress report.

Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for my remuneration is inappropriate.

11. CONCLUSION

I will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.

Andrew Davenport
Liquidator

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 16 July 2019 to 15 July 2020

C.K Design & Shopfitting Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments
To 15/07/2020

S of A £		£	£
	SECURED ASSETS		
8,000.00	Machinery	NIL	
			NIL
	SECURED CREDITORS		
(5,304.00)	Close Brothers Asset Finance	NIL	
			NIL
	ASSET REALISATIONS		
15,000.00	Machinery, Tools & Equipment	18,150.00	
500.00	Motor Vehicle	500.00	
1,350.00	Stock	1,350.00	
8,590.00	Book Debts	6,512.52	
	Bank Interest	26.70	
			26,539.22
	COST OF REALISATIONS		
	Agent's/Valuer's Fees	1,180.00	
	Statutory Advertising	147.10	
			(1,327.10)
	PREFERENTIAL CREDITORS		
(4,041.00)	Employees (Holiday Pay)	NIL	
			NIL
	UNSECURED CREDITORS		
(96,342.00)	Trade & Expense Creditors	NIL	
(77,914.00)	Employees (Redund/PIL of Notice)	NIL	
(21,069.00)	Director's Loan Account	NIL	
(8,795.00)	Barclays Bank plc	NIL	
(12,415.00)	HM Revenue & Customs (PAYE/NIC)	NIL	
(53,676.00)	HM Revenue & Customs (VAT)	NIL	
(1,651.00)	HM Revenue & Customs (Corp Tax)	NIL	
			NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholder	NIL	
			NIL
(247,867.00)			**25,212.12**
	REPRESENTED BY		
	Bank 1 Current		27,212.12
	Vat Payable		(2,000.00)
			25,212.12

TIME COSTS AND DISBURSEMENTS

a. Narrative Summary of office holder's time costs and expenses,

b. Table of time spent and charge-out value for the period from 16 July 2019 to 15 July 2020,

c. Maxim's charging policy.

C.K Design & Shopfitting Limited - in Creditors' Voluntary Liquidation

NARRATIVE SUMMARY OF OFFICE HOLDERS' TIME COSTS & EXPENSES

This summary, which should be read in conjunction with the Time Costs Analysis for the period of the report attached, is intended to provide sufficient information to enable the body responsible for the approval of my fees to consider the level of my fees and expenses in the context of the case.

Details of the types of work that generally fall into the headings mentioned below are available on my firm's website – www.maximrecovery.co.uk/work-details/. Under the following headings I have explained the specific work that I have undertaken on this case. Not every piece of work has been described, but I have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what work has been done, why that work was necessary and what financial benefit (if any) the work has provided to creditors.

What work has been done in the period of the report, why was that work necessary and what has been the financial benefit (if any) to creditors?

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached.

Administration & Planning

All work undertaken in respect of general case administration was conducted in compliance with the Insolvency Act, Rules and best practice. All time spent in conducting the administration of the case was proportionate to the complexity of the case. In this instance, there were no exceptional issues to be dealt with regard to the case administration.

The above work has been carried out to ensure the efficient administration of the case which included periodic reviews of case progression and maintaining/reconciling the case bank account on a monthy basis.

Creditors

All work undertaken in this category was conducted as per statutory requirements. No unsecured creditor claims have been agreed as, based on present information, there will be insufficient funds available to pay a dividend to unsecured creditors, after accounting for the costs of liquidation.

A significant amount of time was spent on dealing with claims received from former employees of the Company in respect of redundancy related entitlements. I have liaised with the Redundancy Payments Office ("RPO") in respect of these claims and they have now been finalised. A claim has not yet been received from the RPO in relation to the employee claims, however, there will be insufficient funds, after accounting for the costs of liquidation, to pay a dividend in respect of any claim.

Time was spent on dealing with the Company's pension scheme. I liaised with the Company's pension provider and reviewed the Company's records and I determined that there were no unpaid pension contributions due to the pension scheme in respect of its members.

Time was spent on preparing and issuing a report to creditors in order to seek approval of my remuneration, along with preparing and issuing this first progress report to creditors.

Investigations

I have carried out investigations into the Company's affairs in order to ensure that all assets of the Company have been identified and appropriately dealt with. My initial assessment as to whether there could be any matters that could lead to any recoveries for the estate led to me concluding that there were no further potential recoveries and no further investigations were required.

I have also undertaken investigations into the conduct of the Company's director and submitted a report to the Department for Business, Energy and Industrial Strategy ("BEIS"). Although this work did not provide any financial benefit to creditors, it is work I was required to undertake to be satisfied that all assets have been disclosed by the director of the Company and to also ensure that I complied with my statutory obligations under the Company Directors Disqualification Act 1986 ("CDDA 86").

Realisation of assets

The assets I have dealt with comprised machinery, tools, equipment, a motor vehicle, stock and book debts. Funds totalling £26,512.52 were realised in respect of these assets as detailed in the attached abstract of receipts and payments for the period 16 July 2019 to 15 July 2020. Further details are provided below:

It was anticipated on the Statement of Affairs that £15,000.00 would be realised from the sale of the Company's machinery, tools and equipment, and that a further £2,696.00 would be realised in relation to the equity in a piece of machinery financed with Close Brothers Asset Finance. The total amount anticipated to be realised was therefore £17,696.00. An offer of £18,150.00 was received from CDM Design & Shopfitting Limited, an associated company, for the purchase of these assets. After liaising with BPI Asset Advisory, a firm of professional valuers and auctioneers (RICS qualified surveyors), this offer was accepted as it was higher than the amount expected to be received on the Statement of Affairs and there were no other interested parties. Funds of £18,150.00 were duly received.

It was anticipated on the Statement of Affairs that £500.00 would be realised from the sale of the Company's motor vehicle. An offer of £500.00 was received from CDM Design & Shopfitting Limited, for the purchase of these assets. After liaising with BPI Asset Advisory, this offer was accepted as it was in line with the amount expected to be received on the Statement of Affairs and there were no other interested parties.

It was anticipated on the Statement of Affairs that £1,350.00 would be realised from the sale of the Company's stock. An offer of £1,350.00 was received from CDM Design & Shopfitting Limited, for the purchase of these assets. After liaising with BPI Asset Advisory, this offer was accepted as it was in line with the amount expected to be received on the Statement of Affairs and there were no other interested parties.

The combined offer from CDM Design & Shopfitting Limited to purchase the Company's assets was £20,000.00 (as detailed above). Funds of £20,000.00 were duly received from CDM Design & Shopfitting Limited, via regular monthly payments, over a period of 6 months.

The Statement of Affairs indicated that the Company had debtors with a book value of £17,180.00 and it was anticipated that 50% of these funds would be collectable. As a result of my collection efforts, funds totalling £6,512.52 have been realised and no further funds are expected to be received.

In addition, bank interest of £26.70 has been earned on the funds held.

Time Costs Analysis

An analysis of time costs for the period of 16 July 2019 to 15 July 2020 is attached, showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type.

Work undertaken prior to appointment

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to my appointment in asssiting the director with the deemed consent procedure

used to appoint a liquidator and in preparing the Statement of Affairs, were approved by creditors via resolutions passed by correspondence on 9 April 2020. These costs amounted to £5,000.00 and have not yet been drawn.

Expenses

The expenses I have incurred during the period of this report are detailed at Appendix 3.

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

Administration & Planning

The continued administration of the case is required up until conclusion. This includes ensuring that any work undertaken is conducted in compliance with The Insolvency Act, Rules and best practice. This work is necessary in order to ensure the orderly and efficient winding up of the Company. This will include:

- general administration of the case (including filing and photocopying),
- updating final checklists (computerised and manual),
- final case review,
- closing computerised system,
- submitting forms to Companies House,
- closing bank account,
- releasing bonding.

It is estimated that the time costs for completing the above work will be £2,300.00. This represents 8.00 hours at an average hourly charge out rate of £287.50.

Creditors

The following work will be required under this category:

- First progress report to creditors.
- Preparation of my final account to creditors.

The remaining work to be carried out is necessary to ensure that the winding up is concluded in an orderly and efficient manner and to ensure compliance with the Insolvency Act, Rules and best practice.

It is estimated that the time costs for completing the above work will be £2,587.50. This represents 9.50 hours at an average hourly charge out rate of £272.36.

Expenses

I do not expect to incur any further expenses in connection with the work that remains to be done.

Information in relation to Fees Estimate and anticipated Liquidator's remuneration

		£
Total time costs to date (see Time Costs Analysis)	-	16,652.00
Estimate future time costs (see above)	-	4,887.50
Total time costs		21,539.50

As detailed above, the total cost of the time spent by me and my staff in attending to all matters arising in the winding-up is estimated to be £21,539.50. My remuneration was approved on a time costs basis after providing creditors with a fees estimate of £20,435.50. The amount of liquidator's fees I will be able to draw on the case is anticipated to be £19,352.84. Consequently, I do not intend to put forward a revised fees estimate to creditors and the remainder of my time costs (£2,186.66) shall be written off as irrecoverable.

Expenses

I do not expect to incur any further expenses in connection with the work that remains to be done.

Time Entry - SIP9 Time & Cost Summary

CKD001 - C.K Design & Shopfitting Limited
Project Code: POST
From: 16/07/2019 To: 15/07/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Senior Manager	Senior Administrator	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	8.90	9.20	0.00	0.00	0.00	0.00	18.10	5,186.50	286.55
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	8.40	14.10	0.00	0.00	0.00	0.00	22.50	6,141.00	272.93
Investigations	3.70	5.10	0.00	0.00	0.00	0.00	8.80	2,449.50	278.35
Realisation of Assets	3.80	6.80	0.00	0.00	0.00	0.00	10.60	2,875.00	271.23
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	**24.80**	**35.20**	**0.00**	**0.00**	**0.00**	**0.00**	**60.00**	**16,652.00**	**277.53**

PRIVATE AND CONFIDENTIAL
NOT FOR PUBLICATION

DISBURSEMENTS AND CHARGEOUT RATES

MAXIM CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance[1] requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm and also where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest. Best practice guidance requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.

- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

  (A) The following items of expenditure are charged to the case (subject to approval):

  - Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £50.00 per meeting;
  - Car mileage is charged at the rate of 45 pence per mile;
  - Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes

[1] Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates;

- Photocopying/paper: 15 pence per sheet, irrespective of size, in respect of circulars to creditors only.
- In addition to the 2 categories referred to above, best practice guidance indicates that where payments are made to outside parties in which the office holder or his firm or any associate has an interest these should be treated as Category 2 disbursements.

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*:

- Telephone and facsimile
- General printing and photocopying
- Stationery

STANDARD CHARGEOUT RATES AND CHARGING POLICY FOR CREDITORS' VOLUNTARY LIQUIDATIONS

At the date of this report, the rates charged by Maxim for the various grades of staff that may work on a case are as follows:

Grade of Staff	Charge-out Rate (£ per hour)
Director/Insolvency Practitioner	345
Senior Manager	260
Manager	230
Assistant Manager	205
Senior Administrator	185
Administrator	150
Office Support	100

Time is recorded in units of 0.10 of an hour (i.e. 6 minute units).

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Postage	Royal Mail	98.74	0.00	98.74
Bonding	March Limited	430.00	0.00	430.00
Agent's/Valuer's Fees	BPI Asset Advisory	1,180.00	1,180.00	0.00
Statutory Advertising	Gazette Direct	147.10	147.10	0.00
Category 2 disbursements (for further details see Maxim's charging policy)				
Stationery & Copies	Maxim	321.30	0.00	321.30