

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

05128284

Name of Company

T D Trading Limited

I / ~~We~~
Kate Elizabeth Breese
Oxford Chambers
Oxford Road
Guiseley
Leeds
LS20 9AT

the 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

8/2/13

Walsh Taylor
Oxford Chambers
Oxford Road
Guiseley
Leeds
LS20 9AT

Ref TDT0001/KB/RW/AW

Insolvency

For Official Use

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COMPANIES HOUSE

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

Name of Company T D Trading Limited

Company Registered Number 05128284

State whether members' or creditors' voluntary winding up Creditors

Date of commencement of winding up 03 February 2010

Date to which this statement is brought down 02 February 2013

Name and Address of Liquidator

Kate Elizabeth Breese
Oxford Chambers
Oxford Road
Guiseley
Leeds
LS20 9AT

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	7,202 26
31/08/2012	Yorkshire Bank	Bank Interest Gross	0 06
18/09/2012	T J Tung Ltd	Stock	170 21
18/09/2012	T J Tung Ltd	Vat Payable	29 79
28/09/2012	Yorkshire Bank	Bank Interest Gross	0 06
31/10/2012	Yorkshire Bank	Bank Interest Gross	0 08
17/12/2012	TD Trading	Stock	106 38
17/12/2012	TD Trading	Vat Payable	18 62
Carried Forward			7,527 46

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	6,923 89
18/09/2012	T J Tung Ltd	Agents/Valuers Fees (2)	20 00
18/09/2012	T J Tung Ltd	Vat Receivable	4 00
18/09/2012	T J Tung Ltd	Agents/Valuers Fees (2)	96 00
17/12/2012	Integral Credit Management Ltd	Agents/Valuers Fees (1)	12 50
17/12/2012	Integral Credit Management Ltd	Vat Receivable	2 50
Carried Forward			7,058 89

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	£	7,527 46
Total disbursements		7,058 89
Balance £		468 57
This balance is made up as follows		
1 Cash in hands of liquidator		0 00
2 Balance at bank		468 57
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		468 57

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) | Nil |
| Liabilities - Fixed charge creditors | 0 00 |
| Floating charge holders | 56,815 00 |
| Preferential creditors | 5,530 00 |
| Unsecured creditors | 84,654 00 |
- (2) The total amount of the capital paid up at the date of the commencement of the winding up -
- | | |
|---|------|
| Paid up in cash | 2 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)
- Plant & Machinery
- (4) Why the winding up cannot yet be concluded
- Collection of above still ongoing
- (5) The period within which the winding up is expected to be completed
- Approx 6 months

T.D. Trading Limited - In Liquidation

Company No: 05128284

Liquidator's Annual Report to Creditors

Pursuant to S106 of the Insolvency Act 1986

7 February 2012

Registered Office
Walsh Taylor
Oxford Chambers
Oxford Road
Guiseley
Leeds
LS20 9AT

2 Realisation of Assets

- 2 1 The Company's assets were shown by the Directors in their estimated statement of affairs as at 3 February 2010 to be Fixtures and Fittings estimated to realise £1,000 and Stock estimated to realise £4,000
- 2 2 At the date of Liquidation the previous Liquidator held the sum of £1,300 75 in respect of the sale of stock during the hiatus period carried on by the Directors Mr Daljit Singh and Mr Tejinder Singh
- 2 3 The Company's assets were independently valued by Fox Lloyd Jones and a sale of the fixtures and fittings and stock to B K Manget t/a Todays Local, for the sum of £5,000 plus Vat was agreed Daljit Singh, the former Director of the Company is the owner of BK Manget An invoice was raised by Fox Lloyd Jones in this regard on 30 April 2010 To date I have received the sum of £4,867 14 from the purchaser who has subsequently ceased to trade I am continuing to collect the outstanding sums from the purchaser by instalments The account has been passed to my collection agents, Debt Collection Services Ltd, who are continuing to collect the outstanding instalments
- 2 4 Total estate asset realisations achieved to date are £6,167 89

3 Investigations

- 3 1 In accordance with the Company Directors Disqualification Act 1986 the liquidator has submitted a report on the conduct of the Directors of the Company to the DTI As this is a confidential report, I am not able to disclose the contents
- 3 2 The Liquidator also has a duty to investigate the extent of the Company's assets including potential claims against third parties including the Directors, and to report her findings, subject to considerations of privilege and confidentiality and whether those investigations and/or any potential litigation might be compromised
- 3 3 The preliminary assessment of the conduct of the Company's affairs prior to winding up did not reveal any matters that it was in the interest of creditors for the Liquidator to pursue Accordingly I am not conducting or proposing to conduct any further, more detailed investigations however I will of course continue to monitor the Company's situation

4 Creditors

Secured Creditors

- 4 1 HSBC Bank plc held a fixed and floating charge debenture over the assets of the Company created on 8 June 2004 and registered on 10 June 2004. The Bank also holds the Personal Guarantees of the Directors. No monies have been paid to the Bank under the terms of its security.

Preferential Creditors

- 4 2 There are no preferential creditors in this Liquidation.

Unsecured Creditors

- 4 2 The Liquidator has received claims totalling £46,157.63 from eight creditors. I have yet to receive claims from 12 creditors whose debts total £90,889.86 as per the Directors' Statement of Affairs.

Notice of No Dividend

- 4 3 Assets realised have been and will be utilised fully in contributing towards defraying the administrative costs of the liquidation.
- 4 4 Formal Notice given in accordance with Rule 11.7 that no funds are expected to become available to enable any form of distribution to be made to any class of creditor was sent with my annual report dated 7 March 2012.

5 Liquidator's Remuneration

Basis of the Liquidator's remuneration

- 5 1 At the initial meeting of creditors held pursuant to Section 98 of the Act on 3 February 2010 it was resolved that the Liquidator would be remunerated by reference to the time properly spent in dealing with this matter at Walsh Taylor's standard charging rates, and that his disbursements would be drawn in accordance with Walsh Taylor's standard tariff (see Appendix D).
- 5 2 The aforementioned bases of remuneration and disbursements also apply to myself as successor Liquidator.

Remuneration charged and disbursements incurred

- 5 3 In aggregate, the Liquidator's post liquidation time costs as at 2 February 2013 total £17,720 58 in respect of 114 92 hours at an average hourly rate of £154 20. As at the date of this report, no monies have been drawn by way of Liquidator's remuneration.
- 5 4 I comment specifically that at the first meeting of creditors held on 3 February 2010 it was resolved that the fees and disbursements of Walsh Taylor for assisting the Directors in convening the statutory meetings to place the Company into liquidation and for assistance in preparing the Statement of Affairs would be a set fee of £5,000 plus VAT, to be paid out of the assets of the Company, together with disbursements incurred.
- 5 5 The sum of £4,374 24 has been drawn in this respect.

Creditors' Guide to Fees and Statement of Creditors' rights

- 5 6 If you require any further information with respect to a Liquidator's remuneration, disbursements and expenses, please see Appendix D. This document also includes a statement of creditors' rights.

6 Matters outstanding

- 6 1 I await the final instalments to be paid for the sale of the Company's assets.
- 6 2 Accordingly, the estimated timescale for closure is dependent upon the above.
- 6 3 If you require any further information please do not hesitate to contact me at the above address.

Yours faithfully



Kate Elizabeth Breese
Liquidator

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**Receipts and Payments Account for the Period from 3 February 2010
to 2 February 2013**

Appendix A

**T.D. Trading Limited
(In Liquidation)**

LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 03/02/2010 To 02/02/2013 £
RECEIPTS		
Fixtures and fittings	1,000 00	0 00
Stock	4,000 00	5,254 36
Cash in the hands of accountants	1,300 75	1,300 75
Bank Interest Gross (1)		1 75
Vat Payable		470 64
Vat Control Account		499 96
		<u>7,527 46</u>
PAYMENTS		
Company Search		8 00
Specific Bond (2)		134 00
Preparation of S of A (3)		4,374 24
Mileage		21 00
Cred Meeting Expenses		87 13
Agents/Valuers Fees (4)		352 50
Agents/Valuers Fees (5)		737 20
Postage		10 50
Stationery		122 68
Statutory Advertising		187 51
Vat Receivable		1,024 13
		<u>7,058 89</u>
BALANCE - 02 February 2013		<u><u>468.57</u></u>

Notes to the Receipts & Payments Account

- (1) Funds ingathered have been placed in an interest bearing account
- (2) Total Bond for both Liquidators for the duration of the Liquidation
- (3) Agreed on a set fee basis as up to £5,000 plus Vat plus disbursements at the meeting of creditors
- (4) Paid to ICM on a % of realisations basis for the collection of monies for the purchase of the assets
- (5) Paid to Fox Lloyd Jones on a time costs basis for work done in the sale and valuation of assets

**T.D. Trading Limited
(In Liquidation)**

**Summary of Receipts & Payments
03 February 2010 to 02 February 2011**

RECEIPTS	Total (£)
Stock	2,000 00
Cash in the hands of accountants	1,300 75
Bank Interest Gross	0 18
Vat Control Account	325 43
	3,626.36
 PAYMENTS	
Company Search	8 00
Specific Bond	104 00
Preparation of S of A	2,667 32
Mileage	21 00
Cred Meeting Expenses	87 13
Postage	10 50
Stationery	40 85
Statutory Advertising	187 51
Vat Receivable	499 96
	3,626.27
 Balance In Hand	0.09
	3,626.36

**T.D. Trading Limited
(In Liquidation)**

**Summary of Receipts & Payments
03 February 2011 to 02 February 2012**

RECEIPTS	Total (£)
Brought Forward	3,626 36
Stock	1,872 34
Bank Interest Gross	1 00
Vat Payable	327 66
Vat Control Account	174 53
	6,001.89
 PAYMENTS	
Brought Forward	3,626 27
Specific Bond	30 00
Preparation of S of A	1,047 06
Agents/Valuers Fees	220 00
Agents/Valuers Fees	621 20
Stationery	81 83
Vat Receivable	367 02
	5,993.38
 Balance In Hand	8.51
	6,001.89

**T.D. Trading Limited
(In Liquidation)**

**Summary of Receipts & Payments
03 February 2012 to 02 February 2013**

RECEIPTS	Total (£)
Brought Forward	6,001 89
Stock	1,382 02
Bank Interest Gross	0 57
Vat Payable	142 98
	<u>7,527 46</u>
 PAYMENTS	
Brought Forward	5,993 38
Preparation of S of A	659 86
Agents/Valuers Fees	132 50
Agents/Valuers Fees	116 00
Vat Receivable	157 15
	<u>7,058.89</u>
Balance In Hand	<u>468.57</u>
	<u><u>7,527.46</u></u>

Time Entry - SIP9 Time & Cost Summary

TDT0001 - T D Trading Limited
Project Code POST
From 03/02/2012 To 02/02/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Cashier	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	1.80	2.00	0.00	7.50	0.30	11.60	2,009.50	173.23
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashier	0.10	1.50	0.00	3.20	0.70	5.50	890.50	161.91
Creditors	0.00	0.00	0.00	0.10	0.00	0.10	16.00	160.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	1.50	0.00	0.00	0.00	1.50	270.00	180.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	1.90	5.00	0.00	10.80	1.00	18.70	3,186.00	170.37
Total Fees Claimed							0.00	
Total Disbursements Claimed							0.00	

Time Entry - SIP9 Time & Cost Summary

TDT0001 - T D Trading Limited
Project Code POST
From 03/02/2010 To 02/02/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Cashier	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	3.70	9.90	0.00	45.60	0.30	59.50	9,400.00	157.98
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashier	1.50	2.60	0.00	21.90	6.62	32.62	4,648.58	142.52
Creditors	0.00	0.20	0.00	1.40	0.00	1.60	232.00	145.00
Investigations	0.00	0.00	0.00	5.90	0.00	5.90	930.00	157.63
Realisation of Assets	0.00	2.70	0.00	12.20	0.00	14.90	2,438.00	163.62
Trading	0.00	0.40	0.00	0.00	0.00	0.40	72.00	180.00
Total Hours	5.20	15.80	0.00	87.00	6.92	114.92	17,720.58	154.20
Total Fees Claimed							0.00	
Total Disbursements Claimed							0.00	

TD TRADING LIMITED – IN LIQUIDATION – THE COMPANY

NOTICE CONVENING ANNUAL MEETINGS OF CREDITORS & MEMBERS

PURSUANT TO S.106 INSOLVENCY ACT 1986

NOTICE IS HEREBY GIVEN that annual meetings of members and creditors of the Company will be held at the offices of Walsh Taylor, Oxford Chambers, Oxford Road, Guiseley, Leeds, LS20 9AT on 12 March 2013 at 11 00am and 11 30am respectively, for the purposes of receiving a report and account by the liquidator showing the manner in which the winding-up of the Company has been conducted, the property of the Company disposed of and to receive any explanation regarding the conduct of the liquidation

The following resolutions will be put to the meeting

- a) That the Liquidator's Receipts and Payments account to 2 February 2013 and annual report be approved,

A dividend will not be paid to the creditors as there were insufficient funds to meet the claims of secured and preferential creditors and the costs and expenses of the liquidation

A member or creditor entitled to attend and vote at the above meetings may appoint a proxy to attend and vote in his place. It is not necessary for the proxy to be a member or creditor. Proxy forms must be returned to the offices of Walsh Taylor at the above address by no later than 12 00noon on 12 April 2012

DATED THIS 7th day of February 2013

Kate E Breese
Liquidator



Rule 8.1

INSOLVENCY ACT 1986

Proxy (Members' or Creditors' Voluntary Winding Up)

T.D. TRADING LIMITED – IN LIQUIDATION

Notes to help completion of form

Please give full name and address for communication

Name of creditor /
Address

Post Code

Please insert name of person (who must be 18 or over) or the "chairman of the meeting" (see note below) If you provide for alternative proxy-holders in the circumstances that your first choice is unable to attend please state name(s) of the alternatives as well

Name of proxy-holder

1

2

3

Please delete words in brackets if the proxy-holder is only to vote as directed i.e. he has no discretion

I appoint the above person to be my/the creditor's/member's proxy-holder at the meeting of creditors/members to be held on 12 March 2013 or at any adjournment of that meeting. The proxy-holder is to propose or vote as instructed below [and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion]

Any resolutions which the proxy-holder is to propose or vote in favour of or against should be set out in numbered paragraphs in the space provided. If more room is required please use the other side of this form

Voting instructions for resolutions

Resolution

That the Liquidator's Receipts and payments account to 2 February 2013 and annual report be approved

Approved/ Rejected

This form must be signed

Signature

Date

Name in CAPITALS

Only to be completed if the creditor/member has not signed in person

Position with creditor/member or relationship to creditor/member of other authority for signature

Please note that if you nominate the chairman of the meeting to be your proxy-holder, he will be the liquidator or his representative.

Remember there may be resolutions on the other side of this form

PROOF OF DEBT - GENERAL FORM**In the matter of TD Trading Limited****In Liquidation
and in the matter of The Insolvency Act 1986**

Date of Resolution for voluntary winding up 3 February 2010

1	Name of Creditor	
2	Address of Creditor	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)	£
4	Details of any document by reference to which the debt can be substantiated [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5	If the total amount shown above includes Value Added Tax, please show - (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6	If total amount above includes outstanding uncapitalised interest please state amount	£
7	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
9	Particulars of how and when debt incurred	
10	Particulars of any security held, the value of the security, and the date it was given	£
11	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	

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 and explains the basis on which fees are fixed.

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 a member of The Insolvency Service, an executive agency within the Department of Trade and Industry. 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 Secretary of State for Trade and Industry. Where an insolvency practitioner is not appointed the official receiver remains liquidator. Official receivers charge their fees on the basis of a statutory scale which is laid down by the Insolvency Regulations 1994.

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 3 months 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 fees

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 either

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

It is for the liquidation committee (if there is one) to determine on which of these bases the remuneration is to be fixed and if it is to be fixed as a percentage to fix the percentage 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 the committee would. A resolution specifying the terms on which the liquidator is to be remunerated may be taken at the meeting which appoints the liquidator. If the remuneration is not fixed in any of these ways it will be in accordance with a scale set out in the Rules.

5 What information should be provided by the liquidator?

5.1 When seeking fee approval

5.1.1 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.

5.1.2 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.

5.1.3 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 fulfil 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

5.1.4 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 sub-contracted out which would normally be undertaken directly by a liquidator or his staff

5.2 After fee 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. Where the fee is based on time costs he should also provide details of the time spent and charge-out 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 5.1.3. Where the fee is charged on a percentage basis the liquidator should provide the details set out in paragraph 5.1.4 above regarding work which has been sub-contracted out

5.3 Expenses and disbursements

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements. However, 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

5.4 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 8.1 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

5.5 Reporting in compulsory liquidations

It should be borne in mind that in compulsory liquidations there is no statutory requirement for the liquidator to report to creditors until the conclusion of the assignment. In most such cases, therefore, creditors will receive no information during the course of the liquidation unless they specifically request it

6 What if a creditor is dissatisfied?

6.1 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

6.2 If a creditor believes that the liquidator's remuneration is too high he may, if at least 25 per cent in value of the creditors (including himself) agree, apply to the court for an order that it be reduced. 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. Unless the court orders otherwise, the costs must be paid by the applicant and not out of the assets of the insolvent company

7 What if the liquidator is dissatisfied?

If the liquidator considers that the remuneration fixed by the committee is insufficient he may request that it be increased by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors or in accordance with the official receiver's scale is insufficient, he may apply to the court for it to be increased. 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.

8 Other matters relating to fees

8.1 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.

8.2 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.

8.3 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.

8.4 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.



Walsh Taylor Insolvency Practitioners

Charge Out Rates

	Rate per hour £
Director/Insolvency Practitioner	280
Senior Manager	220
Manager	180
Senior Administrator	160
Administrator	125
Cashier	125
Support staff (inc secretarial)	75-100

- Time is charged in units of 6 minutes
- Support and secretarial staff time is charged to cases on the basis of time spent at the rates stated above

Disbursements Recovery Policy

Category 1	Direct costs are recovered at actual cost to the case Includes for example and where relevant insurance and bonding, advertising, courier, registration fees, search fees, postage (including re-direction), storage, subsistence and public transport No charge is made for telephone calls
Category 2	Apportioned costs are recovered on the following tariff -
Fax	£1 per page sent
Photocopying	15p per copy – irrespective of size
Room hire	£150 for room hire for creditors' meetings - charge is only be made when attendance of debtor/ director and/or creditors is likely and a meeting room has been set aside
Stationery	£20 initial case set-up fee per corporate case, £15 per personal case Annual case/ file maintenance charges of £10
Car travel	65p per mile

Fax, photocopying and stationery charges are based on the average costs of consumables

Room hire is based on an average of charges levied by four local providers