

WU15

Notice of final account prior to dissolution in a winding up by the court



Companies House

SATURDAY



A21 *A7IESMY0* 10/11/2018 #390
COMPANIES HOUSE

1 Company details

Company number 0 5 2 2 3 7 4 5
Company name in full Halal Monitoring Committee Limited

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

2 Liquidator's name

Full forename(s) Situl Devji
Surname Raithatha

3 Liquidator's address

Building name/number 38 De Montfort Street
Street Leicester
Post town
County/Region
Postcode L E 1 7 G S
Country

4 Liquidator's name ①

Full forename(s)
Surname

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

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

② Other liquidator
Use this section to tell us about
another liquidator.

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6

Liquidator's release

Did any of the creditors object to the liquidator's release?

☐ Yes

☒ No

7

Date of final account

Date

^d

^d

0

7

^m

^m

1

1

^y

^y

2

0

^y

^y

1

8

8

Final account

☒ The final account is attached

9

Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d

^d

0

7

^m

^m

1

1

^y

^y

2

0

^y

^y

1

8

WU15

Notice of final account prior to dissolution in a winding up by the court



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

Company name

Springfields Advisory LLP

Address

38 De Montfort Street

Leicester

Post town

LE1 7GS

County/Region

Postcode

Country

DX

Telephone

0116 299 4745



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

Halal Monitoring Committee Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments
From 5 October 2012 To 7 November 2018

S of A £		£	£
	ASSET REALISATIONS		
40,000.00	Book Debts	1,235.66	
6,500.00	Cash at Bank	19,078.69	
	Rates Refund	263.70	
	Deposit on Creditor's Petition	1,165.00	
	Bank Interest Net of Tax	436.09	
	Settlement of Liquidator's claims	94,999.98	
	Misfeasance claims	205,000.00	
	Refunds of Void Payments	22,494.26	
			344,673.38
	COST OF REALISATIONS		
	OR's Costs & Disbursements	2,235.00	
	DTI Cheque Fees	34.95	
	Sec of State Fees	32,302.56	
	Petitioner's Costs	1,995.00	
	Specific Penalty Bond	600.00	
	Liquidator's Remuneration	127,987.74	
	Legal Fees and disbursements	174,079.75	
	Agent's Costs & Disbursements	3,125.00	
	Corporation Tax	2.09	
	Third Party Photocopying	3.25	
	Postage	53.36	
	Land Registry Fees	112.00	
	Storage Costs	413.14	
	Internal storage of records	455.65	
	Statutory Advertising	63.18	
	Company Searches	1.00	
	Room hire	100.00	
	Bank Charges	506.00	
	Photocopying and printing	603.71	
			(344,673.38)
46,500.00			0.00

REPRESENTED BY

NIL

Note:

Please note that all receipts and payments are shown exclusive of VAT.

Situl Devji Raithatha
Liquidator

**Halal Monitoring Committee Limited ("THE COMPANY") - In Compulsory Liquidation
IN THE Leicester County Court NUMBER 301 OF 2012**

(Company Number 05223745)

NOTICE IS GIVEN by the Liquidator, Situl Devji Raithatha, under rule 7.71 of The Insolvency (England and Wales) Rules 2016 and section 146 of The Insolvency Act 1986, that the company's affairs have been fully wound up.

1. Creditors have the right under rule 18.9 of The Insolvency (England and Wales) Rules 2016 to request further details of the Liquidators' remuneration and expenses. That request must be made to the Liquidators within 21 days of receipt of the final account, and with either the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question). Secured creditors may also request further details.
2. Creditors have the right under rule 18.34 of The Insolvency (England and Wales) Rules 2016 to apply to Court to challenge the amount and/or basis of the Liquidator's fees, and/or the amount of any expenses incurred. That application must be made within 8 weeks of receipt of the final account, and with either the permission of the Court, or with the concurrence of 10% in value of the creditors (including the creditor in question). Secured creditors may also make an application.
3. Creditors may object to the release of the Liquidator by giving notice in writing to the Liquidator at the address given below before the end of the prescribed period. The prescribed period will end at the later of: 8 weeks after delivery of this notice; or, if any request for information regarding the Liquidators' remuneration and/or expenses is made under rule 18.9, or if any application is made to Court to challenge the Liquidator's fees and/or expenses under rules 18.34 or 18.35, when that request or application is finally determined.
4. The Liquidator will vacate office under section 172(8) of the Insolvency Act 1986 when, upon expiry of the prescribed period that creditors have to object to their release, they file in Court, and deliver to the Registrar of Companies the final account and a notice containing the statement required by section 146(4)(b) as to whether any creditor has objected to their release.
5. The Liquidator will be released under section 174(4)(d)(ii) of the Insolvency Act 1986 at the same time as vacating office, unless any creditors objected to their release.

Creditors requiring further information regarding the above, should either contact me at 38 De Montfort Street, Leicester, LE1 7GS, or contact David Robinson by telephone on 0116 299 4745, or by email at David.r@springfields-uk.com

DATED THIS 11TH DAY OF SEPTEMBER 2018



Situl Devji Raithatha
Liquidator

Notice about final dividend position

**Halal Monitoring Committee Limited ("the Company") – In Compulsory Liquidation
In the Leicester County Court Number 301 of 2012**

Company registered number: 05223745

Notice is given under rule 14.36 of The Insolvency (England and Wales) Rules 2016, by Situl Devji Raithatha, the Liquidator to the creditors of Halal Monitoring Committee Limited, that no dividend will be declared to unsecured creditors

A dividend will not be declared to unsecured creditors as the funds realised have been used to make payments to meet the expenses of the Liquidation.

Creditors requiring further information regarding the above, should either contact me at 38 De Montfort Street, Leicester, LE1 7GS, or contact David Robinson by telephone on 0116 299 4745, or by email at David.r@springfields-uk.com.

DATED THIS 11TH DAY OF SEPTEMBER 2018



**Situl Devji Raithatha
LIQUIDATOR**

**Halal Monitoring Committee Limited ("the Company") - In Compulsory Liquidation
In the Leicester County Court Number 301 of 2012**

LIQUIDATORS' FINAL ACCOUNT TO CREDITORS

EXECUTIVE SUMMARY

All of the Company's assets have been realised and the funds received from realisation used to pay the expenses of the estate. There will not be a dividend to creditors.

I successfully pursued an action for misfeasance against the directors in the Court, following which I negotiated a settlement with them. Despite the successful outcome, there were insufficient funds to enable a dividend.

STATUTORY INFORMATION

Company name:	Halal Monitoring Committee Limited
Company number:	05223745
Trading address:	83 Rolleston Street, Leicester, LE5 3SD
Registered office:	38 De Montfort Street, Leicester, LE1 7GS
Former registered office:	83 Rolleston Street, Leicester, LE5 3SD
Principal trading activity:	Halal meat product certifier
Liquidators' names:	Situl Devji Raithatha
Liquidators' address:	38 De Montfort Street, Leicester, LE1 7GS
Date of appointment	5 October, 2012
Actions of Joint Liquidators'	Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both of the Liquidators acting jointly or alone.

LIQUIDATORS' ACTIONS SINCE APPOINTMENT

Since my appointment, I have taken steps to realise the Company's cash at bank, book debts, refunds of void payments, a claim against an associated company for the transfer of a certification mark and an action against the directors for misfeasance. These matters are described in more detail in the Assets and Investigations sections of this report.

There is certain work that I am required by the insolvency legislation to undertake work in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my appointment as Liquidator is contained in Appendix 2.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 5 October 2012 to 11 September 2018 is attached at

Appendix 1. This has been reconciled with the Insolvency Services Account operated by The Insolvency Service in respect of the Liquidation.

The balance of funds are held in the Insolvency Services Account operated by The Insolvency Service is nil.

ASSETS

The following assets have been realised :

Book Debts

According to the Company's Statement of Affairs, these totalled £40,000. In fact, the list which was provided by the Company to the Official Receiver showed total debts of £34,650. I attempted to recover these and received £1,235.66. An agent was instructed to collect the remainder, although no further realisations were possible.

Cash at Bank

The Statement of Affairs showed cash at bank of £6,500. The Company's bank accounts were found to hold £19,078.69 and this was duly recovered.

Rates Refund

A rates refund of £263.70 was received.

Claim Against Associated Company

It was discovered that the Company had transferred a certification mark to an associated company prior to Liquidation for no consideration. Solicitors were instructed to assist me achieve a recovery and protracted negotiations ensued between the parties. It was subsequently agreed that £95,000 be paid to the Liquidation estate by six monthly instalments of £15,833.33 and these were duly paid.

Refunds of Void Payments

A number of payments made after the Winding-Up petition were identified and pursued, yielding £22,494.26 for the estate.

Misfeasance Claims Against Directors

My investigations revealed that the Company registered for VAT far later that it should have done and my solicitors advised that there was a claim against the directors for misfeasance and breach of duty. I instructed solicitors to seek recovery, however, the claim was disputed. There was protracted correspondence between the respective solicitors and no acceptable offer was forthcoming. After seeking Counsel's opinion ATE insurance was obtained and the matter proceeded to trial in July 2017. My solicitors and Counsel acted on a CFA ("no win no fee") basis. Some further negotiation took place before judgement was handed down, although no settlement was reached. The judgement was favourable and held that the directors were liable for all VAT due after April 2010. Following further communication between the respective solicitors and advice from my solicitors I agreed to accept £205,000 in full and final settlement to conclude matters and this was subsequently received.

LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that

the Company has no current charges over its assets.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

Preferential Creditors

The statement of affairs anticipated no preferential claims and none have been received

Crown Creditors

The handover documents sent by the Official Receiver anticipated £637,894 owed to H M Revenue & Customs ("HMRC"), in respect of VAT as the petition debt. I have received a Proof of Debt from HMRC for VAT totalling £685,146.00.

The handover documents sent by the Official Receiver also anticipated £90,791 owed to H M Revenue & Customs ("HMRC"), in respect of PAYE and NIC. I have received a Proof of Debt from HMRC for PAYE and NIC totalling £90,705.04

Non-preferential unsecured Creditors

The Statement of Affairs estimated other unsecured claims of £22,500, in respect of which Proofs of Debt totalling £15,287.96 have been received. There are further potential unsecured claims totalling £22,494.26, being refunds of void payments that I have received under Section 127 of the Insolvency Act 1986.

DIVIDENDS

A dividend will not be declared to non-preferential unsecured creditors as the funds realised have been used to make payments to meet the expenses of the Liquidation.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. Specifically, I recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the period prior to the Company ceasing to trade from the Company's bankers; and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the liquidation and made enquiries about the reasons for the changes.

My investigations revealed the claim against the associated company, the void payments and the VAT registration issue that led to the misfeasance claim against the directors.

LIQUIDATORS' REMUNERATION

At the first meeting of creditors held on 22 November 2012, my remuneration was agreed on a time costs basis. I enclose a breakdown summarising my time costs for the period since my last report, subject to the posting of timesheets, which also provides details of my cumulative costs for the period from 5 October 2012 to 12 September 2018. I have drawn remuneration totalling £127,987.74. I also enclose a schedule of my firm's current charge out rates for your information.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' published by the R3 is available at the link <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>. Please note that there are different versions of the Guidance Notes, and in this case, you should refer to the November 2011 version. A hard copy of this document can be obtained on request from this office. An explanatory note which shows Springfields Advisory LLP's fee policy is attached.

LIQUIDATORS' EXPENSES

I attach a schedule breaking down the expenses incurred by me during the period and cumulatively since my appointment. This also includes details of category 2 disbursements.

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Coiller IP	Valuation of certification mark	Fixed fee
Shakespeare Martineau	Solicitors	Time costs subject to conditional fee agreement

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Liquidator's remuneration and expenses within 21 days of their receipt of this final account. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidators as being excessive, and/or the basis of the Liquidator's remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this final account. Any secured creditor may make a similar application to court within the same time limit.

As Insolvency Practitioners, when carrying out all professional work relating to an insolvency appointment, S D Raithatha and D R Raikundalia are bound by the Insolvency Code of Ethics, as well as by the regulations of our professional body. More details about these matters and general information about Springfields Advisory LLP that is of relevance can be found at <https://www.springfields-uk.com/regulatory>.

SUMMARY

The winding up of the Company is now for all practical purposes complete and I am seeking the release of myself as Liquidator of the Company. Creditors should note that provided no objections to my release are received I shall obtain my release as Liquidator following the delivery of the final notice to the Court, following which my case files will be placed in storage.

DISCLAIMER

This report has been prepared for the sole purpose of updating creditors of the Company for information purposes to fulfil the necessary statutory requirements of the Liquidator. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, or otherwise used by creditors for any purpose other than updating them for information purposes, or any other person for any purpose whatsoever.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact David Robinson by email at David.r@springfields-uk.com, or by phone on 0116 299 4745 before my release.



Situl Devji Raithatha
Liquidator

Halal Monitoring Committee Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 05/10/2017 To 11/09/2018 £	From 05/10/2012 To 11/09/2018 £
	ASSET REALISATIONS		
40,000.00	Book Debts	NIL	1,235.66
6,500.00	Cash at Bank	NIL	19,078.69
	Rates Refund	NIL	263.70
	Deposit on Creditor's Petition	NIL	1,165.00
	Bank Interest Net of Tax	64.52	436.09
	Settlement of Liquidator's claims	NIL	94,999.98
	Misfeasance claims	205,000.00	205,000.00
	Refunds of Void Payments	NIL	22,494.26
		205,064.52	344,673.38
	COST OF REALISATIONS		
	OR's Costs & Disbursements	NIL	2,235.00
	DTI Cheque Fees	5.80	34.95
	Sec of State Fees	10,343.65	32,302.56
	Petitioner's Costs	NIL	1,995.00
	Specific Penalty Bond	NIL	600.00
	Liquidator's Remuneration	62,985.74	127,987.74
	Legal Fees and disbursements	148,822.06	174,079.75
	Agent's Costs & Disbursements	NIL	3,125.00
	Corporation Tax	NIL	2.09
	Third Party Photocopying	NIL	3.25
	Postage	9.50	53.36
	Land Registry Fees	NIL	112.00
	Storage Costs	59.96	413.14
	Internal storage of records	198.00	455.65
	Statutory Advertising	NIL	63.18
	Company Searches	NIL	1.00
	Room hire	NIL	100.00
	Bank Charges	66.00	506.00
	Photocopying and printing	3.21	603.71
		(222,493.92)	(344,673.38)
46,500.00		(17,429.40)	0.00
	REPRESENTED BY		
			NIL

Note:

Please note that all receipts and payments are shown exclusive of VAT.

Appendix 2

1. Administration and Planning

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up electronic case files.
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Convening and holding a general meetings of creditors.
- Dealing with all routine correspondence and emails relating to the case.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing annual progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.
- Seeking closure clearance from HMRC and other relevant parties.
- Preparing, reviewing and issuing a final report to creditors.
- Convening and holding a final meeting of creditors.
- Filing final returns at Companies House and in Court.

2. Creditors

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.
- Issuing a notice of intended dividend and placing an appropriate gazette notice.

Time Entry - Detailed SIP9 Time & Cost Summary

HA1475 - Halal Monitoring Committee Limited
From: 06/10/2012 To: 11/09/2018
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistant & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 Administration & Planning	0.00	1.30	20.80	0.00	22.20	3,793.50	170.43
101 Case Planning	0.00	10.00	1.20	0.00	11.20	2,075.00	254.42
102 Administrative set up	0.30	2.20	1.20	0.00	3.70	1,928.50	521.22
103 Appointment Notification	0.10	0.10	1.20	0.00	1.40	250.70	179.07
104 Maintenance of Records	0.20	16.20	14.70	0.00	31.10	6,423.90	206.82
105 Statutory Reporting	1.10	30.30	2.70	0.00	34.10	9,449.40	277.11
106 VAT & Tax Returns	0.40	2.40	7.90	0.00	10.70	2,046.00	191.21
107 Case Monitoring	15.10	75.60	15.90	0.00	106.60	23,390.50	219.11
Administration & Planning	17.20	138.10	72.30	0.00	227.60	54,148.90	238.79
600 Case Specific	0.00	0.00	0.50	0.00	0.50	78.00	156.00
Case specific matters	0.00	0.00	0.50	0.00	0.50	78.00	156.00
500 Conditions	0.00	11.60	0.60	0.00	12.20	3,391.00	277.95
501 Communication	0.00	32.40	3.00	0.00	35.40	9,247.50	261.25
502 Claims and profits	0.00	0.30	2.70	0.00	3.00	479.00	159.67
503 Report/Insured creditor	0.00	0.00	0.50	0.00	0.50	95.00	170.00
505 Final Report	0.00	5.90	0.00	0.00	5.90	1,547.30	262.25
Creditors	0.00	50.20	6.80	0.00	57.00	14,718.80	258.77
200 Investigations	0.00	90.50	1.00	0.00	91.50	24,305.00	265.63
203 Accident transactions	27.30	93.50	0.00	0.00	120.80	36,591.00	302.86
Investigations	27.30	184.00	1.00	0.00	212.30	60,896.00	286.79
300 Realisation of Assets	0.00	40.30	3.90	0.00	44.20	12,059.00	272.81
301 Mort, Sec, Insurance	0.00	31.70	4.90	0.00	36.60	10,154.50	277.50
303 Debt collection	0.00	37.90	19.80	0.00	57.70	13,122.00	227.42
304 Sale of probus assets	0.00	1.00	0.40	0.00	1.40	297.00	212.14
305 Legal matters	30.50	134.50	0.80	0.00	165.80	49,094.70	296.05
Realisation of Assets	30.50	246.40	29.80	0.00	306.70	84,698.20	277.08
400 On-going employee issues TRADING RELATED	0.00	0.30	0.00	0.00	0.30	96.50	255.00
Trading	0.00	0.30	0.00	0.00	0.30	96.50	255.00
Total Hours	75.00	618.00	110.40	6.00	803.40	216,629.40	269.64
Total Fees Claimed						127,497.89	

Halal Monitoring Committee Limited - In Compulsory Liquidation

Details of expenses for the period 5 October 2017 to 11 September 2018

Expenses

Type	Outstanding b/f (£)	Incurred in Period (£)	Paid in Period (£)	Outstanding c/f (£)
Legal & Counsel's Fees	68,328.00	80,494.06	148,822.06	-
External storage	-	59.96	59.96	-
Total	68,328.00	80,554.02	148,882.02	-

Category 2 Disbursements

Type	Outstanding b/f (£)	Incurred in Period (£)	Paid in Period (£)	Outstanding c/f (£)
Photocopying and printing	0.00	3.21	3.21	-
Storage Costs*	20.98	177.02	198.00	-
	20.98	180.23	3.21	-

**SPRINGFIELDS ADVISORY LLP
PRACTICE FEE RECOVERY POLICY FOR INSOLVENCY APPOINTMENTS**

Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SiP 9) and can be accessed at <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>. Alternatively a hard copy can be provided on request. Please note that we have provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Charge-out Rates

Grade of staff	Current charge-out rate per hour, effective from 1 August 2018 £	Previous charge-out rate per hour, effective from 1 August 2017 £
Partner	451	440
Manager	267-338	260-330
Administrator	154-226	150-220

Time is recorded in units of 6 minutes (prior to 08/01/2007 this was 15 minute units)

These charge-out rates charged are reviewed periodically and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Administration and Planning
- Investigations
- Realisation of Assets
- Creditors
- Trading
- Case specific matters

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and on new appointments we now typically seek time costs for the following categories:

- Investigations
- Creditors (other than distributions to creditors)
- Trading

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken, or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

In some instances where there is undue risk to the firm in recovering its standard hourly rates in full, typically as a consequence of the pursuit of causes of action where the outcomes are far from certain, or where there are considered to be undue risks associated with the conduct of an assignment, then approval for a percentage uplift on standard hourly rates may be sought. The percentage uplift sought will vary depending upon the circumstances of each case.

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Fixed fee

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has

not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Members' voluntary liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations ("MVL"), Company Voluntary Arrangements ("CVA") or Individual Voluntary Arrangements ("IVA"). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

All bases

With the exception of IVA's and CVA's which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors / Legal Advisors
- Auctioneers / Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Disbursements

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the office holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Springfields; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance, travel expenses and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements are recovered:

Photocopying / printing:	10p per sheet
Internal storage of books and records:	Initial charge for intake: £6.10 per box Storage: £0.40 per month per box in storage at month end
Internal storage of PC/IT equipment:	Storage: £3.60 per month per item in storage at month end
Internal room hire:	£100 per statutory meeting
Mileage (own car usage):	45p per mile