

Rule 1 29/1 54

The Insolvency Act 1986

Notice to Registrar of Companies of
Completion or Termination of
Voluntary ArrangementPursuant to Rule 1 29 or Rule 1.54 of the
Insolvency Rules 1986**R.1.29/
R.1.54**

To the Registrar of Companies

For Official Use

| | | |
|--|--|--|
| | | |
|--|--|--|

Company Number

05319075

(a) Insert full name of
Company

Name of Company

A & L Retail Limited

(b) Insert full name and
Address


I Christopher Brooksbank
O'Haras Limited
Wesley House
Huddersfield Road
Birstall
Batley
West Yorkshire, WF17 9EJ

(c) Insert date

(d) Delete as applicable

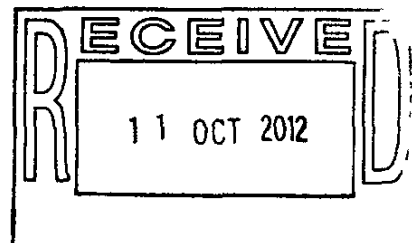
the supervisor of a voluntary arrangement which took effect on 29 March 2012 enclose a copy of my notice to the creditors and members of the above-named company that the voluntary arrangement has terminated, (d) together with a report of my receipts and payments

Signed



Date

17 July 2012



Presenter's name,
address and reference
(if any)

A & L Retail Limited

Christopher Brooksbank
O'Haras Limited
Wesley House
Huddersfield Road
Birstall
Batley
West Yorkshire, WF17 9EJ

For Official Use

Liquidation Section

Post Room

FRIDAY



A1JF78BT

| | | |
|-----------------|------------|------|
| A13 | 12/10/2012 | #166 |
| COMPANIES HOUSE | | |
| A33 | 02/10/2012 | #99 |
| COMPANIES HOUSE | | |

Our Ref CB/BR
Your Ref

17 July 2012

Please reply to Head Office

To the Creditors



Corporate Recovery & Insolvency Practitioners

Dear Sirs

**A & L Retail Limited – Company Voluntary Arrangement
Leeds District Registry Court No 399 of 2012**

Wesley House
Huddersfield Road
Birstall
Barley
WF17 9EJ
Tel 01924 477449
Fax 01924 475262

Pursuant to Rule 5.34 of the Insolvency Rules 1986, I write to provide you with an update in the above matter and enclose for your attention a copy of my final receipts and payments account, my time costs in accordance with Statement Of Insolvency Practice 9 (SIP9) format along with an Abort Certificate which has been duly filed in the Leeds District Registry and with the Registrar of Companies

ASSETS

Contributions

1 Thorne Road
Doncaster
South Yorkshire
DN1 2HJ
Tel 01302 343477
Fax 01302 365403

The modified proposal stated that the Company would make monthly contributions of £1,000, over a 60 month period. This was agreed at the meeting of creditors held on the 29 March 2012.

To date I have received contributions totalling £5,000. The Company was therefore ahead with its requirements under the terms of the Proposal, detailed above. However, the Director of the Company realised that due to a substantial reduction in trade, the Company would no longer be able to meet its requirement of making a monthly contribution of £1,000 for the duration of the Arrangement. Consequently, I have given consent to the Company's Director to convene meetings of the Company's members and creditors in order to pass resolutions to wind up the Company voluntarily.

28 Alghra Road
Skegness
Lincolnshire
PE25 2AG
Tel 01754 899235
Fax 01754 610580

CREDITORS

Preferential Creditors

106 Victoria Road
Scarborough
North Yorkshire
YO11 1SL
Tel 01723 352666
Fax 01723 353666

Preferential creditors were estimated in the Company's Statement of Affairs to be in the region of £840 in respect of employees' arrears of wages and outstanding holiday pay. No claims in this respect have been received.

Secured Creditors

All secured creditors were excluded from the arrangement.

Unsecured Creditors

I have received claims totalling £48,702. Unfortunately, insufficient realisations have been made in order to make a distribution to unsecured creditors.



REMUNERATION

As per the Proposal I was entitled to draw a Nominee's fee totalling £5,000 and I can confirm that the sum of £1,197 30 has been drawn on account in this respect

I can advise that my final time costs as Supervisor total £6,010 as reflected in the **SIP 9** time cost summary I can confirm that no amount has been drawn against these costs

Should any creditor like to discuss the above in further detail, please do not hesitate to contact me

CONCLUSION

In line with clause 18 3 4 of the Proposal I have given consent to the Company's Director to call a meeting of the Company's members and creditors in order to pass resolutions to wind up the Company voluntarily

Therefore, pursuant to Section 98 of the Insolvency Act 1986, please find enclosed formal notice convening a meeting of creditors, together with a Proof of Debt form, a form of Proxy and Creditors' Guide to Liquidator's fees

Yours faithfully



C Brooksbank
Supervisor

Authorised to act as an insolvency practitioner by the Insolvency Practitioners Association

**Voluntary Arrangement of
A & L Retail Limited
To 17/07/2012**

| S of A £ | | £ | £ |
|---------------------|-------------------------------|----------|------------|
| | SECURED ASSETS | | |
| 400,000 00 | Freehold Land & Property | NIL | NIL |
| | SECURED CREDITORS | | |
| (268,000 00) | Lloyds TSB Bank Plc | NIL | |
| (68,000 00) | DTI Loan | NIL | |
| (560,071 00) | Anthony & Lisa Blackburn | NIL | NIL |
| | ASSET REALISATIONS | | |
| NIL | Leasehold | NIL | |
| 1,000 00 | Fixtures & Fittings | NIL | |
| 13,700 00 | Stock | NIL | |
| 60,000 00 | Debtor Contributions | 5,000 00 | |
| | Bank Interest Gross | 0 30 | 5,000 30 |
| | COST OF REALISATIONS | | |
| | Specific Bond | 180 00 | |
| | Nominees Fee on a/c | 1,197 30 | |
| | Legal Fees (1) | 3,623 00 | (5,000 30) |
| | PREFERENTIAL CREDITORS | | |
| (813 79) | Employee Arrears/Hol Pay | NIL | NIL |
| | UNSECURED CREDITORS | | |
| (74,024 99) | Trade & Expense Creditors | NIL | |
| (7,355 30) | Employees | NIL | |
| (12,358 00) | PAYE / NIC | NIL | |
| (54,049 00) | VAT | NIL | NIL |
| | DISTRIBUTIONS | | |
| (100 00) | Ordinary Shareholders | NIL | NIL |
| (570,072 08) | | | NIL |
| | REPRESENTED BY | | NIL |

Christopher Brooksbank
Supervisor

Time Entry - SIP9 Time & Cost Summary

A311 - A & L Retail Limited
From 29/03/2012 To 17/07/2012

| Classification of Work Function | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | Time Cost (£) | Average Hourly Rate (£) |
|------------------------------------|-------------|-------------|----------------------------|----------------------------|--------------|-----------------|-------------------------|
| Administration & Planning | 4.30 | 0.00 | 1.00 | 22.70 | 28.00 | 3,610.00 | 128.93 |
| Case Specific Matters | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Creditors | 0.00 | 2.00 | 0.00 | 0.00 | 2.00 | 200.00 | 100.00 |
| General Disbursements | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Investigations | 2.00 | 0.00 | 0.00 | 0.00 | 2.00 | 600.00 | 300.00 |
| Realisation of Assets | 2.00 | 0.00 | 0.00 | 0.00 | 2.00 | 600.00 | 300.00 |
| Trading | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Hours | 8.30 | 2.00 | 1.00 | 22.70 | 34.00 | 5,010.00 | 147.35 |
| Total Fees Claimed | | | | | | 0.00 | |
| Total Disbursements Claimed | | | | | | 0.00 | |

RE: A & L Retail Limited

ABORT CERTIFICATE


Notice is hereby given in accordance with Rule 5 34(1) of the Insolvency Rules 1986 (as amended) that in the opinion of the Supervisor, there is no reasonable likelihood of the matters contemplated by the Company Voluntary Arrangement being implemented of satisfied and has therefore been aborted

Reasons for abort

- The Director signed notices convening meetings of members and creditors to consider placing the Company into liquidation

Date of abort 16 July 2012

Dated 16 July 2012



C Brooksbank
Supervisor

Our Ref CB/BR/JDL
Your Ref

18 July 2012

Please reply to Head Office

To all known Creditors



Corporate Recovery & Insolvency Practitioners

Dear Sirs

A & L Retail Limited t/a Philip Hall

The Directors of the above Company, having regard to its financial position, have decided to commence Liquidation proceedings

Therefore, pursuant to Section 98 of the Insolvency Act 1986, please find enclosed formal notice convening a meeting of creditors, together with a Proof of Debt form, a form of Proxy and Creditors' Guide to Liquidator's fees

Yours faithfully

C Brooksbank
for O'Hara's Limited

Wesley House
Huddersfield Road
Birstall
Batley
WF17 9EJ
Tel 01924 477449
Fax 01924 475262

1 Thorne Road
Doncaster
South Yorkshire
DN1 2HJ
Tel 01302 343477
Fax 01302 365403

28 Algitha Road
Skegness
Lincolnshire
PE25 2AG
Tel 01754 899235
Fax 01754 610580

106 Victoria Road
Scarborough
North Yorkshire
YO11 1SL
Tel 01723 352666
Fax 01723 353666

Authorised to act as an insolvency practitioner by the Insolvency Practitioners Association



A & L Retail Limited t/a Philip Hall

Company Number: 05319075

The Insolvency Act 1986

Trading Address 20 Fishergate, Ripon, HG4 1DY

NOTICE IS HEREBY GIVEN pursuant to Section 98 of the Insolvency Act 1986 that a Meeting of the Creditors of the above named Company will be held at Wesley House, Huddersfield Road, Birstall, Batley, WF17 9EJ on 01 August 2012 at 10 15 am for the purposes mentioned in Sections 99 to 101 of the said Act

Resolutions to be considered at the meeting may include a resolution specifying the terms on which the liquidator is to be remunerated. The meeting may receive information about, or be called upon to approve, the costs of preparing the statement of affairs and convening the meeting. A Creditors' Guide to Liquidator's Fees is enclosed.

Creditors wishing to vote at the meeting must lodge their proxy, together with a full statement of account at the registered office – O'Haras Limited, Wesley House, Huddersfield Road, Birstall, Batley, WF17 9EJ not later than 12 noon on the business day prior to the date of this meeting.

For the purposes of voting, a secured creditor is required (unless he surrenders his security) to lodge at O'Haras Limited, Wesley House, Huddersfield Road, Birstall, Batley, WF17 9EJ before the meeting, a statement giving particulars of his security, the date when it was given and the value at which it is assessed.

Notice is further given that a list of the names and addresses of the Company's creditors may be inspected, free of charge, at O'Haras Limited, Wesley House, Huddersfield Road, Birstall, Batley, WF17 9EJ between 10 00 am and 4 00 pm on the two business days preceding the date of the meeting.

By Order of the Board



Anthony Blackburn

Director

16 July 2012

NOTES

- 1 Forms of General and Special Proxies are enclosed herewith. Proxies to be used at the meeting must be lodged at the registered office of the Company at O'Haras Limited, Wesley House, Huddersfield Road, Birstall, Batley, WF17 9EJ not later than 12 noon on the business day prior to the date of this meeting.
- 2 Resolutions to be taken at the meeting may include a resolution specifying the terms on which the liquidator is to be remunerated.
- 3 The meeting may receive information about, or be called upon to approve, the costs of preparing the statement of affairs and convening the meeting.

In The Matter Of A & L Retail Limited t/a Philip Hall
And
In The Matter Of The Insolvency Act 1986

(1) Please give full name
and address
for communication

(1) Name of Creditor / Members _____

Address _____

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

(2) Name of proxy-holder

1 _____

2 _____

3 _____

(3) Please delete words in
brackets if the proxy-holder
is only to vote as directed, ie
he has no discretion

I appoint the above person to be my / the creditors' / members' proxy-holder at
the meeting of creditors / members to be held on 01 August 2012 or at any
adjournment of that meeting The proxy-holder is to propose or vote as
instructed below (3) (and in respect of any resolution for which no specific
instruction is given, may vote or abstain at his / her discretion)

Voting instructions for resolutions

(4) Please complete
paragraph 1 if you wish to
nominate or vote for a
specific person as
Liquidator

(4) 1 For the appointment of _____

of _____

as Liquidator of the Company

(3) (In the event of a person named in paragraph 1 withdrawing or being
eliminated from any vote for the appointment of a Liquidator the proxy-holder
may vote or abstain in any further ballot at his / her discretion)

(5) Any other 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 below
paragraph 1 If more room is
required please use the other
side of this form

(5)

(6) This form must be signed

Signature _____ Date _____

Name in CAPITAL LETTERS _____

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

(7) Position with creditor / member or relationship to creditor / member or other
authority for signature

Please note that if you nominate the chairman of the meeting to be your proxy-
holder he will either be a Director of the Company or the current Liquidator

Rule 4.73

Proof of Debt - General Form

In the matter of A & L Retail Limited t/a Philip Hall
and
In the matter of the Insolvency Act 1986

| | | |
|----|--|--------|
| 1 | Name of Creditor | |
| 2 | Address of Creditor | |
| 3 | Total amount of claim, including any Value Added Tax and outstanding un-capitalised interest as at the date the Company went in to Liquidation | £ |
| 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 the total amount above includes outstanding un-capitalised 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) | |
| 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 _____ Dated _____ 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, explains the basis on which fees are fixed and how creditors can seek information about expenses incurred by the liquidator and challenge those they consider to be excessive.

2 Liquidation Procedure

- 2 1 Liquidation (or 'winding up') is the most common type of corporate insolvency procedure. Liquidation is the formal winding up of a company's affairs entailing the realisation of its assets and the distribution of the proceeds in a prescribed order of priority. Liquidation may be either voluntary, when it is instituted by resolution of the shareholders, or compulsory, when it is instituted by order of the court.
- 2 2 Voluntary liquidation is the more common of the two. An insolvent voluntary liquidation is called a creditors' voluntary liquidation (often abbreviated to 'CVL'). In this type of liquidation an insolvency practitioner acts as liquidator throughout and the creditors can vote on the appointment of the liquidator at the first meeting of creditors.
- 2 3 In a compulsory liquidation on the other hand, the function of liquidator is, in most cases, initially performed not by an insolvency practitioner but by an official called the official receiver. The official receiver is an officer of the court and an official belonging to The Insolvency Service. In most compulsory liquidations, the official receiver becomes liquidator immediately on the making of the winding-up order. Where there are significant assets an insolvency practitioner will usually be appointed to act as liquidator in place of the official receiver, either at a meeting of creditors convened for the purpose or directly by The Insolvency Service on behalf of the Secretary of State. Where an insolvency practitioner is not appointed the official receiver remains liquidator.
- 2 4 Where a compulsory liquidation follows immediately on an administration the court may appoint the former administrator to act as liquidator. In such cases the official receiver does not become liquidator. An administrator may also subsequently act as liquidator in a CVL.

3 The Liquidation Committee

- 3 1 In a liquidation (whether voluntary or compulsory) the creditors have the right to appoint a committee called the liquidation committee, with a minimum of 3 and a maximum of 5 members, to monitor the conduct of the liquidation and approve the liquidator's fees. The committee is usually established at the creditors' meeting which appoints the liquidator, but in cases where a liquidation follows immediately on an administration any committee established for the purposes of the administration will continue in being as the liquidation committee.
- 3 2 The liquidator must call the first meeting of the committee within 6 weeks of its establishment (or his appointment if that is later), and subsequent meetings must be held either at specified dates agreed by the committee, or when requested by a member of the committee, or when the liquidator decides he needs to hold one. The liquidator is required to report to the committee at least every 6 months on the progress of the liquidation, unless the committee directs otherwise. This provides an opportunity for the committee to monitor and discuss the progress of the insolvency and the level of the liquidator's fees.

4 Fixing the Liquidator's Remuneration

- 4 1 The basis for fixing the liquidator's remuneration is set out in Rules 4.127 – 4.127B of the Insolvency Rules 1986. The Rules state that the remuneration shall be fixed
- as a percentage of the value of the assets which are realised or distributed or both,
 - by reference to the time properly given by the liquidator and his staff in attending to matters arising in the liquidation, or
 - as a set amount.

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

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

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

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

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

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

5 **Review of Remuneration**

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

6 **What Information Should be Provided by the Liquidator?**

6.1 ***When seeking remuneration approval***

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

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

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

6.1.3 Where the liquidator seeks agreement to his fees during the course of the liquidation, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the liquidator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the liquidator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the liquidator must 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.

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

6 2 ***After Remuneration Approval***

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the liquidator should notify the creditors of the details of the resolution in his next report or circular to them. When subsequently reporting to creditors on the progress of the liquidation, or submitting his final report, he should specify the amount of remuneration he has drawn in accordance with the resolution (see further paragraph 7 1 below). Where the fee is based on time costs he should also provide details of the time spent and 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 6 1 3. Where the fee is charged on a percentage basis the liquidator should provide the details set out in paragraph 6 1 4 above regarding work which has been sub-contracted out.

6 3 ***Disbursements and Other Expenses***

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

6 4 ***Realisations for Secured Creditors***

Where the liquidator realises an asset on behalf of a secured creditor and receives remuneration out of the proceeds (see paragraph 11 1 below), he should disclose the amount of that remuneration to the committee (if there is one), to any meeting of creditors convened for the purpose of determining his fees, and in any reports he sends to creditors.

7 Progress Reports and Requests for Further Information

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

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

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

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

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

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

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

8 Provision of Information – Additional Requirements

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

The information which must be provided is

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

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

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

9 What if a Creditors is Dissatisfied?

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

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

9 3 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the liquidator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 7 1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the liquidator a copy of the application and supporting evidence at least 14 days before the hearing.

9 4 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not out of the assets of the insolvent company.

10 What if the Liquidator is Dissatisfied

If the liquidator considers that the remuneration fixed by the liquidation committee, or in the preceding administration, is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the liquidation committee, the creditors, in the preceding administration or in accordance with the statutory scale is insufficient, or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed.

If he decides to apply to the court he must give at least 14 days' notice to the members of the committee and the committee may nominate one or more of its members to appear or be represented at the court hearing. If there is no committee, the liquidator's notice of his application must be sent to such of the creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid out of the assets.

11 Other Matters Relating to Remuneration

11 1 Where the liquidator realises assets on behalf of a secured creditor he is entitled to be remunerated out of the proceeds of sale in accordance with a scale set out in the Rules. Usually, however, the liquidator will agree the basis of his fee for dealing with charged assets with the secured creditor concerned.

11 2 Where two (or more) joint liquidators are appointed it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute between them may be referred to the court, the committee or a meeting of creditors.

11 3 If the appointed liquidator is a solicitor and employs his own firm to act in the insolvency, profit costs may not be paid unless authorised by the committee, the creditors or the court.

11 4 If a new liquidator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new liquidator until a further determination, resolution or court order is made.

11 5 Where the basis of the remuneration is a set amount, and the liquidator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing liquidator. The application must be made to the same body as approved the remuneration. Where the outgoing liquidator and the incoming liquidator are from the same firm, they will usually agree the apportionment between them.

11 6 There may also be occasions when creditors will agree to make funds available themselves to pay for the liquidator to carry out tasks which cannot be paid for out of the assets, either because they are deficient or because it is uncertain whether the work undertaken will result in any benefit to creditors. Arrangements of this kind are sometimes made to fund litigation or investigations into the affairs of the insolvent company. Any arrangements of this nature will be a matter for agreement between the liquidator and the creditors concerned and will not be subject to the statutory rules relating to remuneration.

12 Effective Date

This guide applies where a company

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

**Summary of Charge Out Rates and Disbursement Charges with Effect from 1 June 2011
(Subject to Change)**

| | Charge per hour £ |
|---------------------------|------------------------------|
| Partner | 300 to 400 |
| Manager | 250 to 300 |
| Other Senior Professional | 175 to 200 |
| Administrators | 150 to 175 |
| Support Staff | 100 to 175 |

Disbursement Charges

- Mileage is recharged at 70p per mile
- Charges are made as follows

Postage

Normal letters

1st class - £1 102nd class - £1 00

Airmail - £2 00

Other According to size & weight

Photocopying

Up to 20p per sheet

Internal room hire is charged at £25 to £100 per meeting