

The Insolvency Act 1986

Administrator's progress report

2.24B

Name of Company
Adelado Limited

Company Number
5432916

In the High Court of Justice, Chancery Division, Companies Court [full name of court]
--

Court case number (For court use only)
8407 of 2008

Insert full name(s) and
address(es) of the
administrator(s)

We(a)

Malcolm Cohen and Antony Nygate of BDO LLP, 55 Baker Street, London, W1U 7EU

Joint Administrators of the above company attach a progress report for the period

(b) Insert dates

From

(b)
29 March 2019

To

(b)
23 September 2019

Signed



For the Joint Administrators

Dated

27 September 2019

Contact Details:

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

Malcolm Cohen

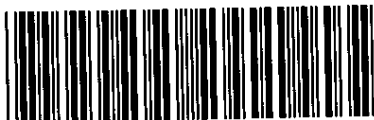
55 Baker Street, London, W1U 7EU

Tel 01512 374 500

DX Number

DX Exchange

MONDAY



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30/09/2019

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COMPANIES HOUSE

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff

TO ALL KNOWN CREDITORS AND SHAREHOLDERS

27 September 2019

Our Ref 00137290/C2/MC/TB

Please ask for: Teddy Blankson
Direct dial: 0151 237 4421
Email: BRCMT@bdo.co.uk

Dear Madams/Sirs

**Algrave Limited and 726 other Companies ('the Companies') - In Administration
High Court of Justice No 8407 of 2008**

I write to provide creditors with a copy of my final progress report for the period 29 March 2019 to 23 September 2019 the ('the Final Period'). This summarises the progress made in completing my approved proposals and achieving the statutory purpose of the Administrations. The Companies will shortly be dissolved.

Please note that this report should be read in conjunction with my previous reports.

Statutory Information

The Joint Administrators are Malcolm Cohen and Antony David Nygate, both of BDO LLP, 55 Baker Street, London, W1U 7EU, and they were appointed in respect of the Companies on 29 September 2008. Under the provisions of paragraph 100(2) of schedule B1 of the Insolvency Act 1986, the Joint Administrators carry out their functions jointly and severally meaning any action can be done by one Administrator or by both of them.

The Joint Administrators were appointed by the Corporate Director of the Companies, pursuant to Paragraph 12 of Schedule B1 of the Insolvency Act 1986. As previously advised, an application was made to the High Court of Justice to consolidate the insolvency proceedings into one Administration. This report has, therefore, been prepared on a consolidated basis. The court case number is 8407 of 2008.

The registered office of the Companies is c/o BDO LLP, 55 Baker Street, London, W1U 7EU and the registered numbers are listed on the attached schedule.

Background

The Companies operated as Managed Service Companies ('MSC') which were each set up to facilitate the supply of self-employed consultant services via recruitment agencies. Safe Solutions International Limited ('SSIL') provided accounting, administration and payroll services to each of the Companies.

The Joint Administrators are Data Controllers as defined by the General Data Protection Regulations. BDO LLP will act as Data Processor on the instruction of the Data Controllers. Personal data will be kept secure and processed only for matters relating to the Administration of Algrave Limited and 726 other Companies. Please see the privacy statement at <https://www.bdo.co.uk/en-gb/legal-privacy/privacy-notice>

BDO LLP, a UK limited liability partnership registered in England and Wales under number OC305127, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. A list of members' names is open to inspection at our registered office, 55 Baker Street, London W1U 7EU. BDO LLP is authorised and regulated by the Financial Conduct Authority to conduct investment business.



Following a change in tax legislation the Companies entered administration with a significant deficit due to HM Revenue & Customs in respect of VAT and CT arrears. Asset realisations were achieved as detailed in the enclosed receipts and payments account. During the course of the Administrations the Joint Administrators sought to bring the accounts of the Companies up to date in order to verify the quantum of the claims due to HM Revenue & Customs.

In 2015 a claim instigating court proceedings was received from the liquidators of Safe Business Services Limited ('SBS') in respect of a purported debt due from the Companies. Following extensive legal advice the Joint Administrators reached a commercial settlement, on a without prejudice basis, with SBS. The sum of £127,225 plus VAT was paid to SBS as part of the settlement. The settlement was sanctioned by HM Revenue & Customs, the sole creditor. Additionally, legal costs of £150,000 plus VAT were subsequently settled.

Receipts and Payments

I enclose, for your information, a summary of my receipts and payments to date, together with a copy of my receipts and payments account covering the Final Period.

Receipts

The only receipts in the Final Period were a final VAT reclaim of £58,561 and bank interest of £106.

Payments

The payments shown are largely self-explanatory, although I would specially comment on:

Corporation Tax

Corporation tax of £248 was paid to HM Revenue & Customs in the Final Period.

Final Unsecured Dividend

A second and final unsecured dividend payment of £201,305 was paid to HM Revenue & Customs as the sole remaining unsecured creditor in the Final Period. This is discussed in more detail later in my report.

Summary of the Joint Administrators' Proposals

Please see below a summary of my approved Proposals as presented to creditors on 18 November 2008:

The Joint Administrators proposed that:

- a) They continue to manage the Companies' business and realise assets in accordance with objective 2 of the statutory purpose of the Administration, dissolving the Companies under paragraph 84 of the Schedule of the Insolvency Act 1986.
- b) Creditors consider if thought fit appoint a creditors' committee to assist the Joint Administrators (such committee must comprise of between 3 and 5 creditors)

In the absence of a creditors' committee;

- c) Creditors fix the remuneration of the Joint Administrators as a percentage of the value of the property with which they have to deal, subject to a cap of £1,750 plus VAT, inclusive of disbursements, per company.

A further resolution is put to the creditors;

- d) That the Joint Administrators be discharged from liability under the Administration per Paragraph 98 of Schedule B1 of the Insolvency Act 1986, 28 days after the Joint Administrators filling their final report and sending it to creditors.

The following modifications were proposed and accepted by creditors:

- e) That the Joint Administrators fully investigate the financial affairs of the Companies together with their office holders and that in relation to any suspicion of tax evasion or any other irregular financial matter that the suspicion be reported to the appropriate authority immediately.
- f) That the Joint Administrators agree that any relevant company be placed in liquidation to enable any of the above suspicions to be fully investigated and that HM Revenue & Customs be at liberty to sanction the appointment of the Liquidator, being the principal creditor.

I can confirm that proposal (a) has been achieved and that realisations totalling £4,232,149 have been made to date. All matters in the Administration have now been concluded and steps will now be taken to move the Companies from Administration to dissolution.

I can confirm no creditors' committee was appointed in regards to Proposal (b).

Proposal (c) is referred to later in this report under Joint Administrators' remuneration.

The Joint Administrators will obtain their discharge from liability in respect of the Companies per Paragraph 98 of Schedule B1 of the Act, 28 days after the filing of this report in accordance with proposal (d).

Proposal (e) and (f) are referred to in the Investigations section of this report.

Investigations

The Joint Administrators have a duty to investigate the affairs of the Companies and also the conduct of the directors and in respect of the latter, to submit a confidential statutory report to the Secretary of State. I confirm that a report has been submitted.

I have completed my review of the affairs of the Companies and their assets to establish where there are any actions that can be investigated for the benefit of the creditors and concluded that there are no causes of action to be pursued.

Outcome for Creditors

Secured Creditor

I can confirm there was no secured creditor for any of the Companies.

Preferential Creditors

I can confirm there were no preferential creditors in this matter.

Unsecured Creditors & Prescribed Part

Under Section 176A of the Insolvency Act 1986 where after 15 September 2003 a company has granted to a creditor a floating charge a proportion of the net property of that company must be made available purely for the unsecured creditors. The Companies had not granted a floating charge to any creditor after 15 September 2003 and consequently the Prescribed Part did not apply in the Administrations.

The Joint Administrators may not make payments by way of distribution, under Paragraph 65 of Schedule B1 of the Insolvency Act 1986, to a creditor of the Companies who is neither secured nor preferential unless the Court provides permission.

As previously reported, I received four creditor claims totalling £6,648,252, one of which was rejected in the sum of £228,991. Pursuant to a Court order made on 28 May 2014, a first interim distribution of £2,006,897 was paid to the unsecured creditors. Two unsecured creditors were paid in full totalling £6,897.

During the Final Period, a second and final distribution of £201,305 was made to HM Revenue & Customs, being the sole remaining unsecured creditor. The total dividend received by HM Revenue & Customs was £2,201,305, which represents 34p in the £.

There will be no further dividend to unsecured creditors.

Joint Administrators' Remuneration

The Joint Administrators were obliged to fix their remuneration in accordance with Rule 18.16. This permits remuneration to be fixed either:

- (1) as a percentage of the assets realised and distributed; and/or
- (2) by reference to the time the Joint Administrators and the staff have spent attending to matters in the administration; and/or
- (3) as a set amount; and/or
- (4) as a combination of the above.

The creditors of the Companies initially approved that the Joint Administrators' remuneration be fixed as a percentage of the value of the property, with which I have to deal with and this was capped at £1,750 plus VAT inclusive of general disbursements, per company. This fee was drawn in full.

As previously reported, in January 2019 the sole unsecured creditor, HM Revenue & Customs provided additional consent that the Joint Administrators may draw a further £88,000 plus VAT, which has been paid in full. The remaining balance of time costs accrued of £288,741 will be written off.

I can confirm that no work that is usually carried out by the Joint Administrators has been subcontracted outside my firm.



To date, the Joint Administrators have drawn £1,276,014 in respect of remuneration none of which was drawn in the Final Period.

I attach two schedules detailing the time costs incurred to date. The first schedule covers the Final Period. This records time costs of £14,121, which represents 76 hours, spent at an average charge out rate of £186 per hour.

The second schedule covers the whole period of this Administration and records time costs of £1,504,755 which represents 4,390 hours spent at an average charge out rate of £343 per hour.

For guidance, I enclose a document that outlines the policy of BDO LLP in respect of fees and disbursements.

Joint Administrators' Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements. No category 1 disbursements have accrued during this period.

Some Administrators recharge expenses, for example printing, photocopying and telephone costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors before they can be drawn, and these are known as category 2 disbursements. The policy of BDO LLP in respect of this appointment is not to charge any category 2 disbursements with the exception of mileage on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to the creditors. No category 2 disbursements have accrued during this period.

Total disbursements incurred in the Administration are summarised below.

Type of disbursement	Incurred since 29/03/2019	
	£	Total £
Advertising	-	62,120.99
Bonding	-	14,600.00
Printing / photocopying / postage / courier services (specifically allocated)	-	6,203.89
Forensics imaging equipment	-	200.00
Companies House searches	-	35.00
Travel	33	872.80
Storage	-	318.32
Total	33	84,351.00

To date category 1 disbursements of £84,318 have been drawn, as shown on the attached Receipt and Payment account. No category 2 disbursements have been incurred or drawn.

Creditors' Rights and Enquiries

The Insolvency Service has established a central gateway for considering complaints in respect of insolvency practitioners. In the event that you make a complaint to me but are not satisfied with

the response from me then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

Creditors with the concurrence of at least 5% in value of the unsecured creditors may within 21 days of this report request in writing further information regarding the remuneration and expenses set out in this report. In accordance with Rule 18.9(3) of the Rules within 14 days of a request we will provide further information or explain why further information is not being provided. Creditors may access information setting out creditors' rights in respect of the approval of Administrator's remuneration at <https://www.r3.org.uk/what-we-do/publications/professional/fees>.

A creditor (who need not be the creditor who asked for the information) may, with the concurrence of at least 5% or more in value of the creditors (including the creditor in question), apply to the court within 21 days of our response or the expiry for the period of my response and the court may make such order as it thinks fit (Rule 18.9(6)&(7) of the Rules). Creditors with the concurrence of at least 10% of the creditors may apply to the court if they consider that the remuneration of the administrators, or the basis fixed for the remuneration of the administrator or expenses charged by the administrator are excessive (Rule 18.34 of the Rules). Such an application must be made within 8 weeks of receiving this report. The text of Rules 18.9 and 18.34 are set out at the end of this report.

The Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code is at: <http://www.icaew.com/en/members/regulations-standards-and-guidance/ethics/code-of-ethics-d>

Please contact me or my colleague Teddy Blankson at BRCMT@bdo.co.uk if you require further information.

Yours faithfully
For and on behalf of
Algrave Limited and 726 other Companies



Malcolm Cohen
Joint Administrator
Authorised by the Institute of Chartered Accountants in England & Wales in the UK

Enclosures

Receipts and Payments Account
SIP 9 Time Cost Report for the Period
SIP 9 Time Cost Report for the period of Administration
BDO LLP Policy in Respect of Fees and Disbursements
Statement of Creditors' Rights in respect of Fees and Disbursements
Form 2.35B - Notice of move from Administration to dissolution
The Companies Schedule



Algrave Limited and 726 other companies
All In Administration

Summary of Joint Administrators' Receipts And Payments from 29 September 2008 (date of Administration) to 23 September 2019

RECEIPTS	28/03/19 to 23/09/2019 (£)	Total (£)
Book Debts	-	47,779.62
Tax Refunds	-	598.61
Book Debts	-	
VAT Refunds (Pre Appointment)	-	36.31
Cash at Bank	-	3,960,997.20
Cash at Solicitors	-	116,657.95
Bank Interest - Gross	174.23	82,822.53
Bank Interest - Net	-	23,256.74
VAT	-	-
	<hr/> 174.23	<hr/> 4,232,148.96

PAYMENTS

Joint Administrators' Fees	-	1,276,014.00
Joint Administrators' Disbursements	-	84,318.00
Legal Fees & Disbursements	-	346,572.82
SBS Settlement	-	127,225.00
SBS Settlement Costs	-	150,000.00
Professional Fees	-	10,613.66
PAYE Services	-	900.00
Corporation Tax	248.12	16,909.17
Storage Costs	-	11,227.90
ISA Charge	-	25.75
Bank Charges	27.20	89.86
Irrecoverable VAT	-	50.00
Input VAT	(107,332.42)	-
	<hr/> (107,057.10)	<hr/> 2,023,946.16

DISTRIBUTIONS

Payment in full to 2 unsecured creditors	-	6,897.34
Second & final dividend to remaining sole creditor	201,305.46	2,201,305.46

Balance in Hand

4,232,148.96

BDO LLP
55 Baker Street
London
W1U 7EU

M Cohen & A Nygate
Joint Administrators
23 September 2019

N.B. A statement of affairs was not submitted in respect of the Administration

Name of Assignment

Algrave Limited and 727 other

00137290

Summary of Time Charged and Rates Applicable for the Period From 29/03/2019 to 23/09/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL		A/R
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	
C. Planning and Strategy	0.10	51.10	8.10	2,972.00			0.60	57.75	1.25	212.50			1.25	212.50	170.0
D. General Administration									10.70	1,420.15			19.50	4,501.00	230.8
H. Creditor Claims									0.75	127.50			0.75	127.50	170.0
I. Reporting			3.20	1,255.75			1.05	133.35	36.25	4,529.85			40.50	5,918.95	146.1
J. Distribution and Closure			4.50	1,755.00			0.40	52.40	9.10	1,547.00			14.00	3,354.40	239.6
K. Work									0.10	6.70			0.10	6.70	67.0
	0.10	51.10	15.80	5,982.75	0.00	0.00	2.05	243.50	58.15	7,843.70	0.00	0.00	76.10	14,121.05	
														0.00	
														33.00	
														0.90	
														14,154.05	

Net Total

Secretarial Expense

Other Disbursements

Billed

Grand Total

Detail of Time Charged and Rates Applicable for the Period From 29/09/2008 to 23/09/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
B. Steps on Appointment														
02 Statutory Documentation			42.80	17,334.00			18.10	4,562.70					18.10	4,562.70
04 Meet Directors Debtors etc													42.80	17,334.00
09 Preparation of Proposals							12.00	3,024.00					12.00	3,024.00
10 Prepare Financial Data			8.75	4,900.00									8.75	4,900.00
sub total -			51.55	22,234.00			30.10	7,586.70					81.65	29,820.70
B. Steps on Appointment														
C. Planning and Strategy														
02 Review Financial Position			0.10	43.60					0.75	151.50			0.85	195.10
07 Strategy Planning			2.50	1,094.40	6.40	1,676.80	1.80	453.60	3.00	621.00			13.70	3,845.80
08 Reporting					33.70	8,660.90							33.70	8,660.90
99 Other Matters									1.25	212.50			1.25	212.50
sub total -			2.60	1,138.00	40.10	10,337.70	1.80	453.60	5.00	985.00			49.50	12,914.30
C. Planning and Strategy														
D. General Administration														
02 VAT	2.50	1,747.50	1.20	454.80			71.50	31,301.50	51.15	8,870.00			126.35	42,373.80
03 Taxation			61.75	33,069.25	0.80	209.60	1.50	661.50	40.30	6,438.25			104.35	40,398.60
04 Instruct Lixse Solicitors	103.50	70,994.50	568.70	251,916.15	97.45	25,365.85			3.00	354.00			772.65	348,630.50

Detail of Time Charged and Rates Applicable for the Period From 29/09/2008 to 23/09/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
05 Investigations	1.50	1,041.50	425.75	176,870.65	65.50	16,855.50	20.00	8,830.00	45.15	7,278.60			557.90	210,866.25
06 Conduct Reports			1.00	212.00									1.00	212.00
07 Receipts Payments Accounts	0.10	51.10	12.40	3,856.80	1.65	411.30	7.35	1,294.90	82.90	13,240.10	2.75	234.30	107.15	19,118.50
08 Remuneration Issues									10.75	1,939.75			10.75	1,939.75
09 Statutory Matters	36.50	39,806.00	1.50	432.00	19.50	5,011.50	1.10	139.70	8.75	1,081.25			87.35	46,470.45
13 General Meetings			2.00	592.00	6.40	1,676.80							8.40	2,568.80
14 General Discussions	0.50	342.50	111.60	45,839.00					0.70	122.50			112.80	46,294.00
15 Gen Admin Correspondence	1.40	737.60	54.35	18,804.45	194.75	50,313.20	75.20	18,675.25	71.30	9,148.90	53.65	4,700.50	450.65	102,279.90
16 Maintain Internal Files									8.05	1,399.25			8.05	1,399.25
99 Other Matters			1.00	526.00									1.00	526.00
sub total -	166.00	114,728.70	1,241.25	532,893.10	386.05	99,743.75	176.65	60,892.85	322.05	49,892.60	56.40	4,934.80	2,348.40	863,077.80
D. General Administration														
E. Assets Realisation/Dealing														
03 Asset Tracing			10.00	4,050.00					0.70	88.20			10.70	4,138.20
07 Debt Collection					107.30	27,605.60	38.60	9,878.20	7.00	861.00			152.90	38,344.80
09 Dealing with other Assets					18.30	4,729.60	5.10	1,285.20					23.40	6,014.80

Name of Assignment

Algrave Limited and 727 other

00137290

Detail of Time Charged and Rates Applicable for the Period From 29/09/2008 to 23/09/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
01 Statutory Reporting	1 50	1,027 30	16 95	5,252 10	15 20	3,973 40	18 95	4,358 90	149 65	13 573 70			202 25	28 185 60
02 Reporting to Appointor	52 50	34 332 50	9 70	3 692 25									62 20	38 024 75
04 Reporting to Creditors			164 30	73 594 55	84 40	21 733 30	100 80	24 804 10	57 60	8 569 40			407 10	128 701 35
06 Reporting to other bodies					73 70	18 949 40			1 50	219 00			75 20	19 168 40
99 Other Matters	1 00	685 00							2 60	252 80			3 60	937 80
sub total - I. Reporting	55 00	36,045 00	190 95	82,538 90	173 30	44,656 10	119 75	29,163 00	211 35	22,614 90			750 35	215,017 90
J. Distribution and Closure														
01 Closure Planning			5 30	2,058 20			37 50	9,187 50	2 00	340 00			7 30	2 398 20
02 Distributions									1 40	267 50			38 90	9 455 00
04 Closure Documentation			1 50	360 00					15 65	1 625 25			17 15	1 985 25
05 Closure Meetings									2 00	224 00			2 00	224 00
06 Closing Statutory Duties							0 55	71 45	0 80	136 00			1 35	207 45
sub total - J. Distribution and Closure			6 80	2,418 20			38 05	9,258 95	21 85	2,592 75			66 70	14,269 90
K. Work														
Work	33 50	22,931 00	314 65	105 295 45			187 75	65 518 00	186 25	20 497 20	5 50	473 00	727 65	214 714 65

Name of Assignment

Algrave Limited and 727 other

00137290

Detail of Time Charged and Rates Applicable for the Period From 29/09/2008 to 23/09/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
sub total - K. Work	33.50	22,931.00	314.65	105,295.45			187.75	65,518.00	186.25	20,497.20	5.50	473.00	727.65	214,714.65
Net Total														1,504,754.55
Secretarial Expense														0.00
Other Disbursements														84,237.90
Billed														0.00
Grand Total														1,588,992.45



Algrave Limited and 726 Other Companies - In Administration

In accordance with best practice I provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within my firm who may be involved in working on the insolvency, follows:

GRADE	£
Partner	783
Manager	346-604
Assistant Manager	311
Senior Administrator	291
Administrator	170-291
Other Staff	92-114

This in no way implies that staff at all such grades will work on the case. The rates charged by BDO LLP are reviewed each year 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. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories:-

- Pre Appointment
- Steps upon Appointment
- Planning and Strategy
- General Administration
- Asset Realisation/Management
- Trading Related Matters
- Employee Matters
- Creditor Claims
- Reporting
- Distribution and Closure
- Other Issues.

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.

1) Other Costs

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.



2) Category 1

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents etc. In each case the recharge will be reimbursement of a specific expense incurred.

3) Category 2

We propose to recover from the estate the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff. Where costs are incurred in respect of mileage, approval will be sought in accordance with the Insolvency (England and Wales) Rules 2016 to recover this disbursement.

Where applicable, all disbursements will be subject to VAT at the prevailing rate.

BDO LLP
27 September 2019



Statement from the Insolvency (England and Wales) Rules 2016 regarding the rights of creditors in respect of the Joint Administrators' fees and expenses:

Creditors' and members' requests for further information in administration, winding up and bankruptcy

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
 - (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
 - (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
 - (d) any unsecured creditor with the permission of the court; or
 - (e) any member of the company in a members' voluntary winding up with the permission of the court.
- (2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.
- (3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—
- (a) providing all of the information requested;
 - (b) providing some of the information requested; or
 - (c) declining to provide the information requested.
- (4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—
- (a) the time or cost of preparation of the information would be excessive; or
 - (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
 - (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
 - (d) the office-holder is subject to an obligation of confidentiality in relation to the information.
- (5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.
- (6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—
- (a) the office-holder giving reasons for not providing all of the information requested; or
 - (b) the expiry of the 14 days within which an office-holder must respond to a request.
- (7) The court may make such order as it thinks just on an application under paragraph (6).

Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
 - (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
 - (c) the expenses incurred by the office-holder are in all the circumstances excessive.
- (2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—
- (a) a secured creditor,
 - (b) an unsecured creditor with either—
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
 - (c) in a members' voluntary winding up—
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.
- (3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

Applications under rules 18.34 and 18.35 where the court has given permission for the application

18.36.—(1) This rule applies to applications made with permission under rules 18.34 and 18.35.

- (2) Where the court has given permission, it must fix a venue for the application to be heard.
- (3) The applicant must, at least 14 days before the hearing, deliver to the office-holder a notice stating the venue and accompanied by a copy of the application and of any evidence on which the applicant intends to rely.
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders—
- (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
 - (b) an order reducing any fixed rate or amount;
 - (c) an order changing the basis of remuneration;
 - (d) an order that some or all of the remuneration or expenses in question is not to be treated as expenses of the administration, winding up or bankruptcy;
 - (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
 - (i) the administrator or liquidator or the administrator's or liquidator's personal representative to the company, or
 - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
 - (f) any other order that it thinks just.

(5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.

(6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration, winding up or bankruptcy.

Applications under rule 18.34 where the court's permission is not required for the application

18.37.—(1) On receipt of an application under rule 18.34 for which the court's permission is not required, the court may, if it is satisfied that no sufficient cause is shown for the application, dismiss it without giving notice to any party other than the applicant.

(2) Unless the application is dismissed, the court must fix a venue for it to be heard.

(3) The applicant must, at least 14 days before any hearing, deliver to the office-holder a notice stating the venue with a copy of the application and of any evidence on which the applicant intends to rely.

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

(a) an order reducing the amount of remuneration which the office-holder is entitled to charge;

(b) an order reducing any fixed rate or amount;

(c) an order changing the basis of remuneration;

(d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration or winding up or bankruptcy;

(e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —

(i) the administrator or liquidator or the administrator's or liquidator's personal representative to the company, or

(ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;

(f) any other order that it thinks just.

(5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.

(6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration or as winding up or bankruptcy.