

The Insolvency Act 1986

Administrator's progress report

Name of Company

Equidebt Holdings Limited (In Administration)

Company number

05524029

In the

High Court of Justice, Chancery Division, Birmingham
District Registry

{full name of court}

Court case number

8282 of 2013

(a) Insert full name(s)
and address(es) of
administrator(s)I / We (a) T Lukic and S AllportErnst & Young LLP, No. 1 Colmore Square, Birmingham, B4 6HQ

administrator(s) of the above company attach a progress report for the period

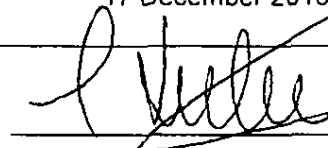
from

To

(b) Insert date

(b) 17 December 2013(b) 9 May 2014

Signed



Joint / Administrator(s)

Dated

6/6/2014**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.

Taimur Imran

Ernst & Young LLP, No. 1 Colmore Square, Birmingham, B4 6HQ

Tel 0121 535 2343

DX Number

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Companies House, Crown Way, Cardiff, CF14 3UZ

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TO ALL KNOWN CREDITORS

19 May 2014

Ref: EQUIT/DH/SH/T1

Taimur Imran

Direct line 0121 535 2343
Direct fax 0121 535 2448

Dear Sirs

**Equidebt Limited ("EQL")
Equidebt Holdings Limited ("EQH")
(Both in Administration) (together "the Companies")**

**High Court of Justice, Chancery Division, Birmingham District Registry,
Numbers 8281 of 2013 and 8282 of 2013**

**Registered office address: c/o Ernst & Young LLP, No. 1 Colmore Square, Birmingham,
B4 6HQ**

The purpose of this report is to support an application to the secured and preferential creditors to extend the Administrations of the Companies pursuant to paragraph 78(2) of The Insolvency Act 1986 ("the Act")

I write, in accordance with Rule 2.47 of the Insolvency Rules 1986 ("the Rules"), to provide creditors with a report on the progress of the Administrations of the Companies. This report covers the period from 17 December 2013 to 9 May 2014 and should be read in conjunction with the Joint Administrators' Statement of Proposals dated 2 August 2013 ("the Proposals") and the previous six month progress report to creditors dated 16 January 2014.

EQL, registered number 02686796, and EQH, registered number 0552409, entered Administration on 17 June 2013 and T Lukic and S Aliport of Ernst & Young LLP, No. 1 Colmore Square, Birmingham, B4 6HQ and Ernst & Young LLP, 100 Barbirolli Square, Manchester, M2 3EY respectively were appointed to act as Joint Administrators. The appointments were made by the Companies under the provisions of paragraph 22(1) of Schedule B1 to the Insolvency Act 1986. Under the terms of the appointments, any act required or authorised to be done by the Joint Administrators can be done by either of them.

Background

As detailed within the Proposals, following unsuccessful attempts to sell the entire EQL business on a solvent basis, the Joint Administrators did not consider rescuing EQL as a going concern a viable option and, as such, have sought to achieve a better result than if EQL was wound up, being option (b) of the prioritised administration objectives.

The sale to Cabot Financial (Europe) Limited ("Cabot") of the Debt Purchase Portfolio ("DP") was completed on 27 June 2013, for consideration totalling c £22.4m, subject to the transitional service agreement ("TSA"), which was concluded on 27 September 2013. Subsequently, on 18 October 2013, EQL ceased all activity and the associated wind down process was completed.

In addition to the above, immediately upon appointment, EQL ceased proactive collections on the Debt Collection Agents ("DCA") accounts. EQL continued to provide a period of support to 30 August 2013 to the DCA clients, returning all accounts to DCA clients by this date.

EQH was a non-trading holding company only and EQL was a wholly owned subsidiary of EQH.

Summary of progress since last report – EQL

DP Income

Following my last report there have been further collections of c £19,000 in respect of the owned debt from the DP portfolio, primarily as a result of dividends in insolvent accounts. We do not anticipate any further realisations in this regard.

Chattel assets

Since my last report, there have been further realisations from chattel assets of c £8,000 in relation to the proceeds from the sale of IT equipment. All chattel assets have now been realised in the Administration.

Trading wind down

We continue to seek to finalise the liabilities in respect of the wind down period to 18 October 2013. Since my last report, payments totalling c £3,000 have been made, primarily relating to payroll costs (c £1,000), and telephony services (c £2,000). We anticipate that the remaining outstanding liabilities will be agreed and settled within the next two months.

Other costs

Since my last report, further payments have been made in respect of employee insurance (c £3,000) and sundry expenses (c £3,000) primarily relating to postage and storage costs.

Suspense monies

Since my previous report, c £3,000 of suspense monies have been returned to EQL by the respective creditors as unbanked and credited to the suspense account.

Further to the order of the court obtained on 3 October 2013, and as detailed in my previous report, the suspense monies outstanding that EQL is unable to return to the respective creditors will be remitted to the Court at the conclusion of the Administration.

Other matters

As detailed within our previous report, we have been continuing to provide support to Cabot in order to facilitate the allocation of funds remitted by EQL prior to the end of the TSA. We have now provided all the information that we are practically able to do to allow Cabot to deal with the allocation of these funds and, therefore, our support has now been concluded.

Additionally, significant volumes of correspondence are still being received in respect of accounts previously owned or managed by EQL. Furthermore, we continue to receive payments on account which can no longer be credited to the relevant accounts. These payments include cash or postal orders that

EQL is seeking to return. As such, we have extended the mail redirection facility for EQL for a further three months in order to continue to advise individuals and third parties that EQL has ceased to trade.

We have historically forwarded such correspondence to Cabot or the relevant third party to facilitate the transfer of accounts. However, EQL's Consumer Credit License ("CCL") expired on 7 April 2014 and after seeking legal advice from our solicitor, Eversheds LLP, we understand that EQL can no longer forward correspondence to third parties. Therefore, any correspondence received by the Joint Administrators' subsequent to 7 April 2014 will be returned to the respective senders. It should be noted, however, that dealing with the level of correspondence received by EQL remains a significant task in the Administration.

Summary of progress since last report – EQH

As previously detailed in this report, EQH was a non-trading holding company only and the ultimate holding company of EQL. The only likely realisation in the Administration of EQH is in respect of the intercompany balance due from EQL totalling c £189,000, as detailed within EQH's Statement of Affairs. However, this is dependent on receiving a dividend by virtue of the Prescribed Part from EQL.

VAT

The Companies file a group VAT return, the most recent of which detailed a reclaim position of c £105,000 relating to the Administration. We anticipate that the refund will be received in this regard shortly.

Export VAT of c £3,000 in relation to the sale of chattel assets has now been recovered by EQL.

Receipts and payments Account

The receipts and payments accounts for EQH and EQL for the period from 17 December 2013 to 9 May 2014 are attached at Appendices 1a and 1b respectively. This does not reflect estimated future realisations or costs.

Joint Administrators' remuneration and expenses

The Administrators' remuneration will be drawn in accordance with a fee structure as agreed by the Companies' secured creditors, being Lloyds TSB Bank plc, The Cooperative Bank plc, N M Rothschilds and Sons Limited and KBC Bank NV (together "the Syndicate") and additionally the preferential creditors of EQL only. The Joint Administrators' fees are fixed on a time cost basis and drawn subject to the approval of the secured and majority of the preferential creditors in accordance with Rule 2.1056(A) of the Insolvency Rules 1986.

EQL

The Joint Administrators have incurred time costs for the Administration period to 9 May 2014 in the sum of £1,289,220. Since the date of my last report the Joint Administrators' have drawn £500,000 plus VAT in respect of the above time costs. On 8 May 2014, approval was obtained from both the Syndicate and the majority of the preferential creditors for the Joint Administrators to draw additional fees totalling £350,000 plus VAT. These fees remain unpaid at the date of this report. An analysis of the time spent is attached at Appendix 2a to this report. At Appendix 3 there is a statement of the Administrators' policy in relation to charging time and disbursements.

In the period of this report, Category 1 and Category 2 disbursements in the sum of £2,018 have been incurred bringing total disbursements for the Administration period to 9 May 2014 to £16,230. Since my last report, the Joint Administrators have drawn £14,212 plus VAT in respect of Category 1 and Category 2 disbursements. On 8 May 2014, approval was obtained from both the Syndicate and the majority of the preferential creditors for the Joint Administrators to draw £1,672.80 in respect of Category 2 disbursements, bringing total disbursements approved to date in respect of Category 2 disbursements now to £5,793. There is an analysis of Category 2 disbursements (i.e., those disbursements paid to the Joint Administrators' firm) at Appendix 2a.

EQH

As stated in my last report, for the period 17 June 2013 to 16 December 2013, the Joint Administrators had incurred time costs of £5,146. Further time costs from 17 December 2013 to 9 May 2014 of £9,520 have been incurred, bringing total time costs for the period to 9 May 2014 in the sum of £14,666. To date, Enil has been billed and paid in this regard. An analysis of the time spent is attached as Appendix 2b.

For the period 17 June 2013 to 9 May 2014, no disbursements have been incurred.

In certain circumstances, creditors are entitled to request further information regarding the Administrators' remuneration or expenses, or to apply to Court on the grounds that the costs are considered to be excessive (Rules 2.48A and 2.109 of the Insolvency Rules 1986). Further information is provided at Appendix 4.

Payments to other professionals

During the period of this report, there have been further payments to GVA Grimley Limited (c £5,000), Merrill Corporation Limited (c £5,000) and Disklabs Limited (c £2,000) by the Administrators' in respect of the review, preparation and sale of chattel assets. The total payments and Category 2 disbursements made to other professionals in the period to 9 May 2014 are summarised below:

Agent	Incurred	Paid	Outstanding
GVA Grimleys Ltd	£23,472.59	£23,472.59	-
Merrill Corporation Ltd	£4,993.59	£4,993.59	-
Disklabs Ltd	£2,050.00	£2,050.00	-
Eversheds LLP	£28,064.38	£28,064.38	-
Linaker Green Ltd	£17,625.00	£17,625.00	-
JLT Insurance Ltd	£3,071.19	3,071.19	-
Total	£79,276.75	£79,276.75	-

Secured Creditors

The Syndicate had an estimated total indebtedness of c.£34.7m at 17 June 2013 secured against the assets of the Companies. Since my last report, there have been further distributions to the Syndicate totalling £500,000, taking the total distributions to the Syndicate to c.£21.1m. It is not anticipated that

there will be sufficient realisations in the Administrations of the Companies for the Syndicate's indebtedness to be repaid in full

Preferential creditors

Following the expiry of the last date for preferential creditors to prove their claims, the Joint Administrators' made a first and final distribution on 28 February 2014 to those creditors that proved their claim. The distribution totalled c £23,000 and represented a dividend of 100p/£.

As stated in my previous report, EQH did not have any preferential creditors at the date of my appointment.

Unsecured non-preferential creditors

As stated in my last report, we do not currently estimate that there will be sufficient realisations in the Administration of either EQL or EQH to enable a distribution to their respective non-preferential creditors other than by virtue of the Prescribed Part (see below).

The Prescribed Part

As you may be aware, the Prescribed Part is a proportion of floating charge assets set aside for the unsecured non-preferential creditors pursuant to section 176A of the Insolvency Act 1986. The Prescribed Part applies to floating charges created on or after 15 September 2003. The charge in respect of the Companies is dated 6 December 2007 and as such the provisions of the Prescribed Part will apply.

EQL

As stated in my previous report, the sale of EQL's main asset, the DP Portfolio, generated floating charge realisations of £22.4 million. The value of the Prescribed Part will be the statutory maximum of £600,000, before costs of distribution. As detailed in the Directors Statement of Affairs, the value of unsecured non-preferential creditors is c £3.6m.

We have considered the most appropriate method of distributing the Prescribed Part and consider that the Prescribed Part should be distributed in the Administration of EQL. In order to undertake the distribution in the Administration we are required to obtain an order from the court pursuant to the rules set out under paragraph 65(3) of Schedule B1 to the Insolvency Act 1986.

Following such an order being obtained we shall advertise for unsecured non-preferential creditors of EQL to prove their claims.

EQH

As previously reported, the only potential realisation available to EQH would be a dividend by virtue of the Prescribed Part from EQL in respect of an intercompany balance. The exact quantum of floating charge realisations remains uncertain until such a time as the level of the potential distribution from EQL to EQH has been determined.

Alongside the application to the court for an order to distribute the Prescribed Part in the Administration of EQL, we are also seeking a similar order in respect of EQH.

Conclusion of the Administrations

The matters below remain outstanding in the Administrations of the respective companies and require resolution in advance of the Administrations being finalised

EQL

- ▶ Agreement and settlement of all Administration liabilities,
- ▶ Finalise and deal with remaining suspense monies, remitting any un-refunded monies to the court,
- ▶ Dealing with the level of correspondence relating to both DP Portfolio accounts and DCA accounts,
- ▶ Completion of statutory returns to HM Revenue and Customs including those in relation to Corporation Tax, VAT and PAYE/NIC,
- ▶ Satisfying statutory obligations during the Administrations, including ongoing six monthly reporting to the Company's creditors, and
- ▶ Finalising distributions to secured and unsecured non preferential creditors by virtue of the Prescribed Part (subject to Court approval)

EQH

- ▶ Satisfying statutory obligations during the Administrations, including ongoing six monthly reporting to the Company's creditors,
- ▶ Realise the intercompany balance to the extent that a distribution from the Prescribed Part in EQL allows, and
- ▶ Finalising distributions to secured and unsecured non preferential creditors by virtue of the Prescribed Part (subject to Court approval)

The end of the Administrations

As stated above, it is currently estimated that there will be sufficient realisations to enable a distribution to unsecured non-preferential creditors by virtue of the Prescribed Part. Furthermore, the Joint Administrators are in the process of making an application to the court in order to distribute the Prescribed Part in the Administrations as it is anticipated to provide a better outcome for the creditors than in a creditors' voluntary liquidation process

As stated at the beginning of this report, the Joint Administrators have decided to extend the Administrations of the Companies by a further six months from the date of the end of the Administration period 16 June 2014. We do not currently estimate that another extension of the Administrations would be necessary provided that the above stated matters have been finalised and no unanticipated matters arise in the future



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I will report to you again at the conclusion of the Administrations or in six months' time, whichever is the sooner

Yours faithfully
for the Companies

T Lukic
Joint Administrator

Appendix 1	Joint Administrators' Receipts and Payments Accounts
Appendix 2	Summary of Joint Administrators' Time-Costs and Category 2 Disbursements
Appendix 3	Joint Administrators' Policy on Fees and Disbursements
Appendix 4	Creditors' request for further information regarding an administrators' remuneration or expenses – Rule 2 48A, Insolvency Rules 1986

T Lukic and S Allport are licensed in the United Kingdom to act as insolvency practitioners by The Institute of Chartered Accountants in England and Wales

The affairs, business and property of the Companies are being managed by the Joint Administrators, T Lukic and S Allport, who act as agents of the Companies only and without personal liability

We may collect, use, transfer, store or otherwise process (collectively, "Process") information that can be linked to specific individuals ("Personal Data") We may Process Personal Data in various jurisdictions in accordance with applicable law and professional regulations including (without limitation) the Data Protection Act

Appendix 1a

Equidebt Limited (In Administration) ("EQL")

**Joint Administrators' Abstract of Receipts and Payments
from 17 June 2013 to 9 May 2014**

	Statement of Affairs Estimated to Realise Values	17 June 2013 to 16 December 2013	17 December 2013 to 9 May 2014	17 June 2013 to 9 May 2014
E000				
Receipts				
DP book sale	22,300	22,394	-	22,394
DP income	-	25	19	44
DCA commission	-	465	-	465
Pre-appointment book debt	65	187	-	187
Cash on appointment	1,050	994	-	994
Interest income - floating	-	4	-	4
Chattel assets	360	42	8	50
Other income	-	3	-	3
Total receipts	23,775	24,114	27	24,141
Payments				
Employment costs		(769)	(3)	(772)
Property costs		(128)	-	(128)
Insurance		(21)	(1)	(22)
Legal fees		(28)	-	(28)
Agents' fees		(19)	(12)	(31)
Telephone & IT services		(44)	(2)	(46)
Other wind down costs		(29)	(1)	(30)
Sundry expenses		(44)	(3)	(47)
Bank charges And interest		(9)	-	(9)
Joint Administrators' fees and disbursements		-	(518)	(518)
Distributions to floating charge creditors		(20,560)	(500)	(21,060)
Distributions to preferential creditors		-	(23)	(23)
Total payments		(21,652)	(1,062)	(22,715)
Funds attributable to floating charge assets		2,462	(1,036)	1,426
Represented by:				
Joint Administrators' accounts		2,637	(1,166)	1,451
Suspense		(37)	(3)	(39)
Post appt suspense		(127)	-	(127)
Net VAT receivable		(50)	156	105
Export VAT		3	(3)	-
Trade retention		39	-	39
Cheques & postal order control account		(1)	-	(1)
Total available cash at bank		2,462	(1,036)	1,426

Notes

1 Receipts and payments are stated net of VAT

Appendix 1b

Equidebt Holdings Limited (In Administration) ("EQH")

**Joint Administrators' Abstract of Receipts and Payments
from 17 June 2013 to 9 May 2014**

£000	Statement of Affairs Estimated to Realise	17 June 2013 to 16 December 2013	17 December 2013 to 9 May 2014	17 June 2013 to 9 May 2014
Receipts				
Intercompany debt due from EQL	80	-	-	-
Total receipts	80	-	-	-
Payments				
		-	-	-
Total payments		-	-	-
Funds attributable to floating charge assets				
		-	-	-

Notes

- 1 EQH is the non-trading holding company of EQL. Therefore, no payments have been made for the period to 9 May 2014.
- 2 The Prescribed Part distribution from EQL to EQH has not been made as at the date of this report and, as such, no realisations have been made by EQH from 17 June 2013 to 9 May 2014.

Appendix 2a

Equidebt Limited (In Administration) ("EQL")

**Summary of Joint Administrators' Time-Costs and Category 2 Disbursements
from 17 June 2013 to 9 May 2014**

Classification of work function	Hours				Total hours	Total time costs £	Total average rate £
	Partner/director	Manager	Other senior professionals	Assistants & support			
Accounting & administration	57.2	112.0	196.1	783.3	1,148.6	205,660.48	179.05
Bank & statutory reporting	47.1	62.5	85.4	133.1	328.1	83,564.00	254.69
Creditors	50.3	75.3	102.4	258.8	486.8	109,892.44	225.74
Debtors	12.3	-	-	203.6	216.1	33,641.00	155.67
Employee matters	27.4	78.8	101.7	2.0	209.9	68,621.00	331.69
Immediate tasks	2.0	-	30.5	34.5	67.0	12,806.00	191.12
Investigations and CDDA	22.8	23.6	11.7	80.5	138.6	33,513.50	241.80
Job acceptance & strategy	8.5	-	2.0	-	10.5	4,842.50	461.19
Legal issues	4.5	2.0	-	-	6.5	3,315.00	510.00
Other assets	38.0	1.0	44.8	18.3	102.1	31,811.50	311.57
Other matters	4.8	101.9	20.5	8.5	135.7	42,424.00	312.63
Prescribed Part	0.5	4.5	2.5	14.5	22.0	4,197.50	190.80
Property	6.0	17.1	56.7	1.8	81.6	22,998.50	281.84
Public relations issues	0.5	-	-	-	0.5	232.50	465.00
Retention of title	-	2.5	1.0	3.7	7.2	1,587.00	220.42
Statutory duties	22.3	17.2	40.6	1.0	81.1	27,139.00	334.64
Trading	132.1	712.3	425.5	1,280.1	2,550.0	580,039.79	227.47
VAT & taxation	0.3	20.9	28.5	21.5	71.2	21,936.50	308.06
Total	438.6	1,291.6	1,149.9	2,845.4	5,685.5	1,289,220.21	227.64
Total cost incurred £	219,744.00	422,461.50	271,881.50	376,323.21	1,289,220.21		
Average hourly rate £	503.31	343.02	236.27	131.91			

Expenses £'s	
Category 1	10,437.38
Category 2	5,793.00
Total	16,230.38

Current hourly charge out rates

	Charge out rates £	From 1 July 12	From 1 July 13
Partner/Director	Partner	570	600
	Director	485	490
Manager	Senior Manager	410	430
	Senior Manager - Tax	590	630
	Manager	320	335
	Manager - Tax	520	570
Other senior professionals	Executive	230	240
Assistants & support	Analyst 3	175	195
	Analyst 2	140	145
	Analyst 1	130	135
	Analyst - Tax	100	105
	Cashier	115	120
	Assistant	110	115



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Category 2 Disbursements

To date, Category 2 disbursements have been drawn to the value of £4,120 20, although it should be noted that approval to draw £1,672 80 has been obtained from the Syndicate and the majority of preferential creditors. The Category 2 disbursements totaling £5,793 00 detailed above are analysed as follows:

Nature of expense	Amount (£)	Basis of charge
Mileage	5,361 10	45p per mile
Photocopying	431 90	2.8p per sheet for bulk copying

Appendix 2b

Equidebt Holdings Limited (In Administration) ("EQH")

Summary of Joint Administrators' Time-Costs and Category 2 Disbursements from 17 June 2013 to 9 May 2014

Classification of work function	Hours				Total Hours	Total time costs £	Total average rate £
	Partner/	Manager	Other	Assistants			
Accounting & administration	20	28	12.5	25.0	42.5	8,022.50	189.68
Bank & statutory reporting	20	-	1.7	13.9	17.6	3,619.50	205.65
Creditors	-	-	-	-	-	-	-
Debtors	-	-	-	-	-	-	-
Employee matters	-	-	-	-	-	-	-
Immediate tasks	-	-	4.0	-	4.0	920.00	230.00
Investigations and CDDA	-	-	-	5.7	5.7	769.50	135.00
Job acceptance & strategy	-	-	-	-	-	-	-
Legal issues	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-
Other matters	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-
Public relations issues	-	-	-	-	-	-	-
Retention of title	-	-	-	-	-	-	-
Statutory duties	-	2.1	-	-	2.1	672.00	320.00
Trading	1.0	-	-	-	1.0	600.00	-
VAT & taxation	-	0.1	-	-	0.1	63.00	630.00
Total	5.0	5.0	18.2	44.6	72.8	14,668.50	201.48
Total cost incurred (£)	3,000.00	1,848.00	4,298.00	5,722.50	14,668.50		
Average hourly rate (£)	600.00	329.20	236.18	128.31			

Current hourly charge out rates

	Charge out rates £	From 1 July 12	From 1 July 13
Partner/Director	Partner	570	600
	Director	485	490
Manager	Senior Manager	410	430
	Manager	320	335
	Manager- Tax	520	570
Other senior professionals	Executive	230	240
Assistants & support	Analyst 3	175	195
	Analyst 2	140	145
	Analyst 1	130	135
	Analyst - Tax	100	105
	Cashier	115	120
	Assistant	110	115

Category 2 Disbursements

The Joint Administrators have incurred no disbursements in relation to EQH, therefore, there are no Category 2 disbursements to detail



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Appendix 3

Equidebt Limited and Equidebt Holdings Limited (Both in Administration) (together "the Companies")

Office Holders' charging policy for fees

The Administrators' remuneration will be drawn in accordance with a fee structure which will be agreed with the Companies' secured creditors and preferential creditors

The Administrators have engaged managers and other staff to work on the Administration. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Administrators.

All time spent by staff working directly on case-related matters is charged to a separate time code established for each case. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown in Appendix 2, as are the current hourly rates used. The current hourly rates may be higher than the average rates, if hourly rates have increased over the period covered by this report.

Office Holders' charging policy for disbursements

Statement of Insolvency Practice No. 9 ("SIP 9") published by R3 (The Association of Business Recovery Professionals) divides disbursements into two categories.

Category 1 disbursements comprise payments made by the office holders' firm, which comprise specific expenditure relating to the Administration of the insolvent's affairs and referable to payment to an independent third party. These disbursements can be paid from the insolvent's assets without approval from the Committee. In line with SIP 9, it is our policy to disclose such disbursements drawn but not to seek approval for their payment.

Category 2 disbursements comprise payments made by the office holders' firm which include elements of shared or overhead costs. Such disbursements are subject to approval from as if they were remuneration. It is our policy, in line with SIP 9, to seek approval for this category of disbursement before they are drawn.

Appendix 4

Creditors' request for further information regarding an administrators' remuneration or expenses – Rule 2.48A, Insolvency Rules 1986

- 1) If-
 - (a) within 21 days of receipt of a progress report under Rule 2.47-
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (b) with the permission of the Court upon an application made within that period of 21 days, any unsecured creditor,
makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2.47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)
- (2) The administrator complies with this paragraph by either-
 - (a) providing all of the information asked for, or
 - (b) so far as the administrator considers that-
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
 - (iii) the administrator is subject to an obligation of confidentiality in respect of the information,giving reasons for not providing all of the information
- (3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the Court within 21 days of-
 - (a) the giving by the administrator of reasons for not providing all of the information asked for, or
 - (b) the expiry of the 14 days provided for in paragraph (1),and the Court may make such order as it thinks just
- (4) Without prejudice to the generality of paragraph (3), the order of the Court under that paragraph may extend the period of 8 weeks provided for in Rule 2.109(1B) by such further period as the Court thinks just."

Creditors' claim that remuneration is excessive – extract from Rule 2.109 of the Insolvency Rules 1986

- "(1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the Court, may apply to the Court for one or more of the orders in paragraph (4)
- (1A) Application may be made on the grounds that—
 - (a) the remuneration charged by the administrator,



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(b) the basis fixed for the administrator's remuneration under Rule 2.106, or

(c) expenses incurred by the administrator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

(1B) The application must, subject to any order of the Court under Rule 2.48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report") "