

The Insolvency Act 1986

2.23B**Notice of result of meeting of Creditors**

Name of Company

Abbey Interiors Limited

Company number

05573302

In the
Manchester District Registry

(full name of court)

Court case number
361 of 2009(a) Insert full name(s)
and address(es) of the
administrator(s)

We (a)
Neil Henry and Michael Simister
Lines Henry
Sixth Floor, Grafton Tower
Stamford New Road
Altrincham
WA14 1DQ

hereby report that a meeting of the creditors of the above company was held at

(b) Insert place of
meeting

(b) Sixth Floor, Grafton Tower, Stamford New Road, Altrincham, Cheshire, WA14 1DQ

(c) Insert date of meeting

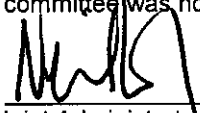
on (c) 8th April 2009 at which:

*Delete as applicable

Proposals were approved

A creditors' committee was not formed

Signed


 Joint Administrators

Dated

8th April 2009

*Delete as applicable

A copy of the original proposals is attached for those who did not receive such documents prior to the meeting

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

Neil Henry and Michael Simister
Lines Henry
Sixth Floor, Grafton Tower
Stamford New Road
Altrincham
WA14 1DQ

DX Number

0161 929 1905
DX Exchange



A195U97Z

A20

21/04/2009

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COMPANIES HOUSE

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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

logy Limited, Glasgow

TUESDAY

ABBAY INTERIORS LIMITED

MINUTES OF MEETING OF CREDITORS
HELD ON WEDNESDAY 8TH APRIL 2009 AT 11.30 A.M.
AT SIXTH FLOOR GRAFTON TOWER, STAMFORD NEW ROAD,
ALTRINCHAM, CHESHIRE, WA14 1DQ

IN ATTENDANCE

Neil Henry - Chairman

CREDITORS ATTENDING MEETING

	£	
Royce Cohen & Co	2,988.02	- Acceptance
Leesfields Developments	1,831.58	- Acceptance

CREDITORS ATTENDING BY PROXY

£
None

MODIFICATION

None

CONTINUING INVESTIGATION AND ADMINISTRATION MATTERS

The Joint Administrators will be continuing their investigation into the affairs of the company with particular emphasis on the director's loan account.

The proposals that had been sent to creditors on 19th March 2009 were therefore accepted without modification.



NEIL HENRY
CHAIRMAN

8th April 2009

Abbey Interiors Limited [in administration]

**JOINT ADMINISTRATORS' PROPOSALS PURSUANT TO PARAGRAPH 49 OF
SCHEDULE B1 TO THE INSOLVENCY ACT 1986**

<u>INDEX</u>	<u>PARAGRAPH</u>
Details relating to the appointment of the Joint Administrators	1
Circumstances giving rise to the appointment of the Joint Administrators	2
Conduct of the affairs of the Company since the Joint Administrators appointment	3
EC Regulations	4
Pre-appointment fees payable to the Joint Administrators	5
Joint Administrators' remuneration	6
Prescribed part of the Company's assets	7
Creditors	8
Investigations	9
Achievement of the purpose of the Administration	10
Exit from Administration	11

APPENDICES

Statutory information	Appendix I
Director's Statement of Affairs	Appendix II
Joint Administrators' comments on Statement of Affairs	Appendix III
Joint Administrators' Receipts & Payments Account	Appendix IV

1. **DETAILS RELATING TO THE APPOINTMENT OF THE JOINT ADMINISTRATORS**

1.1 Neil Henry and Michael Simister of Lines Henry were appointed Joint Administrators of Abbey Interiors Limited ("the Company") on 4th February 2009 pursuant to an application to the High Court, Manchester District Registry No 361 of 2009. Edward Benedek, the sole director of the Company, had earlier resolved to seek the appointment of Messrs Henry and Simister as Joint Administrators of the Company. Both Mr Henry and Mr Simister are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

1.2 The Joint Administrators exercise all functions jointly and severally.

2.0 **CIRCUMSTANCES GIVING RISE TO THE APPOINTMENT OF THE JOINT ADMINISTRATORS**

2.1 The Company was started in 2003 by Edward Benedek and Mark Flight originally as a partnership. In September 2005, the business was incorporated.

2.2 The Company originally traded from Moss Lane, Royton but subsequently moved to premises at 76-82 Miles St, Oldham. The Landlord of these premises is Leesfield Developments. This is a company controlled by Edward Benedek and the rent payable was £1,381 per month inclusive of all services. The Company was initially financed by both the directors.

2.3 The Company specialised in the manufacture and fitting of bespoke kitchens. The Company traded reasonably, however, during 2008 it ran into financial difficulties due to a general downturn in the industry leading to a decline in the Company's order book.

2.4 Attempts were made to cut costs throughout 2008. The business was relocated to Miles Street and, where possible, overheads were cut including wages. However, this did not solve the fundamental problem that the business was not generating enough sales to survive.

2.5 On the 15th December 2008, one of the directors Mark Flight resigned from the Company. Shortly after this, Edward Benedek, the remaining director, realised that he could not run the business profitably.

2.6 On the 7th January 2009, Lines Henry were formally instructed to assist the director in convening statutory meetings of shareholders and creditors with a view to placing the company into Creditors Voluntary Liquidation. This meeting was convened and subsequently held on the 2nd February 2009. At the general meeting of the members the requisite majority required to pass the special resolution was not achieved. The company did not therefore proceed into Creditors Voluntary Liquidation.

- 2.7 Consequently, the sole director of the Company decided to place the company into administration in order to provide a better realisation of property for the benefit of creditors.

3.0 **CONDUCT OF THE AFFAIRS OF THE COMPANY SINCE THE JOINT ADMINISTRATORS APPOINTMENT**

- 3.1 The Director's Statement of Affairs is attached at Appendix II of this proposal.
- 3.2 The Joint Administrators instructed Messrs Philip Davies & Sons to carry out a valuation of the Company's assets and assist in the sale of the Company's assets.
- 3.3 Statement of Insolvency Practice 13 provides that the Administrators should provide details concerning the sale of the business and assets as a going concern to connected parties and are required to provide creditors with the following information:
- 3.3.1 On the advice of the Joint Administrators' agents, an agreement was reached with Edward Benedek the former director of Abbey Interiors Limited to purchase the plant and machinery, and the motor vehicle for the sum of £1,500 plus VAT.
- 3.3.2 It should be noted that the sale of assets to the former director was done because they had little value if removed from site. It is not the intention of Mr Benedek to restart trading as Abbey Interiors Limited.
- 3.4 The Joint Administrators are currently pursuing an overdrawn Directors Loan Account for the sum of £10,000 paid to one of the former directors Mark Flight. At this stage, it is uncertain whether this will be recovered.
- 3.5 The Joint Administrators continue to deal with the ongoing retention of title claims and are collecting in the Company's book debts.
- 3.6 The lease on the company's trading premises is held by Leesfield Developments Ltd which is controlled by Edward Benedek.

4.0 **EC REGULATIONS**

- 4.1 The European Communities Regulation will apply. The proceedings are main proceedings. The company's main centre of interest has been 76-82 Miles St, Derker, Oldham OL1 2PJ within the United Kingdom.

5.0 **PRE-APPOINTMENT FEES PAYABLE TO JOINT ADMINISTRATORS**

- 5.1 Rule 2.67(1)(c) of the Insolvency Rules 1986, provides for the payment of the following expenses from the administration: "where an administration order was made, the costs of the applicant and any person appearing on the hearing of the application and where the administrator was appointed otherwise than by order of the court, any costs and expenses of the appointor in connection with the making of the appointment and the costs and expenses incurred by any other person in giving notice of intention to appoint an administrator".

- 5.2 The fees of Lines Henry in this regard are £1,470.50 plus V.A.T. These will be paid from the funds available in the administration.

6.0 JOINT ADMINISTRATORS' REMUNERATION

- 6.1 The Joint Administrators' remuneration shall be fixed by reference to the time properly incurred by the insolvency practitioners (as Joint Administrators), and their staff in attending to matters arising in the administration, with authority to draw remuneration on account.

- 6.2 The current rates charged by the firm (excluding VAT) are as follows:-

	£ per Hour
Partner	295
Senior Manager	195
Consultant	150
Administrator	140 - 145
Cashier	105 - 150
Support Staff	60
Employment Consultant	60

These are the rates that are used by the firm at the time of drafting these proposals. The rates may change during the course of the administration.

- 6.3 The following gives a breakdown of the costs to date:

Classification of work function	Partner	Manager	Other Senior Professional	Admin Staff	Support Staff	Total Hours	Time Costs £	Av.Hourly Rate
Administration & Planning	0.00	0.00	0.00	4.15	0.00	4.15	581.00	140.00
Investigations	0.00	0.00	0.90	0.00	0.00	0.90	135.00	150.00
Realising Assets	0.00	1.50	0.00	0.50	0.00	2.00	362.50	181.25
Case Specific	0.00	0.00	0.00	0.65	0.00	0.65	91.00	140.00
Pre-App	2.50	0.00	0.00	5.20	0.00	7.70	1,470.50	190.97
Total Fees Claimed £	737.50	292.50	135.00	1,475.00	0.00		2,640.00	
Total Hours	2.50	1.50	0.90	10.50	0.00	15.40		
Average Rate	295.00	195.00	150.00	140.48	0.00			
TOTAL TIME COSTS TO DATE (EXCLUDING PRE-APPOINTMENT TIME)							1,169.50	

- 6.4 The resolution to approve the Joint Administrators' remuneration will need to be approved by creditors at the meeting.

6.5 If the Company proceeds into creditors' voluntary liquidation then any unpaid Joint Administrators' remuneration will be paid as a first charge from the assets available to the meet such costs in the liquidation.

6.6 Category 1 and 2 disbursements incurred by the Joint Administrators are charged on a direct cost basis and no general charges are made. It is proposed that the Joint Administrators will be authorised to draw such disbursements.

Category 1 expenses (approval not required) – specific expenditure related to an individual insolvency case where the cost is shown on a third party suppliers' invoice or published detail of charges.

Category 2 expenses (approval required) – all other items of expenses which cannot be directly related to a particular case because there is an element of shared or allocated costs. In addition where the cost is estimated but is based on third party charges.

7.0 **PRESCRIBED PART OF THE COMPANY'S ASSETS**

There is no prescribed part of the Company's assets in this matter.

8.0 **CREDITORS**

8.1 **Preferential Creditors**

We do not anticipate that there will be any preferential claims in the Administration.

8.2 **Secured Creditors**

There are no secured creditors in this matter.

8.3 **Unsecured Creditors**

There are a number of unsecured creditors of the Company, who are listed in Appendix II. The creditors listed are those provided from the Company records.

9.0 **INVESTIGATIONS**

9.1 Investigations into the Company's affairs and the conduct of the directors prior to the Company being placed into Administration are ongoing. A report on the conduct of the Directors will be submitted to the Department for Business, Enterprise & Regulatory Reform in due course.

9.2 We should be grateful if creditors could notify us in writing if there are any matters relating to the Company that you consider require investigation as a matter of urgency.

10.0 **PROPOSALS FOR THE ACHIEVEMENT OF THE PURPOSE OF THE ADMINISTRATION**

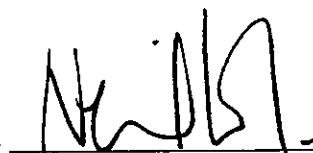
- 10.1 The statutory purpose of an Administration consists of three objectives, and we now address the progress that has been made in this respect.
- 10.2 The first objective is the rescuing of the Company as a going concern. This means rescuing the Company with all or most of its business intact. Upon our appointment it was apparent that there was no possibility of this objective being achievable as the Company had ceased to trade on 7th January 2009.
- 10.3 The second objective (to be considered if the first objective is not reasonably practical or would clearly be better for the creditors as a whole) is to achieve a better result for the creditors than would be obtained through an immediate winding up of the Company. As the shareholders had failed to pass a resolution to wind up the Company, then administration was the only alternative. This allowed the assets to be sold, and creditors claims to be dealt with.
- 10.4 The final purpose is realising property in order to make a distribution to one or more secured or preferential creditors. We do not anticipate that any preferential claims in the Administration. No charges have been registered against the company.
- 10.5 The only objective that can be achieved is the second objective set out in 10.3 above. To achieve this, the Joint Administrators' make the following proposals:
- 10.6 The Joint Administrators through their agents, Messrs Philip Davies & Sons, will realise the Company's remaining assets and deal with ongoing Retention of Title issues.
- 10.7 The Joint Administrators continue to realise the Company's book debts using their own staff, with assistance from the Company's former administrative staff. If necessary the Joint Administrators are authorised to instruct solicitors/debt collectors to assist in the collection of the book debts.
- 10.8 The costs payable under Rule 2.67(1)(c) Insolvency Rules 1986, due to Lines Henry are agreed at £1,470.50 plus V.A.T.
- 10.9 The Joint Administrators' remuneration is to be based by reference to the time properly incurred by the Joint Administrators and their staff in attending to matters arising in the administration with authority to draw remuneration on account. The current charge out rates and time to date are as stated in paragraphs 6.2 and 6.3 of the proposal. If the Company proceeds into creditors' voluntary liquidation then any unpaid Joint Administrators' remuneration will be paid as a first charge from the assets available to the meet such costs in the liquidation.
- 10.10 The Joint Administrators are authorised to draw category 2 disbursements in accordance with paragraph 6.5 above.
- 10.11 The Joint Administrators will agree the claims of preferential creditors, if any, and will discharge these claims, if sufficient funds are available.

- 10.12 The Joint Administrators will remain in office for a maximum of 12 months. If before that time it becomes clear that all unsecured creditors have been agreed and an interim dividend can be paid then the Company will be placed into Creditors' Voluntary Liquidation.
- 10.13 The Joint Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect.
- 10.14 Creditors may approve the proposals with or without modifications subject to the Joint Administrators agreement to any such modifications. If the creditors reject these proposals a report will be sent to the High Court informing that the creditors have rejected the proposals. The Court may then discharge the Administration and make consequential directions. Alternatively, it may adjourn the hearing or make some other Order as it thinks fit.

11.0 **EXIT FROM ADMINISTRATION**

- 11.1 The Joint Administrators will remain in office for a maximum of 12 months to 3rd February 2010. At that stage, should there be sufficient funds available to warrant a distribution to the unsecured creditors then the Company will be placed into Creditors' Voluntary Liquidation. Should there be insufficient funds available to warrant a distribution to the unsecured creditors then the Joint Administrators propose to move from administration to dissolution.
- 11.2 Should the Company proceed into liquidation then Neil Henry and Michael Simister of Lines Henry, Sixth Floor, Grafton Tower, Stamford New Road, Altrincham, Cheshire, WA14 1DQ, will seek appointment as Joint Liquidators. Creditors may nominate a different person as Liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved.
- 11.3 If creditors wish to establish a liquidation committee they are invited to propose members.

Signed



Neil Henry
Joint Administrators

Dated 19.3.09.

ABBAY INTERIORS LIMITED

STATUTORY INFORMATION

<u>REGISTERED NUMBER</u>	5573302	
<u>DATE OF INCORPORATION</u>	26 th September 2005	
<u>NATURE OF BUSINESS</u>	Furniture Manufacturer	
<u>REGISTERED OFFICE</u>	76-82 Miles St Derker Oldham OL1 3PJ	
<u>TRADING ADDRESS</u>	76-82 Miles St Derker Oldham OL1 3PJ	
<u>DIRECTOR</u>	Edward Benedek	26.09.2005
<u>COMPANY SECRETARY</u>	Mark Flight	26.09.2005
<u>ORDINARY SHAREHOLDING</u>	Edward Benedek Mark Flight	100 Ordinary £1 shares 100 Ordinary £1 shares
<u>DEBENTURES</u>	None registered	
<u>CESSATION OF TRADE</u>	7 th January, 2009	

Financial information available to the meeting is as follows:

	Unaudited Accounts For the year ended 30th September 2008	Audited Accounts for the year ended 30th September 2007
Turnover	241,867	211,362
Fixed Assets	13,385	17,850
Current Assets	20,193	28,105
Current Liabilities	(33,186)	(42,653)
Net Current Assets	(12,993)	(14,548)
Total Assets less Current Liabilities	392	3302
Creditors due after more than 1 year	0	0
Net Assets	392	3302
Profit & Loss Balance	192	3201
Director's Remuneration	13,232	5024
Dividends	nil	nil

Please find below a resume of the balances on the company's bank account for the previous two quarters trading:

Date	Amount In Hand/Owed
31/12/08	£ 746.11
31/06/08	£9,212.29

Lines Henry
Abbey Interiors Ltd
B - Company Creditors

Key	Name	Address	
CB00	BT PLC	DEPT W, TVTE, Newcastle, NE83 7ZF	
CB01	British Gas Business	F.A.O. The Insolvency Team, British Gas Business, Spinneyside, Penman Way, Grove Park, Leicester, LE19 1SZ	3;
CD00	Contributions Agency	Insolvency Section, Room 106E, Longbenton, Newcastle upon Tyne, NE98 1YX	2;
CD01	National Insurance Fund	C/O Insolvency Service, Finance Redundancy Paymnets Team, 6th Floor East, 45-46 Stephenson St, Birmingham, B2 4UZ	10;
CF00	First Distribution (Appliances) Ltd	First Distribution House, Albion Road Works, Norman Rd, Rochdale, Lancs, OL11 4HS	6;
CH01	H M Revenue & Customs, Taxes	Information Distributions Office, TY Glas Road, Llanishen, Cardiff, CF4 5ZG	
CH02	Hills Panel Products Ltd	Scottfield Rd, Oldham, Lancashire, OL8 1LA	
CH03	HM Revenue & Customs	E Cheshire and S Lancs Area, Archer House, John St, Stockport, Cheshire, SK1 3EF	
CH04	H M Revenue & Customs	Accounts Office Cumbernauld, Cumbernauld, Glasgow, G70 5TR	
CH05	HM Revenue & Customs	1st Floor, Albert Bridge House, 1a Bridge St, Manchester, M60 9AA	
CJ00	Jackson Brierley Harthan	43 High St, Uppermill, Oldham, Lancashire, OL3 6HS	
CL00	Leesfield Deveploments	76-82 Miles St, Derker, Oldham, Lancashire, OL1 3PJ	1;
CM00	MCM Insurance	611 Stretford Rd, Old Trafford, Manchester, M16 0QA	
CM01	Mc Ilmurray's Solicitors	2 Wellington St, Bingley, West Yorkshire, BD16 2NB	
CR00	Registry Trust Limited	173 -175 Cleveland Street, London, W1T 6QR	
CR01	Royce Cohen & Co	193a Ashley Road, Hale, Altrincham, Cheshire, WA15 9SQ	2;
CR02	Royal Bank of Scotland	1-5 Church Terrace, Oldham, OL1 3AU	
CS00	Solicitors acting for Edward Benedek		
CS01	Starr & Co	76 Wellington Road South, Stockport, SK1 3SU	
CT00	TK Components	Cranberry Dr, Denton, Manchester, M34 3UL	
RB00	Edward Benedek	8a Cherrington Dr, Castleton, Rochdale, OL11 2XS	1;
RF00	Mark Flight	No 9, Springvale Way, Royton, Oldham, OL2 6RU	
22 Entries Totalling			29;

Signature _____

Insolvency Act 1986

Abbey Interiors Ltd
Estimated Statement Of Affairs as at 4 February 2009

	Book Value £	Estimated to Realise £	£
ASSETS			
Plant & Equipment	6,067.00		1,950.00
Motor Vehicles	7,318.00		500.00
Book Debts	262.03		262.03
Directors loan account	10,000.00		Uncertain
			2,712.03
PREFERENTIAL CREDITORS:-			<u>NIL</u>
			2,712.03
Estimated prescribed part of net property where applicable (to carry forward)			<u>NIL</u>
			2,712.03
DEBTS SECURED BY FLOATING CHARGE			<u>NIL</u>
			2,712.03
Estimated prescribed part of net property where applicable (brought down)			<u>NIL</u>
			2,712.03
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)			
Trade & Expense Creditors		20,671.00	
Inland Revenue		6,622.00	
H M Customs & Excise		2,224.00	
			29,517.00
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)			<u>(26,804.97)</u>
			(26,804.97)
Issued and called up capital			
Ordinary Shareholders		200.00	
			200.00
TOTAL SURPLUS/(DEFICIENCY)			<u><u>(27,004.97)</u></u>

APPENDIX III

ABBHEY INTERIORS LIMITED

ADMINISTRATOR'S COMMENTS ON THE STATEMENT OF AFFAIRS

1. These figures are subject to the costs of realising the assets and the costs of the administration.
2. The assets have been professionally valued by Philip Davies & Sons. The forced sale value of the assets is significantly lower than the figures expressed in the Statement of Affairs. The Joint Administrators, since appointment, have disposed of the plant/machinery and motor vehicles.
3. Book debts have been subjected to specific and general provisions in respect of bad and doubtful debts.
4. Creditor claims include Value Added Tax where appropriate.
5. The liability due to the H M Revenue & Customs is in respect of the following:

	<u>Amount</u>	<u>Period</u>
V.A.T.	£2,224	October 08 – December 08
P.A.Y.E./N.I.C.	£2,694	April 08
Corporation Tax	£6,622	September 07

6. No account has been taken of possible claims in respect of arrears of wages, holiday pay, pay in lieu of notice and redundancy pay.
7. The amount in respect of the directors loan is uncertain as Mark Flight is claiming that the amount should be allocated to wages and so further investigation is required.

Abbey Interiors Ltd
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 19/03/2009

S of A £		£	£
	ASSET REALISATIONS		
1,950.00	Plant & Equipment	NIL	
500.00	Motor Vehicles	NIL	
262.03	Book Debts	NIL	
Uncertain	Directors loan account	NIL	
	Cash at Bank	39.18	
			39.18
	COST OF ADMINISTRATION		
	Specific Bond	30.00	
	Re-Direction of Mail	24.90	
	Public Notices	366.57	
	Court Fees	30.00	
	Travelling	10.20	
	Swearing Fee	5.00	
			(466.67)
	UNSECURED CREDITORS		
(20,671.00)	Trade & Expense Creditors	NIL	
(6,622.00)	Inland Revenue	NIL	
(2,224.00)	H M Customs & Excise	NIL	
			NIL
	DISTRIBUTIONS		
(200.00)	Ordinary Shareholders	NIL	
			NIL
<u>(27,004.97)</u>			<u>(427.49)</u>
	REPRESENTED BY		
	Bank 1 - Current		14.28
	Office		(441.77)
			<u>(427.49)</u>

A CREDITORS' GUIDE TO ADMINISTRATORS' FEES

ENGLAND AND WALES

1. Introduction

- 1.1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually 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 administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees and explains the basis on which fees are fixed.

2. The nature of administration

- 2.1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court in order to achieve one or more of the following statutory purposes:
- the survival of the company and its business in whole or in part;
 - the approval of a company voluntary arrangement;
 - the sanctioning of a scheme under section 425 of the Companies Act 1985;
 - a better realisation of assets than would be possible in a liquidation

3. The Creditors' Committee

- 3.1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is established at the meeting of creditors which the administrator is required to hold within 3 months of the administration order to consider his proposals. The administrator must call the first meeting of the committee within 3 months of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide such information as it may require.

4. Fixing the administrator's fees

- 4.1 The basis for fixing the administrator's remuneration is set out in Rule 2.47 of the Insolvency Rules 1986, which states that it shall be fixed either:
- as a percentage of the value of the property which the administrator has to deal with, or
 - by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration

It is for the creditors' committee (if there is one) to determine on which of these bases the remuneration is to be fixed, and if it is fixed as a percentage, to fix the percentage to be applied. Rule 2.47 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case;
- the responsibility of an exceptional kind or degree which falls on the administrator
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties;
- the value and nature of the property which the administrator has to deal with.

- 4.2 If there is no creditors' committee, or the committee does not make the requisite determination, the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as the committee would. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator.

5. What information should be provided by the Administrator

- 5.1 When seeking agreement to his fees the administrator 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 administrator should always make available an up-to-date receipts and payments account. Where the fee is to be charged on a time cost basis the administrator should be prepared to disclose the amount of time spent on the case and the charge-out value of the time spent, together with such additional information as may reasonably be required having regard to the size and complexity of the case. Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be contracted out which would normally be undertaken directly by an administrator or his staff.
- 5.2 The payment of expenses and disbursements is not subject to approval by the committee or the creditors. However, where an administrator makes, or proposes to make, a separate charge by way of expenses and disbursements to recover the cost of facilities provided by his own firm, he should disclose those charges to the committee or the creditors when seeking approval of his fees, together with an explanation of how those charges are made up and the basis on which they are arrived at.

6. What if a Creditor is Dissatisfied?

- 6.1 If a creditor believes that the administrator's remuneration is too high he may, if at least 25 per cent in value of the creditors (including himself) agree, apply to the court for an order that it be reduced. If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing. Unless the court orders otherwise, the costs must be paid by the applicant and not as an expense of the administration.

7. What if the Administrator is Dissatisfied?

- 7.1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient he may request that it be increased by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient, he may apply to the court for it to be increased. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear to be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's 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 as an expense of the administration.

8. Other matters relating to fees

- 8.1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors. If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.