

WU07

Notice of progress report in a winding-up by the court



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 5 8 4 1 0 2 5

Company name in full B.F.R.S. (UK) Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Adam

Surname Harris

3 Liquidator's address

Building name/number Tower Bridge House

Street St Katharine's Way

Post town London

County/Region

Postcode E 1 W 1 D D

Country

4 Liquidator's name ①

Full forename(s) Neil John

Surname Mather

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Tower Bridge House

Street St Katharine's Way

Post town London

County/Region

Postcode E 1 W 1 D D

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 0	^d 4	^m 0	^m 6	^y 2	^y 0	^y 2	^y 0
To date	^d 0	^d 3	^m 0	^m 6	^y 2	^y 0	^y 2	^y 1

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date	^d 2	^d 9	^m 0	^m 7	^y 2	^y 0	^y 2	^y 1
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**Presenter information**

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

Contact name Yasmin Mohamud

Company name Mazars LLP

Address Tower Bridge House

St Katharine's Way

Post town London

County/Region

Postcode E 1 W 1 D D

Country

DX

Telephone 020 7063 4000

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



B.F.R.S. (UK) Limited
In Liquidation

Liquidators' progress report covering the period from 4
June 2020 to 3 June 2021

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B.F.R.S. (UK) Limited - In Liquidation (**"the Company"**)

Progress Report to Creditors & Members

1. **Introduction**

- 1.1. This report is prepared pursuant to Rules 18.3 and 18.7 of the Insolvency (England and Wales) Rules 2016, the purpose of which is to provide creditors with details of the progress of the Liquidation during the 12 months to 3 June 2021.
- 1.2. Adam Harris and I were appointed Joint Liquidators of B.F.R.S. (UK) Limited by the Secretary of State on 4 June 2018. The winding-up order was made on 10 April 2018 in the Leeds District Registry under reference no. 1137 of 2017.
- 1.3. Both Mr Harris and I are authorised to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales.
- 1.4. Identification details relating to the Company and the Liquidators are attached at Appendix A.

2. **Liquidators' Receipts and Payments**

- 2.1. A summary of receipts and payments covering the period from 4 June 2020 to 3 June 2021 is attached at Appendix B. The receipts and payments account also covers the cumulative period from the date of appointment to 3 June 2021.
- 2.2. The receipts and payments account confirms that there is a balance in hand of £19,781.
- 2.3. Further details regarding the assets and expenses paid are provided below.

3. **Asset Realisations and Details of Progress**

- 3.1. In accordance with Statement of Insolvency Practice 13, I would advise you that there have been no transactions with connected parties.
- 3.2. Asset realisations made during the period covered by this report are detailed below.
- 3.3. **Bank Refund**
 - 3.3.1. The Company received multiple unexpected bank refunds of £27,943 from Lloyds Bank, HSBC UK and NatWest, for the overcharge of bank interest rates on the Company's bank account.
 - 3.3.2. We have concluded that it is unlikely that we will receive any further bank refunds.

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3.4. Rates Refund

- 3.4.1. As previously reported, the Company rented a car park premises in the London Borough of Hounslow ("the Borough"). Upon review, we found that the Company had an outstanding credit balance of £538 on their account.
- 3.4.2. This refund was received during the period of this report.

4. Estimated Outcome Statement

- 4.1. An estimate of the outcome of the Liquidation is attached at Appendix C.
- 4.2. Based on expected realisations and payments, it is expected that there will be insufficient funds to enable a return to unsecured creditors after costs and expenses.
- 4.3. Further details on the expected outcome for each class of creditor is provided below.

5. Liabilities

5.1. Secured Creditors

- 5.1.1. A fixed and floating charge debenture over the Company's assets was granted in favour of Lloyds Bank PLC ("Lloyds"). It was created on 5 March 2015 and was registered at Companies House on 6 March 2015. As at 14 May 2018, the indebtedness to Lloyds totalled £1,144,313, comprising a number of loans.
- 5.1.2. Assuming that realisations and expenses are as anticipated, Lloyds are unlikely to receive any funds under their security.

5.2. Preferential Creditors

- 5.2.1. There are no preferential creditors in this case.

5.3. Unsecured Creditors

- 5.3.1. According to the Official Receiver's report to creditors, the Company had liabilities totalling £4,897,314. Claims received to date total £1,045,427 from six creditors.
- 5.3.2. At present, there is unlikely to be a return to unsecured creditors.

6. Prescribed Part

- 6.1. In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being 50% of the first £10,000 of net property and 20% of net property thereafter subject to a maximum

fund of £600,000. Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims.

- 6.2. As the Company granted a floating charge to Lloyds on 5 March 2015, the provisions regarding the prescribed part would apply in this matter. However, as there is no net property, no prescribed part fund would be available for unsecured creditors.

7. Liquidators' Remuneration

- 7.1. A resolution was passed by the creditors, by Decision by Correspondence, with a decision date of 18 July 2018, enabling the Joint Liquidators to draw remuneration by reference to the time properly spent by the Liquidators and their staff in dealing with the matters arising during the Liquidation, subject to the Fees Estimate of £20,234, plus VAT.
- 7.2. Attached at Appendix C1 is a summary of the Liquidators' actual time costs for the period from 4 June 2020 to 3 June 2021, which total £11,665, representing 50.1 hours at an average hourly rate of £232.83. The Liquidators' cumulative time costs since appointment to 3 June 2021 total £34,910, representing 116.7 hours at an average hourly rate of £209.42.
- 7.3. Attached at Appendix C2 is a narrative summary of the Liquidators' time costs, which provides further information on the work carried out during the current reporting period, why the work was necessary and whether the work has provided a financial benefit to creditors.
- 7.4. As at 3 June 2021, no funds have been drawn against the Liquidators' time costs in respect of the Liquidation.

8. Expenses

- 8.1. Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements. Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.
- 8.2. Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).
- **Category 1 expenses:** These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.
 - **Category 2 expenses:** These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

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- 8.3. Details of all expenses incurred during the period of the report and likely future expenses are provided in the Expenses Statement attached at Appendix D, together with an explanation as to why the expenses have been or will be incurred. This also includes details of the Liquidators' previous Expenses Estimate, for comparison purposes.
- 8.4. Further details of expenses paid during the period of the report are shown in the receipts and payments account at Appendix B.
- 8.5. I have reviewed the expenses incurred to date and I am satisfied that they are fair and reasonable and proportionate in the circumstances of the case.
- 8.6. **Category 2 Expenses**
- 8.7. As noted above, Category 2 Expenses require approval in the same manner as an office holder's remuneration before being paid.
- 8.8. There have been no Category 2 expenses incurred or paid during the current reporting period.

9. Investigations

- 9.1. I have reviewed the affairs of the Company prior to the Liquidation as far as possible with the information and records in my possession, including a review of the Company bank statements obtained.
- 9.2. As reported previously, I attempted to contact the director a number of times in an attempt to obtain additional Company records and to request information regarding the Company's failure. Unfortunately, I did not receive any response.
- 9.3. The director was declared bankrupt. His Trustee in bankruptcy is conducting his own investigations and we have also provided assistance to them as far as possible. However, given the limited amount of information we are holding, we have concluded that it is not economically viable to pursue this claim further.
- 9.4. Creditors are reminded that the statutory obligation to consider the director's conduct and to submit a return / report to the Insolvency Service under the Company Directors' Disqualification Act 1986 remains with the Official Receiver.
- 9.5. A liquidator is obliged to report any matters of unfit conduct to the Official Receiver where identified and I can confirm that this obligation has been complied with.

10. Matters outstanding

- 10.1. No matters remain outstanding; therefore the Liquidation will shortly be brought to an end after the petitioning creditor has confirmed their costs.

11. Creditors' Rights

11.1. Further information

- 11.1.1. I would advise you that pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the court, may, within 21 days of receipt of this progress report, ask the Liquidators for further information about the remuneration and expenses set out in this progress report.

11.2. Apply to Court

- 11.2.1. Additionally, pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the court may, within 8 weeks of the receipt of this progress report, apply to the court on the grounds that one or more of the following is, in all of the circumstances, excessive or inappropriate:
- a. The remuneration charged by the Liquidators, or
 - b. The basis fixed for the Liquidators' remuneration, or
 - c. The expenses incurred by the Liquidators.

11.3. Further guidance

- 11.3.1. Creditors can find additional information on their rights relating to Liquidators' fees in a copy of the publication "A creditors guide to Liquidators' Fees" which is available to download from <https://www.r3.org.uk/media/documents/publications/professional/Liquidations%20Creditor%20Fee%20Guide%20April%202017.pdf> or alternatively will be provided free of charge upon written request to this office.
- 11.3.2. For further general information regarding a creditor's role throughout an insolvency process, creditors are reminded that they can also visit www.creditorinsolvencyguide.co.uk.



N Mather
Joint Liquidator

Dated 30 July 2021

Authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales and bound by the Insolvency Code of Ethics. Where personal data is required to be processed, this will be dealt with in accordance with the Mazars LLP Insolvency Services Privacy Statement which can be accessed at: www.mazars.co.uk/Legal-and-privacy

B.F.R.S. (UK) Limited - In Liquidation

APPENDICES INDEX

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B.F.R.S. (UK) Limited

In Liquidation

Identification Details

Details relating to the Company

Company name	B.F.R.S. (UK) Limited
Previous names	AF EXPO Limited
Company number	05841025
Registered office	C/o Mazars LLP, Tower Bridge House, St Katharine's Way, London, E1W 1DD
Trading address and previous registered office	Vista Business Centre, Salisbury Road, Hayes, Middlesex, UB3 5ND

Details relating to the Liquidators

Date of appointment	4 June 2018
Liquidators	A Harris and N J Mather of Mazars LLP Tower Bridge House, St Katharine's Way, London, E1W 1DD IP No(s) 015454 and 008747
Liquidators' address	Mazars LLP Tower Bridge House, St Katharine's Way, London, E1W 1DD
Liquidators' contact telephone number	020 7063 4000

**B.F.R.S. (UK) Limited - In Liquidation
Joint Liquidators' Summary of Receipts and Payments
and Estimated Outcome Statement as at 3 June 2021**

RECEIPTS	From 04/06/2020 to 03/06/2021 (£)	From 04/06/2018 to 03/06/2021 (£)	Estimated Future Movements (£)	Total (£)
Bank Refund - Interest	27,942.83	28,905.84	-	28,905.84
OR Balance	-	1,600.00	-	1,600.00
Bank Interest Gross	1.09	1.09	Uncertain	1.09
Rates Refund	538.34	538.43	-	538.43
	<u>28,482.26</u>	<u>31,045.36</u>	<u>-</u>	<u>31,045.36</u>
PAYMENTS				
Secretary of State Fee	-	6,000.00	-	6,000.00
Liquidation Administration fee	-	5,000.00	-	5,000.00
Bank Charges	88.00	264.00	22.00	286.00
Corporation Tax	0.22	0.22	-	0.22
Petitioning Creditor's Cost			Uncertain	Uncertain
Joint Liquidators' Fee	-	-	Uncertain	Uncertain
Joint Liquidators' Disbursement	-	-	Uncertain	Uncertain
	<u>88.22</u>	<u>11,264.22</u>	<u>22.00</u>	<u>11,286.22</u>
BALANCE		<u>19,781.14</u>	<u>- 22.00</u>	<u>Uncertain</u>
Estimated balance available for secured creditor				Nil
Estimated balance available for unsecured creditors				Nil

Type of Expenditure	Who expense incurred by and nature of expense	Incurred in previous periods (£)	Incurred in current period (£)	Likely future expenses (£)
Category 1 Expenses				
Secretary of State Bank Charges	All funds collected in a compulsory winding up must be banked with The Insolvency Service at the Bank of England. A breakdown of the fees charged is as follows:			
	Fee £			
	Quarterly Banking Fee 22	176.00	88.00	44.00
	BACS Payment 0.15			
	Cheque Fee 1.1			
	CHAPS Payment 10.3			
	Unclaimed Dividend Fee 25.75			
	Fee 25.75			
Official Receiver's general fee	A fixed fee of £6,000 is levied by the Secretary of State on all cases where the winding up petition was presented after 21 July 2016. The fee contributes towards the costs of administering the cases by the Official Receiver/Insolvency Service.	6,000.00	-	-
Official Receiver's Costs	The Official Receiver's initial costs of administration must be paid as a priority in all cases. In this case the sum of £5,000 has been charged.	5,000.00	-	-
Corporation tax	Corporation tax will be payable in respect of the interest accrued whilst surplus funds are held on an interest-bearing deposit account.	0.22	-	-
Petitioning Creditor's Costs	The petitioning creditor is entitled to receive their costs in presenting a petition and obtaining a winding up order as a priority after the Official Receiver's costs. The petition creditor has not yet confirmed their costs.	-	-	Uncertain
Total Category 1 Expenses		11,176.22	88.00	44.00
Category 2 Expenses				
These expenses require approval in the same manner as the office holder's remuneration.				
Total Category 2 Expenses		-	-	-
Mazars LLP Remuneration				
Liquidators' Remuneration	To project manage the orderly winding up of the Company's affairs, and to perform those tasks required as dictated by statute, best practice and ethical requirements.	23,244.50	11,665.00	Uncertain
Liquidators' Disbursements	Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds.			
	A breakdown of expenses incurred in this manner include:			
	• Specific bond - It is a legal requirement that I take out a specific bond in respect of the value of the assets. On the basis the assets recovered are likely to total less than £10,000, the bond paid to JLT Specialty Ltd was £20.	20.00	-	-
	• Statutory advertising - Costs are paid to Courts Advertising for statutory advertising requirements including London Gazette advertisements for notice of the appointment. This cost relates to the advertising of my appointment.	84.60	-	-
	• Courier - Courier for the collection of company files from Official Receiver by City Sprint UK Limited.	38.67		
	• Storage Cost - Collection and storage of company files by Fyfield Equipment Limited	217.43	72.00	Uncertain
These expenses have been incurred, but not yet paid.				
Total Mazars LLP Remuneration		23,605.20	11,737.00	-
Total		34,781.42	11,825.00	44.00

ANALYSIS OF TIME COSTS AND COMPARISON TO FEES ESTIMATE

The following table provides details of the Joint Liquidators' actual time costs incurred in the current reporting period, compared to the estimated costs as per the Fees Estimate. The table also includes the cumulative period from 4 June 2018 to 3 June 2021, which provides details of the Liquidators' total time costs since appointment.

Further information on the work undertaken in the current reporting period, including an explanation as to why the various tasks were required and whether the work provides a financial benefit to creditors is provided within the narrative summary of work undertaken at Appendix E2.

Creditors will note that a blended hourly charge-out rate has been provided. This is calculated as the prospective average cost per hour based upon the estimated time to be expended by each grade of staff at their specific charge out rate. Details of the hourly rates of staff anticipated to work on this case can be found on the Rates and Disbursements policy attached to this report. Please note that where total costs do not equate to the total time at the blended hourly rate, this is due to rounding.

Description of Work	Fees Estimate			Actual time costs for the period 4 June 2020 to 3 June 2021			Cumulative time costs for the period 4 June 2018 to 3 June 2021		
	Total Time (hours)	Total Costs (£)	Blended Hourly Rate (£)	Time incurred (hours)	Total Costs (£)	Blended Hourly Rate (£)	Time incurred (hours)	Total Costs (£)	Blended Hourly Rate (£)
Admin & Planning	17.9	3,423.00	191.00	8.1	1,781.50	219.94	21.4	4,887.00	228.36
Taxation	3.5	473.00	135.00	4.4	1,049.50	238.52	6.4	1,378.50	215.39
Investigations	17.5	3,630.00	207.00	2.6	661.00	254.23	40.9	9,638.50	235.66
Realisation of Assets	12.0	2,430.00	202.50	8.5	2,051.50	241.35	11.3	2,636.50	233.32
Employees	-	-	-	-	-	-	-	-	-
Creditors	7.0	1,627.50	232.50	1.2	314.00	261.67	12.6	2,777.50	220.44
Reporting	28.0	4,770.00	170.36	5.6	1,426.00	254.64	24.7	4,454.50	180.34
Distributions	-	-	-	-	-	-	-	-	-
Cashiering	6.0	780.00	130.00	12.2	2,557.00	209.59	19.1	3,584.50	187.67
Statutory compliance	18.0	3,100.00	172.00	7.5	1,824.50	243.27	30.3	5,552.50	183.25
Totals	109.9	20,233.50	1,440.36	50.1	11,665.00	232.83	166.70	34,909.50	209.42

NARRATIVE SUMMARY OF WORK UNDERTAKEN

Introduction

The summary provides a proportionate overview of the work carried out in light of the specific circumstances of the case and includes details of the work that has been done during the period, why it was done and whether the work provides a financial benefit to creditors.

This summary should be read together with the Time Costs Analysis at Appendix D1. The costs incurred in relation to each category are set out in the attached Time Cost Analysis.

Work carried out in the current period**Administration and planning**

The following work has been undertaken in the current period:

- Ongoing strategy meetings.
- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system.

The majority of this work derived no financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes aid to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.

Taxation

The following activities were undertaken in order to ensure the Company is compliant with tax requirements:

- Preparing post-Liquidation Corporation Tax returns, as required by statute.
- Liaising with HM Revenue & Customs ("HMRC") and requesting tax clearance.

The majority of this work derived no financial benefit for creditors, however, it is required in accordance with tax legislation.

Investigations

Work undertaken in the current period:

Further details of the investigation required to be carried out is provided within Section X of the report.

- Other communication to assist with the recovery of evidence.
- Assisting the director's Trustee in bankruptcy with their investigations.
- Review of bank statements from several banks to identify any potential transactions that were outside the ordinary course of business and requesting additional information regarding certain transactions.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure compliance with statutory duties.

Realisation of Assets

The work undertaken in respect of the realisation of the Company's assets is detailed in Section 3 of the report.

- Correspondence with the Company's bankers for the collection of various account refunds.
- Monitoring receipt of the various bank refunds.
- Reviewing and obtaining any potential refunds on insurance policies paid up to a future period by the Company

The work undertaken has added value for the benefit of creditors by enabling the realisation of funds in the estate. The costs associated with the recovery are considered appropriate in the circumstances.

Creditors

There are approximately six unsecured creditor claims.

In order to ensure that creditors are dealt with appropriately, the following work has been undertaken:

- General creditor correspondence.
- Reviewing creditor documentation in order to respond to numerous queries which have arisen.
- Dealing with ad hoc queries..

The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors.

NARRATIVE SUMMARY OF WORK UNDERTAKEN**Reporting**

Reporting requirements during the period as prescribed by statute have included the following:

- Annual progress report, which is required to be issued in accordance with The Insolvency Act and Rules to provide creditors with an update on the progress of the Liquidation.
- Reporting to creditors in respect of strategy and potential asset realisations.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements.

Cashiering

Cashiering work undertaken in the current period includes:

- Bank account maintenance, including periodic reconciliations.
- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the estate bank account is operated in accordance with guidance issued by my regulatory body.

Statutory and Compliance

The work undertaken in the current period as required by statute and our internal procedures involves:

- Case monitoring and statutory compliance, including internal case reviews.

The majority of this work derived no financial benefit for creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.

B.F.R.S. (UK) Limited - In Liquidation**RATES AND EXPENSES POLICY****Charge-out rates**

Details of the current charge-out rates of the personnel working on this case are set out below:

	Partner	Director	Associate Director / Manager	Senior Executive / Executive	Cashier	Support staff
Current charge out rate per hour effective from 1 September 2020 - Range (£)	455 - 605	405 - 495	250 - 440	110 - 255	110 - 250	110 - 155

Charge-out rates are reviewed annually on 1 September and in common with other professional firms, may increase.

Specialist departments within our Firm, (Tax and VAT) may charge a number of hours if and when their expert advice is required. The rate ranges above incorporate these different rates.

Expenses

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements.

Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.

Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

- **Category 1 expenses:** These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.
- **Category 2 expenses:** These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner persons as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

It is proposed that the following Category 2 expenses incurred in administering the case be charged:

- Mileage will be charged at relevant HM Revenue & Customs prevailing rates, currently 45p per mile.

The Joint Liquidators reserve the right to increase the charges applicable to mileage in accordance with any increases in the prevailing rate set by HM Revenue & Customs. Any material amendments will be advised to creditors in the next statutory report.