

The Insolvency Act 1986**Liquidator's Progress
Report****S.192****Pursuant to Sections 92A and 104A
of the Insolvency Act 1986**

To the Registrar of Companies

For Official Use

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Company Number

06226628

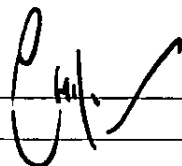
Name of Company

A & G Heat Exchangers Limited

I / We
C H I Moore
Emerald House
20-22 Anchor Road
Aldridge
Walsall
WS9 8PH

the liquidator(s) of the company attach a copy of my/our progress report
under section 192 of the Insolvency Act 1986

Signed



Date

30 JAN 2012

K J Watkin & Co
Emerald House
20-22 Anchor Road
Aldridge
Walsall
WS9 8PH

Ref A134/CHIM/SLB/JRS

Insolvent

For Official Use



FRIDAY

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02/03/2012

COMPANIES HOUSE

#9

A & G Heat Exchangers Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 31/01/2011 To 30/01/2012
20,650 00	SECURED ASSETS Book Debts	NIL NIL
(19,564 00)	SECURED CREDITORS HSBC Invoice Finance	NIL NIL
150 00	ASSET REALISATIONS Plant & Machinery	150 00
	Water Rates Refund	3 33
4,419 00	Cash at Bank	4,404 81
	Bank Interest Gross	2 17
		4,560 31
	COST OF REALISATIONS Book Keepers Fees	427 50
	Office Holders Expenses	432 00
		(859 50)
(1,900 00)	PREFERENTIAL CREDITORS Employees Wage Arrears	NIL
(796 00)	Employees Holiday Pay	NIL
		NIL
(42,737 00)	UNSECURED CREDITORS Trade & Expense Creditors	NIL
(12,372 00)	Employee claims wages, redundancy & PI	NIL
(775 00)	Directors' Loan Accounts	NIL
(31,909 00)	HM Revenue & Customs - PAYE	NIL
(6,256 00)	HM Revenue & Customs - Tax	NIL
(3,935 00)	HM Revenue & Customs - VAT	NIL
		NIL
(1,000 00)	DISTRIBUTIONS Ordinary Shareholders	NIL NIL
(96,025 00)		3,700.81
	REPRESENTED BY	
	National Westminster Bank Plc	3,700 81
		3,700 81

C H I Moore
Liquidator

A & G Heat Exchangers Limited – In Creditors' Voluntary Liquidation
Liquidator's Annual Report to Members and Creditors
For the year ending 30 January 2012

STATUTORY INFORMATION

Company name	A & G Heat Exchangers Limited
Registered office	Emerald House 20-22 Anchor Road Aldridge Walsall WS9 8PH
Former registered office	Unit 17 Tilecross Trading Estate Tile Cross Road Marston Green Birmingham B33 ONW
Registered number	06226628
Liquidator's name	C H I Moore
Liquidator's address	Emerald House 20-22 Anchor Road Aldridge Walsall WS9 8PH
Liquidator's date of appointment	31 January 2011

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 31 January 2011 to 30 January 2012 is attached at Appendix 1

ASSETS

	Statement of Affairs Estimated to Realise £	Realised to date £
Plant and Machinery	150	150 00
Water Rates Refund	-	3 33
Cash at Bank	4,419	4 404 81
Bank Interest Gross	-	2 17

LIABILITIES

Preferential Creditors

The Statement of Affairs anticipated £2,696 in preferential creditors. Claims totalling £2,494 40 have been received.

Crown Creditors

The Statement of Affairs included £35,844 owed to HMRC. HMRC's provisional claim of £35,823 61 has been received.

Non Preferential Creditors

A full list of non preferential creditors showing Statement of Affairs balances, subsequent claims and agreed claims is attached at Appendix 2.

LIQUIDATOR'S ACTIONS SINCE APPOINTMENT

There was a book debt due of £1,159 44 from Tempera-Tech. I wrote and telephoned this debtor but could not get any satisfactory reply.

I therefore sent the details to a solicitor on a no collection no fee basis. They were also unable to get a satisfactory reply and it was considered uneconomical to pursue this debt through the Court.

I am continuing to chase the factoring company with regard to their collection of debts and once concluded to see if there will be any re-assignment of debts in addition there is a retention due in March 2012 for around £2,000 for the Liquidator to collect.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

The Liquidator has a duty to investigate the affairs of the Company prior to the Liquidation and submit a report to the Insolvency Service on the conduct of those persons who were a director or shadow director in the three years prior to Liquidation. I confirm that the Liquidator has complied with the above matters although we are not at liberty to disclose the nature or content of the reports to the Insolvency Service. The detailed investigation matters as set out in Statement of Insolvency Practice 2 have now been completed. There were no matters arising from the investigations which require the Liquidator to take further action which would provide additional funds for the creditors.

PRE-APPOINTMENT REMUNERATION

The members previously authorised the payment of a fee of £4,000 for assistance with the Statement of Affairs and producing and circulating the notices for the meetings of members and creditors prior to my appointment at a meeting held on 14 January 2011 and agreed by creditors at the meeting held on 31 January 2011.

LIQUIDATOR'S REMUNERATION

My remuneration was previously authorised by members at a meeting held on 14 January 2011 to be drawn on a time cost basis and agreed by creditors at the meeting held on 31 January 2012. My time costs to 30 January 2012 amount to £7,007.50. I have not been able to draw any remuneration in this matter. A schedule of my time costs incurred to date is attached as Appendix 3.

A description of the routine work undertaken in the liquidation to date is as follows:

1. Administration and Planning
 - Appointment notification
 - Maintenance of records
 - Statutory reporting
 - Statement of affairs
 - Estate cashier
 - Correspondence/admin
 - Closure
 - Legal
 - Statutory meetings
 - Other meetings
 - S98 meeting

- 2 Investigations
 - SIP 2 review
 - CDDA reports
- 3 Realisation of Assets
 - Identifying, securing and insuring
 - ROT
 - Debt collection
 - Sale of property, business and assets
- 4 Trading
 - Management of operations
 - Accounting for trading
 - On-going employee issues
- 5 Creditors
 - Claims inc employees, prefs
 - Employee issues
 - Claims
 - Pensions

In addition to the routine work above, I have spent additional time as follows

Attempting to collect the book debt and chasing the factoring company

A copy of 'A Creditors Guide to Liquidators' Fees' published by the Association of Business Recovery Professionals together with an explanatory note which shows K J Watkin & Co's fee policy are attached to this report at Appendix 4. This is revised on 1 January every year and the previous years rates are shown as a comparative

LIQUIDATOR'S EXPENSES

My expenses to 30 January 2012 amount to £432. I have drawn £310 for the advertisements, £10 for swearing the Statement of Affairs, £60 for the specific bond and £52 for travel to date

The following agents or professional advisors have been utilised in this matter

Professional Advisor	Nature of Work	Fee Arrangement
Bookccworms	End of Year Returns	Fixed fee

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

FURTHER INFORMATION

A non preferential creditor may, with the permission of the court or with the concurrence of 5% in value of the non preferential creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

A non preferential creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

DIVIDEND PROSPECTS

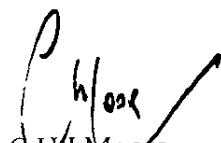
Preferential creditors – none

Ordinary non preferential creditors – including, where there is a QFC provide an update on the position – none

SUMMARY

The liquidation will remain open until the completion of book debts and retentions. Once this issue has been dealt with the Liquidation will be finalised and our files will be closed.

Should you have any queries regarding this matter please contact Susan Byrne on 01922 452881


C. H. Moore
Liquidator

A & G Heat Exchangers Limited
(In Liquidation)

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 31/01/2011 To 30/01/2011 (£)	From 31/01/2011 To 30/01/2012 (£)	Total (£)
Plant & Machinery	150 00	0 00	150 00	150 00
Water Rates Refund		0 00	3 33	3 33
Cash at Bank	4,419 00	0 00	4,404 81	4,404 81
Bank Interest Gross		0 00	2 17	2 17
		0 00	4,560 31	4,560 31
PAYMENTS				
Book Keepers Fees		0 00	427 50	427 50
Office Holders Expenses		0 00	432 00	432 00
		0 00	859 50	859 50
Net Receipts/(Payments)		0 00	3,700 81	3,700 81
MADE UP AS FOLLOWS				
VAT Receivable		0 00	86 40	86 40
National Westminster Bank Plc		0 00	3,700 81	3,700 81
VAT Payable		0 00	(30 00)	(30 00)
Vat Control Account		0 00	(56 40)	(56 40)
		0 00	3,700 81	3,700 81

K.J Watkin & Co
A & G Heat Exchangers Limited
Creditor Claims Summary Report

Key	Name	Rep By	S of A £	Claim £	Agreed Claim £
CA00	4D Air Products Limited		155 10	0 00	0 00
CA01	Accurate Section Benders Ltd		103 40	103 40	103 40
CA02	Air Products Plc		86 61	0 00	0 00
CA03	Air Tools & Compressor Services		243 16	0 00	0 00
CA04	AJH Services		528 75	0 00	0 00
CA05	Alutec UK Limited		1,139 00	0 00	0 00
CA06	APV UK Limited		1,990 45	0 00	0 00
CA07	ARC Welding Services Limited		1,290 85	1,290 85	1,290 85
CA08	Mr S Alder		207 22	0 00	0 00
CB00	Birmingham Laser Cutting Limited		47 00	0 00	0 00
CB01	BOC Limited		200 03	0 00	0 00
CB02	British Telecom		310 90	0 00	0 00
CB03	BSA Tuberunner		50 53	0 00	0 00
CC00	Classic Coils Limited		399 50	0 00	0 00
CC01	Cromwell Tools Lts		617 54	617 54	617 54
CD00	Dyer Fasteners		221 49	0 00	0 00
CE00	MSL Group		293 75	293 75	293 75
CE01	E ON Energy Limited		0 00	35 92	35 92
CF00	Flora Motor Hire Limited		251 13	0 00	0 00
CF01	Fabricast Group Ltd		672 00	672 00	672 00
CG00	Greenwoods (Coleshill) Limited		8 21	0 00	0 00
CG01	GTEC Engineering Ltd		211 50	211 50	0 00
CG02	Geo Coil Srl		2,898 10	0 00	0 00
CG03	Mr G L Griffiths		568 20	0 00	0 00
CH00	HM Customs & Excise		3,935 34	14,085 64	14,085 64
CH01	HM Revenue & Customs (CT)		6,256 00	0 00	Agreed Nil Claim
CH02	HM Revenue & Customs		31,909 78	21,737 97	21,737 97
CL00	Lister Gases Ltd		134 25	134 25	134 25
CL01	Lyreco UK Limited		250 16	0 00	0 00
CL02	London Borough of Merton		64 62	0 00	0 00
CM00	Mark Blackbird		2,373 50	0 00	0 00
CN00	The National Insurance Fund		0 00	11,294 82	11,294 82
CP00	PHE Polymer (UK) Limited		595 21	604 70	604 70
CP01	Premium Credit Limited		0 00	671 01	671 01
CQ00	QMS International		23 00	0 00	0 00
CS00	Smith Brothers Stores Limited		5,763 36	0 00	0 00
CS01	Sondex (UK) Limited		1,031 30	0 00	0 00
CS02	Speedy Asset Services Limited		435 27	0 00	0 00
CS03	Straw and Pearce		0 00	0 00	0 00
CT00	TJH Welding		2,096 25	0 00	0 00
CT01	Towergate TLC		555 00	0 00	0 00
CT02	Transtherm Cooling Industries		3,158 05	0 00	0 00
CU00	Universal Sheet Metal Limited		47 00	0 00	0 00
CW00	Wolverine Tube Europe BV		12,967 44	12,967 44	12,967 44
CZ00	Zurich Risk Services		1,523 75	0 00	0 00
45 Entries Totalling			85,613 70	64,720 79	64,509 29

SIP 9 - Time & Cost Summary

Period 31/01/11 30/01/12

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	0 60	6 00	4 70	8 40	19 70	3 094 00	157 06
Investigations	0 80	3 50	0 00	0 60	4 90	1 196 00	244 08
Realisations of assets	0 00	5 60	0 00	0 90	6 50	1 467 50	225 77
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	6 40	0 00	2 40	8 80	1 780 00	202 27
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	1 40	21 50	4 70	12 30	39 90	7,537 50	188 91
Total Fees Claimed						0 00	

A CREDITORS' GUIDE TO LIQUIDATORS' FEES ENGLAND AND WALES

1 Introduction

- 1 1 When a company goes into liquidation the costs of the proceedings are paid out of its assets. The creditors, who hope to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the Insolvency Practitioner appointed to act as Liquidator. The insolvency legislation recognises this interest by providing mechanisms for creditors to fix the basis of the Liquidator's fees. This guide is intended to help creditors be aware of their rights to approve and monitor fees, explains the basis on which fees are fixed and how creditors can seek information about expenses incurred by the Liquidator and challenge those they consider to be excessive.

2 Liquidation Procedure

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

3 The Liquidation Committee

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

4 Fixing the Liquidator's Remuneration

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

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

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

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

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

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

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

5 Review of Remuneration

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

6 What Information should be Provided by the Liquidator?

6.1 When Seeking Remuneration Approval

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

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

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

6.1.3 Where the Liquidator seeks agreement to his fees during the course of the liquidation, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the Liquidator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the Liquidator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the Liquidator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the Liquidator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to Insolvency Practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent -

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff -

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the Liquidator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain -

- Any significant aspects of the case, particularly those that affect the amount of time spent
- The reasons for subsequent changes in strategy
- Any comments on any figures in the summary of time spent accompanying the request the Liquidator wishes to make
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement
- Any existing agreement about fees
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

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

6.2 After Remuneration Approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the Liquidator should notify the creditors of the details of the resolution in his next report or circular to them. When subsequently reporting to creditors on the progress of the liquidation, or submitting his final report, he should specify the amount of remuneration he has drawn in accordance with the resolution (see further paragraph 7.1 below). Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 6.1.3. Where the fee is charged on a percentage basis the Liquidator should provide the details set out in paragraph 6.1.4 above regarding work which has been sub-contracted out.

6.3 Disbursements and Other Expenses

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

6.4 Realisations for Secured Creditors

Where the Liquidator realises an asset on behalf of a secured creditor and receives remuneration out of the proceeds (see paragraph 11.1 below), he should disclose the amount of that remuneration to the committee (if there is one), to any meeting of creditors convened for the purpose of determining his fees, and in any reports he sends to creditors.

7 Progress Reports and Requests for Further Information

7 1 The Liquidator is required to send annual progress reports to creditors. The reports must include -

- details of the basis fixed for the remuneration of the Liquidator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it),
- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report),
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report,
- a statement of the expenses incurred by the Liquidator during the period of the report, irrespective of whether payment was actually made during that period,
- a statement of the creditors' rights to request further information, as explained in paragraph 7 2, and their right to challenge the Liquidator's remuneration and expenses

7 2 Within 21 days of receipt of a progress report (or 7 business days where the report has been prepared for the purposes of a meeting to receive the Liquidator's resignation) a creditor may request the Liquidator to provide further information about the remuneration and expenses set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

7 3 The Liquidator must provide the requested information within 14 days, unless he considers that -

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

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

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

8 Provision of Information – Additional Requirements

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

The information which must be provided is -

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

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

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

9 What if a Creditor is Dissatisfied?

9 1 Except in cases where there is a liquidation committee it is the creditors as a body who have authority to approve the Liquidator's fees. To enable them to carry out this function they may require the Liquidator to call a creditors' meeting. In order to do this at least ten per cent in value of the creditors must concur with the request, which must be made to the Liquidator in writing.

9 2 If a creditor believes that the Liquidator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the Liquidator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court.

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

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

10 What if the Liquidator is Dissatisfied?

10 1 If the Liquidator considers that the remuneration fixed by the liquidation committee, or in the preceding administration, is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the liquidation committee, the creditors, in the preceding administration or in accordance with the statutory scale is insufficient, or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court he must give at least 14 days' notice to the members of the committee and the committee may nominate one or more of its members to appear to be represented at the court hearing. If there is no committee, the Liquidator's notice of his application must be sent to such of the creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid out of the assets.

11 Other Matters Relating to Remuneration

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

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

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

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

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

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

12 Effective Date

This guide applies where a company -

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

K J Watkin & Co

Disclosure of information in accordance with current regulatory guidance under the codes of Best Practice (SIP 9)

In accordance with the current code of best practice Directors, Shareholders and Creditors are advised that Office Holder's Fees are charged on an hourly basis at varying rates depending upon the grade of staff allocated to a specific task. Hourly rates are maintained for a period of 12 months by K J Watkin & Co and are subject to review on 1 January each year. The following hourly charge out rates are applicable with effect from 1 January 2011. The comparable rates for the previous year are also disclosed.

	2012 £	2011 £
Partner	350	330
Senior Manager	275	250
Manager	225	215
Assistant Manager	200	190
Senior Administrator	175	165
Cashier	150	140
Administrator	120	110
Administrative Assistant	100	95
Assistant Administrator	80	75
Clerical Assistant	80	75

Staff are allocated work in each insolvency in accordance with their qualification, skills and experience.

During the course of the administration of a case there will be various category 1 disbursements incurred by K J Watkin & Co. These will be recharged to the estate at cost. These disbursements will include such things as, but not restricted to -

Statutory Advertising
Insurance Bonding
Bank Charges
Postage

Additionally, K J Watkin & Co will recharge to the estate various category 2 disbursements at prevailing rates. These are currently restricted to costs under the following headings -

		2012 £	2011 £
Searches	per search	20	20
Travelling	per mile	50p	50p
Storage	per quarter per box	15	13
Room hire for statutory meetings	per meeting	150	150