

**2.24B**

The Insolvency Act 1986

**Administrator's progress report**

Name of Company Abbey House UK Limited	Company number 06415757
In the High Court of Justice (full name of court)	Court case number 9263 of 2014

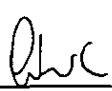
(a) Insert full  
Name and  
Address of  
administrator

I (a)  
Charles Howard Ranby-Gorwood  
CRG Insolvency & Financial Recovery  
Alexandra Dock Business Centre  
Fisherman's Wharf  
Grimsby  
DN31 1UL

administrator of the above company attach a progress report for the period

From (b) From 12 August 2015	To (b) To 15 January 2016
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Signed

  
 Administrator

Dated

15/1/2016

**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

Charles Howard Ranby-Gorwood  
CRG Insolvency & Financial Recovery  
Alexandra Dock Business Centre  
Fisherman's Wharf  
Grimsby  
DN31 1UL

DX Number

01472 250001  
DX Exchange

The contact information that you give will be visible to searchers of the



A13 \*A4Z57ONS\* #382  
22/01/2016  
COMPANIES HOUSE

When you have completed and signed this form, please send it to the Registrar of Companies at -  
**Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff**

**Administrator's Progress Report relating to**  
**Abbey House UK Limited ("the Company") – In**  
**Administration**

**For the period 12 August 2015**  
**to 15 January 2016**

CRG Insolvency and Financial Recovery  
Alexandra Dock Business Centre  
Fisherman's Wharf  
Grimsby  
North East Lincolnshire  
DN31 1UL

Tel No        01472 250001  
Fax No        01472 250777

Dated         21 January 2016  
Ref            CHRG/MF/K

## **Abbey House UK Limited ("the Company")**

### **Administrator's Progress Report to Creditors For the period 12 August 2015 to 15 January 2016**

#### **EXECUTIVE SUMMARY**

The company traded from rented leasehold premises at St Georges Care Home, Brickhills, Broughton, Brigg, DN20 0BZ. The company managed the trading of the care home and there was a lease in place dated 28 January 2010 with Stamford Enterprise Limited, a further company owned by Mr and Dr Singh, for an annual rent of £65,000 per annum.

A petition had been presented by HM Revenue & Customs for a debt of £99,434.01 against Abbey House UK Limited dated 28 August 2014 and this indebtedness was stated as being from the fiscal year end 5 April 2011 of £6,133.64, the year ended 5 April 2012 of £34,030.66, for the year ended 5 April 2013 of £22,267.56 and thereafter for 2014 and 2015 a balance of £37,002.15.

The company proposed a company voluntary arrangement but this was rejected. A petition for an Administration Order was presented by the directors of Abbey House UK Limited. CRG Insolvency & Financial Recovery were then consulted to ascertain if there was willingness for Charles Howard Ranby-Gorwood to act as Administrator. Prior to appointment the discussions held with Mr Singh included that the Administration costs would not include a rent liability, as Stamford Enterprise Limited could waive this liability.

The objectives of the Administration were to rescue the company as a going concern, or achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), realise property in order to make a distribution to one or more secured or preferential creditors.

As previously reported on appointment the Administrator considered in the interests of the secured creditor, Santander plc, and the residents, that the care home of St Georges should remain open unless sufficient reason becomes known to amend that decision. The Director Mr Singh confirmed he would arrange to pay the wages and costs of the trading of the care home and the bank account was not closed to assist with this process.

After some two weeks Santander plc acting within their capacity, chose to prevent further payments being made from the bank account. On review of the payments made, it was apparent that two payments had been made to Rossendales, being bailiffs, while Mr Singh was in India, on his instruction.

There had been discussion with an interested party to purchase the care home prior to the administration and these were further developed by the Administrator. This resulted in an offer being made on 23<sup>rd</sup> March 2015 for the purchase of the care home with the residents remaining in situ, and the staff continuing in their role.

Abbey House UK Limited - In Administration had received a rent demand from Mr and Dr Singh's company, Stamford Enterprise Limited, for £16,500 to cover a three month period, and it was necessary for the potential purchasing party to take early occupation. A request for an immediate rent waiver to allow this purchase to progress was not accepted and therefore the purchaser was not willing to take occupation and the Administrator was not willing for Abbey House UK Limited - In Administration to remain in occupation. The residents were moved by Social Services on 24 March 2015 to an alternative care home and the limited trading that had previously been undertaken, was therefore able to cease.

A very significant factor was that the purchasers needed time to novate the trading licence to their own company and this could take some twelve weeks, but they were willing to absorb any trading costs during that time. They were not willing to absorb the risk of a rent during that time but the terms of the purchase would have meant that ultimately they would have paid an equivalent amount for the lost rent had they completed the proposed purchase.

## STATUTORY INFORMATION

Company name	Abbey House UK Limited
Company number	06415757
Date of incorporation	2 November 2007
Court Reference	High Court of Justice 9263 of 2014
Floating charge holder	Santander plc
Date of charge	28 January 2010
Date of charge registration	14 February 2010
Directors and shareholders	Mr Jagpreet Singh Dr Reeta Manmeet Kaur Singh
Company Secretary	Dr Reeta Manmeet Kaur Singh
Share Capital	100 ordinary share of £1 Mr Jagpreet Singh 51 Ordinary shares Dr Reeta Manmeet Kaur Singh 49 Ordinary shares
Trading Address	St Georges Care Home, Brickhills, Broughton, Brigg, DN20 0BZ
Registered Office.	Suite 4, Alexandra Dock Business Centre, Fisherman's Wharf, Grimsby, DN31 1UL on 19 <sup>th</sup> February 2015.
Administrator	Charles Howard Ranby-Gorwood
Administrator's address	Suite 4, Alexandra Dock Business Centre, Fisherman's Wharf, Grimsby, DN31 1UL
Appointor	Jagpreet Singh and Dr Reeta Manmeet Kaur Singh, of Stamford House, North Kelsey Road, Caistor, LN7 6SF
Date of Administration	13 February 2015

## ADMINISTRATORS' ACTIONS SINCE LAST REPORT

The Company books and records were examined to identify any funds due to the company. The CVA which had previously been proposed but rejected at a meeting of creditors on 11 December 2014 provided further information concerning funds due to the company. An amount totalling £23,951 was identified as being owed to Abbey House UK Limited by the director Mr Singh.

Repayment was not forthcoming and it was necessary to issue a statutory demand against Mr Singh for repayment of the funds owed to the company. A Tomlin Order was attained which detailed the conditions of repayment of £23,951 to the company. Repayment for the £23,951 has now been received in full.

Further potential funds due to the company were identified. These include amounts relating to Stamford Infotech Limited and Stamford Enterprise Limited. There has also been a rent demand received from Stamford Enterprises Limited even though prior to appointment the discussions held with Mr Singh included that the Administration costs would not include a rent liability, as Stamford Enterprise Limited could waive this liability.

Stamford Infotech Limited was dissolved on 14 July 2015 following strike off. The matter involving Stamford Enterprise Limited is ongoing and needs resolving. The indebtedness consists £47,776 identified as two years of preferential payments. Stamford Enterprises Limited have already been requested to repay the two years of preferential payments back to Abbey House UK Limited although this remains unresolved.

The Administration automatically ends on 12 February 2016. I am required to gain consent from the secured creditor and preferential creditors if a statement has been made that no distribution is to be made to unsecured creditors. I am therefore requesting consent that the Administration can continue for a further 12 months to allow matters to be concluded.

There is certain work that I am required by the insolvency legislation to undertake work in connection with the Administration that provides no financial benefit for the creditors. A description of the routine work undertaken since my last progress report is as follows:

### 1 Administration

- Dealing with all routine correspondence and emails relating to the case
- Opening, maintaining and managing the office holder's estate bank account
- Creating, maintaining and managing the office holder's cashbook
- Undertaking regular bank reconciliations of the bank account containing estate funds
- Reviewing the adequacy of the specific penalty bond on a quarterly basis
- Undertaking periodic reviews of the progress of the case
- Overseeing and controlling the work done on the case by case administrators
- Preparing, reviewing and issuing progress reports to creditors and members
- Filing returns at Companies House
- Preparing and filing VAT returns
- Preparing and filing Corporation Tax returns

### 2 Creditors

- Corresponding with employees regarding their claims
- Liaising with the Redundancy Payments Office regarding employee claims
- Dealing with creditor correspondence, emails and telephone conversations regarding their claims
- Maintaining up to date creditor information on the case management system
- Preparing reports to creditors
- Maintaining creditor information on IPS case management software

### 3 Investigations

- Conduct investigations into suspicious transactions
- Review bank statements to identify any transactions or actions an Administrator may take against a third party in order to recover funds for the benefit of creditors

### 4 Cashiering

- Maintaining and managing the Administrator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

### 5 Trading

- Trading the company initially whilst negotiations took place with a potential interested party
- Liaising with official organisations regarding compliance issues with the care home
- Ongoing discussions with staff to ensure requested improvements could be actioned

### 6 Realisation of Assets

- Instructing agents to collect assets belonging to the company and placing them in storage
- Liaising with the company bank and analysing bank statements
- Instructing Solicitors regarding recovery of the Director's loan

## **RESOLUTIONS BY CORRESPONDENCE**

The company had insufficient expected to realise assets to allow a distribution to unsecured creditors. A creditor's meeting was therefore not held. The proposals were therefore deemed approved 8 business days after the proposals had been issued. The proposals were issued on 9 April 2015.

The basis of fees and disbursements were agreed by the secured and preferential creditors by correspondence.

## **RECEIPTS AND PAYMENTS ACCOUNT**

My Receipts & Payments Account for the period from 13 August 2015 to 15 January 2016 is attached. Receipts and payments are shown net of VAT, with any amounts due to, or from, HM Revenue & Customs shown separately. Estate funds were banked in a designated client account at a UK bank and accordingly there is no account held by the Secretary of State to reconcile the attached report to.

## **ASSETS**

No assets were sold to connected parties.

### Residents Fees

Residents Fees totalling £18,729 were received during the Administration prior to the current reporting period.

### Furniture & Equipment

CJM Asset Management collected the assets which comprised furniture and equipment. These items were sold at auction and funds totalling £1,705 were received during the period 13 August 2015 to 15 January 2016.

### Director's Loans

As reported it was necessary to instruct Solicitors to begin Bankruptcy proceedings against the former Director. An agreement was reached for the director to repay £23,950. Payments were received by instalment. I confirm the full £23,950 has been repaid during the period 13 August 2015 to 15 January 2016.

### Deposit towards Legal Fees

£2,000 was received from Joomla Balti House Limited towards the legal fees relating to the application for an Administration Order, prior to the current reporting period

### Refund of Council Tax

The Company has received a refund totalling £18 in regard to Council Tax, prior to the current reporting period

### Intercompany Transactions

Following a review of the company records transactions involving connected companies were identified Transactions included payments from the bank account of Abbey House UK Limited to Stamford Enterprise Limited totalling £47,776 90 These were going back over a period of 2 years The CVA also provided details of an indebtedness to Abbey House UK Limited from Stamford Infotech Limited of £84,806

Stamford Enterprises Limited and Stamford Infotech Limited were requested to repay the indebtedness to the company

Stamford Infotech Limited was dissolved on 14 July 2015 following strike off Stamford Enterprises Limited is subject to Receiver's being appointed over a property but not the company, which remains in the control of the director A rent demand has been received from Stamford Enterprises Limited for £16,250 although prior to appointment the discussions held with the director Mr Singh included that the Administration costs would not include a rent liability

This matter has not been resolved

## **LIABILITIES**

### Secured Liabilities

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has granted the following charges The Company gave a fixed and floating charge to Santander plc on 28<sup>th</sup> January 2010 which was registered on 14<sup>th</sup> February 2010 Since this charge was given after 15 September 2003 the prescribed part provisions can apply if sufficient funds become available

### Prescribed Part

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003 This is known as the "prescribed part of the net property" A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge An Administrator has to set aside

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property up to a maximum of £600,000

Due to costs involved in administering the insolvency it is unlikely that funds will become available for the prescribed part The last statement received from Santander showed an indebtedness of £19,917

### **Preferential Creditors**

The main known potential preferential creditors are former employees of the Company for unpaid wages and holiday pay. Employees claim their unpaid employee costs against the insolvency service. Insolvency service have yet to provide a claim. There are 9 potential employees with claims estimated at £3,956.59.

### **Crown Creditors**

The Director has not provided a Statement of Affairs so estimates have been used from the records of the company. HMRC PAYE/NIC debt was estimated at £120,255. A provisional claim for HMRC PAYE/NIC of £122,092 has been received. The company was not VAT registered so there will be no HMRC VAT claim.

### **Non-preferential Unsecured Creditors**

It was estimated that there were 42 unsecured creditors with an estimated total liability of £234,430. This figure includes the HMRC claim. I have received claims from 27 creditors at a total of £177,625. I have not received claims from 20 creditors with original estimated claims of £93,610.

### **DIVIDENDS**

There are insufficient funds to allow a dividend to be declared to non-preferential unsecured creditors. It is unlikely that there will be a dividend declared to any form of creditor due to the amount of funds held and potential funds remaining to recover and the level of costs and expenses incurred in the Administration.

### **ADMINISTRATOR'S INVESTIGATIONS**

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

In particular, I reviewed the Company's accounting records, obtained and reviewed copy bank statements for the 24 months prior to the Company ceasing to trade from the Company's bankers, and compared the information in the Company's last set of accounts and the proposed CVA and made enquiries about amounts considered due to the company.

### **EC REGULATION ON INSOLVENCY PROCEEDINGS**

I consider that the EC regulation on insolvency proceedings apply to the Administration of the Company. I also consider that they are "main" proceedings since the Company's registered office and its trading address is in the United Kingdom.

### **PRE-ADMINISTRATION COSTS**

The Honourable Mrs Justice Proudman Ordered that the costs for the application be an expense of the application therefore pre-appointment application fees of £4,587.50 will be drawn once sufficient funds become available. I confirm the Barrister's application costs of £2,085 have been paid.

Prior to the hearing of the Application Ashton Bond Gigg Solicitors were instructed by the director Mr Singh on behalf of Abbey House UK Limited in relation to postponing the Winding Up Petition against Abbey House UK Limited and also the Administration Application. Whilst some of that work was paid for in advance, either by the Company or on behalf of the Company, there were certain sums outstanding as at the date of the hearing on 13<sup>th</sup> February 2015. Because that work all related to the Administration Application it should be paid as an expense of the Administration. The outstanding expenses still to be paid totals £4,000.



## **ADMINISTRATOR'S REMUNERATION**

The basis of fees and disbursements were agreed on a time cost basis by the secured and preferential creditors by correspondence

My remuneration was previously authorised by the preferential and secured creditors on 11 January 2016. My remuneration was authorised on a time cost basis. My time costs to 15 January 2016 amount to £41,779.98, representing 247.82 of hours work at an average charge out rate of £168.59 per hour, of which £6,212.50 was charged in the period since 13 August 2015, representing 39 of hours work at an average charge out rate of £158 per hour.

A schedule of my time costs incurred to date is attached. At this time there have been no Administration time costs drawn.

Due to circumstances reported it was necessary for the residents to be rehomed. This required organisation to ensure the move took place immediately and with as little disruption as possible. This involved cooperation and support from the Council, The Care Quality Commission, residents and staff.

There has been a significant amount of time involved with investigating transactions and pursuing the director for the overdrawn loan account. It was necessary to instruct solicitors and for Court attendance to resolve this matter.

A copy of 'A Creditors Guide to Administrators' Fees' are available at the link -

<https://www.r3.org.uk/what-we-do/publications/professional/statements-of-insolvency-practice/e-and-w/sip-9-list>

There are different versions depending on the date of the insolvency.

- [December 2015 - Payments to Insolvency Office Holders and their Associates](#)
- [November 2011 - Payments to Office Holders and their Associates](#)
- [April 2010 to October 2011 - Remuneration of Insolvency Office Holders](#)
- [July 2004 to April 2010 - Remuneration of Insolvency Holders](#)

Please note that there are different versions and in this case you should refer to the November 2011 version. A hard copy can be obtained on request from the Liquidator's office.

## **ADMINISTRATOR'S EXPENSES**

Trading expenses total £16,950. No trading expenses were incurred during the period 13 August 2015 to 15 January 2016. £2,807.57 of Tax and NI relating to employee costs were paid during the period 13 August 2015 to 15 January 2016. All trading expenses except £398 consisting of property fuel have been drawn.

My post appointment expenses to 15 January 2016 August 2015 amount to £12,079. No disbursements were incurred during the period 13 August 2015 to 15 January 2016. During the period 13 August 2015 to 15 January 2016 I have drawn £4,720 of expenses being valuers fees £170.50, legal fees £3,451, pat tests £64, removal costs £770 and insurance of assets £265. A breakdown of these expenses can be found on the attached receipts and payment account.

I have incurred the following expenses which have yet to be drawn

Type of expense	Amount incurred/ accrued
Postage	£52 54
Company Search	£8 00
Advertising	£76 72
Bond	£528 00
Legal Fees	£4,000

I have incurred the following category 2 disbursements in the period since my appointment as Administrator

Type of category 2 disbursement	Amount incurred/ accrued in the reporting period
Photocopying	£65 20

I have used the following agents or professional advisors in the reporting period

Professional Advisor	Nature of Work	Basis of Fees
Rathby Investigators	Investigator	Fixed Fee
CJM Asset Management	Valuer/Auctioneer	Percentage of sale
BG Solicitors	Solicitors	Time cost
SHK Solicitors	Solicitors	Fixed Fee
Ashton Bond Gigg Solicitors	Solicitors	Fixed Fee

The choice of professionals used 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. I have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case.

CJM Asset Management Limited are professional agents with expertise and resources for asset sales, which include both an auction house and suitable internet sale facilities, as well as having professionally qualified and insured professionals. Rathby Investigators served the statutory demand. BG Solicitors are a local firm of solicitors who assisted with advice. As previously stated, Ashton Bond Gigg were instructed by the director Mr Singh on behalf of Abbey House UK Limited in relation to postponing the Winding Up Petition against Abbey House UK Limited and also the Administration Application.

#### **FURTHER INFORMATION**

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Administrator'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.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrator'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.

## **SUMMARY**

The Administration will remain open until the following matters have been finalised specifically funds due to the company

I am required to gain consent from the secured creditor and preferential creditors if a statement has been made that no distribution is to be made to unsecured creditors. I am therefore requesting consent that the Administration can continue for a further 12 months to allow matters to be concluded.

I enclose a form to be completed and returned by the Secured and Preferential Creditors to allow the Administration to be extended for a further 12 months. Please return the completed documentation by no later than 5 February 2016. Alternatively confirmation can be received by e-mail or letter that you have no objection for the Administration to be extended.

Should you have any queries regarding this matter please contact Charles Ranby-Gorwood on 01472 250001



**Charles Ranby-Gorwood**  
**Administrator of Abbey House UK Limited**

The Administrator is an agent of the Company and acts without personal liability

**Abbey House UK Limited  
(In Administration)  
Administrator's Trading Account**

Statement of Affairs	From 13/08/2015 To 15/01/2016	From 13/02/2015 To 15/01/2016
POST APPOINTMENT SALES		
Residents Fees	NIL	18,729 82
	NIL	18,729 82
TRADING EXPENDITURE		
Rents	NIL	326 00
Water Rates	NIL	21 37
Food & Household Expenses	NIL	1,341 96
Salaries	NIL	9,339 77
Property Repairs	NIL	134 87
Refund of Overpaid Residents Fees	NIL	2,478 73
Removal of Waste	NIL	102 20
Tax & NIC	2,807 57	2,807 57
	(2,807 57)	(16,552 47)
<b>TRADING SURPLUS/(DEFICIT)</b>	<b>(2,807.57)</b>	<b>2,177.35</b>

**Abbey House UK Limited**  
**(In Administration)**  
**Administrator's Abstract of Receipts & Payments**

Statement of Affairs		From 13/08/2015 To 15/01/2016	From 13/02/2015 To 15/01/2016
	<b>SECURED CREDITORS</b>		
(20,073 00)	Santander Bank plc	NIL	NIL
		NIL	NIL
	<b>HIRE PURCHASE</b>		
1,375 00	JLA Single Feed Otex Resign	NIL	NIL
(1,375 00)	JLA Hire Agreement	NIL	NIL
		NIL	NIL
	<b>ASSET REALISATIONS</b>		
Uncertain	Leasehold Improvements	NIL	NIL
Uncertain	Plant & Machinery	NIL	NIL
Uncertain	Furniture & Equipment	1,705 00	1,705 00
Uncertain	Book Debts	NIL	NIL
23,951 00	Directors Loan Account	23,950 99	23,950 99
NIL	Prepayments	NIL	NIL
2,000 00	Deposit for legal fees	NIL	2,000 00
	Bank Interest Net of Tax	NIL	0 51
	Trading Surplus/(Deficit)	(2,807 57)	2,177 35
	Refund of Council Tax	NIL	18 56
		22,848 42	29,852 41
	<b>COST OF REALISATIONS</b>		
	Counsel Fees	NIL	2,085 00
	Agents Fees	NIL	150 00
	Valuers Fees	170 50	170 50
	Legal Fees	3,451 00	3,973 60
	VAT	891 10	1,589 46
	Bankruptcy Petition Fee	NIL	1,030 00
	PAT Tests	64 00	64 00
	Removal Costs	770 00	770 00
	Insurance of Assets	265 00	265 00
		(5,611 60)	(10,097 56)
	<b>PREFERENTIAL CREDITORS</b>		
(2,823 06)	DE Arrears & Holiday Pay	NIL	NIL
		NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(61,120 00)	Trade & Expense Creditors	NIL	NIL
(53,038 00)	Connected creditors	NIL	NIL
(13,001 00)	Connected contingent creditors	NIL	NIL
(120,255 00)	HM Revenue & Customs	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(100 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(244,459 06)</b>		<b>17,236.82</b>	<b>19,754 85</b>

REPRESENTED BY

Estate Bank Account - Interest Bearing

19,754.85

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**19,754.85**

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Note

# Time Entry - Detailed SIP9 Time & Cost Summary

ABBEYHOUSE - Abbey House UK Limited  
To 15/01/2016  
Project Code POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
203 Post Appointment	0 20	24 82	0 50	0 00	25 52	4,462 98	174 90
204 Tax	0 00	0 00	0 00	2 50	2 50	250 00	100 00
200 Cashiering	0 00	0 00	0 00	12 70	12 70	1,270 00	100 00
603 Case Review	0 00	0 00	5 70	0 00	5 70	855 00	150 00
701 Strategy (incl Sales)	8 30	0 00	0 00	0 00	8 30	1,867 50	225 00
FI Filing	0 00	1 00	1 00	0 40	2 40	365 00	152 08
RECORDS Books and records	0 00	0 00	0 10	0 00	0 10	15 00	150 00
SOA Preparing Statement of Affairs	4 00	1 20	0 00	0 00	5 20	1,110 00	213 46
TP Typing	0 00	0 00	0 00	0 00	0 70	105 00	150 00
<b>Admin &amp; Planning</b>	<b>12 50</b>	<b>27 02</b>	<b>8 00</b>	<b>15 60</b>	<b>63 12</b>	<b>10,300 48</b>	<b>163 20</b>
405 Legal - Correspondence	14 60	0 10	6 40	0 10	21 20	4 257 50	200 83
600 Case Specific	0 00	0 00	16 80	5 10	21 90	3 030 00	138 36
<b>Case Specific Matters</b>	<b>14 60</b>	<b>0 10</b>	<b>23 20</b>	<b>5 20</b>	<b>43 10</b>	<b>7,287 50</b>	<b>169 08</b>
501 Unsecured Creditors	1 70	1 40	3 90	9 80	16 80	2,192 50	130 51
502 Employee Matters	0 00	1 30	15 40	1 80	18 60	2 727 50	148 64
504 Statutory Reporting to Creditors	5 60	20 60	0 20	0 00	26 40	4,895 00	185 42
505 Report / Secured Creditor	0 30	0 10	0 00	0 00	0 40	85 00	212 50
<b>Creditors</b>	<b>7 60</b>	<b>23 40</b>	<b>19 50</b>	<b>11 70</b>	<b>62 20</b>	<b>9,900 00</b>	<b>159 16</b>
407 Liquidators Investigations	1 40	0 00	0 00	2 40	3 80	555 00	146 05
408 Investigations	1 30	0 00	0 00	0 70	2 00	362 50	181 25
201 CDDA Reports	0 20	0 00	7 60	0 00	7 80	1,185 00	151 92
404 Legal - Investigations	10 40	0 00	4 80	4 50	19 70	3,447 00	174 97
<b>Investigations</b>	<b>13 30</b>	<b>0 00</b>	<b>12 40</b>	<b>7 60</b>	<b>33 30</b>	<b>5,549 50</b>	<b>166 65</b>
302 Property	0 20	1 70	0 00	0 80	2 70	422 50	156 48
303 Book Debts	11 60	0 00	0 00	0 20	11 80	2 630 00	222 88
306 Other Assets	0 30	2 40	0 20	0 30	3 20	547 50	171 09
<b>Realisation of Assets</b>	<b>12 10</b>	<b>4 10</b>	<b>0 20</b>	<b>1 30</b>	<b>17 70</b>	<b>3,600 00</b>	<b>203 39</b>
400 Trading	18 30	0 20	0 00	0 00	18 50	4 152 50	224 46
402 Cashiering for Trading	0 00	0 00	0 00	9 90	9 90	990 00	100 00
<b>Trading</b>	<b>18 30</b>	<b>0 20</b>	<b>0 00</b>	<b>9 90</b>	<b>28 40</b>	<b>5,142 50</b>	<b>181 07</b>
<b>Total Hours</b>	<b>78 40</b>	<b>54 82</b>	<b>63 30</b>	<b>51 30</b>	<b>247 82</b>	<b>41,779 98</b>	<b>168 59</b>
<b>Total Fees Claimed</b>						<b>0 00</b>	

# Time Entry - Detailed SIP9 Time & Cost Summary

ABBEYHOUSE - Abbey House UK Limited  
From 13/08/2015 To 15/01/2016  
Project Code POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
203 Post Appointment	0.00	4.50	0.50	0.00	5.00	862.50	172.50
204 Tax	0.00	0.00	0.00	1.90	1.90	190.00	100.00
200 Cashing	0.00	0.00	0.00	3.80	3.80	380.00	100.00
603 Case Review	0.00	0.00	1.90	0.00	1.90	285.00	150.00
FI Filing	0.00	0.10	0.00	0.30	0.40	47.50	118.75
SOA Preparing Statement of Affairs	0.00	1.20	0.00	0.00	1.20	210.00	175.00
<b>Admin &amp; Planning</b>	<b>0.00</b>	<b>5.80</b>	<b>2.40</b>	<b>6.00</b>	<b>14.20</b>	<b>1,975.00</b>	<b>139.08</b>
600 Case Specific	0.00	0.00	0.00	2.40	2.40	240.00	100.00
406 Legal - Correspondence	0.90	0.00	0.00	0.10	1.00	212.50	212.50
<b>Case Specific Matters</b>	<b>0.90</b>	<b>0.00</b>	<b>0.00</b>	<b>2.50</b>	<b>3.40</b>	<b>452.50</b>	<b>133.09</b>
501 Unsecured Creditors	0.00	0.20	0.00	0.30	0.50	65.00	130.00
504 Statutory Reporting to Creditors	0.00	17.60	0.20	0.00	17.80	3,110.00	174.72
<b>Creditors</b>	<b>0.00</b>	<b>17.80</b>	<b>0.20</b>	<b>0.30</b>	<b>18.30</b>	<b>3,175.00</b>	<b>173.50</b>
201 CDDA Reports	0.20	0.00	0.00	0.00	0.20	45.00	225.00
<b>Investigations</b>	<b>0.20</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.20</b>	<b>45.00</b>	<b>225.00</b>
302 Property	0.00	0.00	0.00	0.10	0.10	10.00	100.00
303 Book Debts	0.20	0.00	0.00	0.00	0.20	45.00	225.00
306 Other Assets	0.00	2.40	0.00	0.00	2.40	420.00	175.00
<b>Realisation of Assets</b>	<b>0.20</b>	<b>2.40</b>	<b>0.00</b>	<b>0.10</b>	<b>2.70</b>	<b>475.00</b>	<b>175.93</b>
400 Trading	0.40	0.00	0.00	0.00	0.40	90.00	225.00
<b>Trading</b>	<b>0.40</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.40</b>	<b>90.00</b>	<b>225.00</b>
<b>Total Hours</b>	<b>1.70</b>	<b>26.00</b>	<b>2.60</b>	<b>8.90</b>	<b>39.20</b>	<b>6,212.50</b>	<b>158.48</b>
<b>Total Fees Claimed</b>						<b>0.00</b>	



## PRACTICE FEE RECOVERY POLICY FOR CRG INSOLVENCY & FINANCIAL RECOVERY

### Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <https://www.r3.org.uk/what-we-do/publications/professional/statements-of-insolvency-practice/e-and-w/sip-9-list>

There are different versions depending on the date of the insolvency

- December 2015 - Payments to Insolvency Office Holders and their Associates
- November 2011 - Payments to Office Holders and their Associates
- April 2010 to October 2011 - Remuneration of Insolvency Office Holders
- July 2004 to April 2010 - Remuneration of Insolvency Holders

Alternatively a hard copy may be requested from CRG Insolvency & Financial Recovery, Alexandra Dock Business Centre, Fisherman's Wharf, Grimsby, DN31 1UL

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged. Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

### Time cost basis

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

### Chargeout Rates

Grade of staff	Current charge-out rate per hour, effective from 1 April 2009 (£/hour)
Partner – appointment taker	225.00
Manager	175.00
Administrator	150.00
Cashier	100.00
Support Staff	100.00
Clerical	100.00

These charge-out rates charged are reviewed on 1 April each year and are adjusted to take account of inflation and the firm's overheads

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories

- Administration and Planning
- Investigations
- Realisation of Assets
- Creditors
- Trading
- Case specific matters

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and on new appointments we now only seek time costs for the following categories

- Investigations
- Distributions
- Trading
- other

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate, any additional work undertaken, or proposed to be undertaken, the hourly rates proposed for each part of the work, and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

### **Percentage basis**

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office

holder has carried out their functions, and the value and nature of the property with which the office holder has to deal

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

### **Fixed fee**

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

### **Members' voluntary liquidations and Voluntary Arrangements**

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

### **All bases**

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

### **Complaints**

At CRG Insolvency & Financial Recovery we always strive to provide a professional and efficient service, however we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. If you should have cause to complain about the way that we are acting, you should, in the first instance, put details of your complaint in writing to our complaints officer Sally Cribb at CRG Insolvency & Financial Recovery, Alexandra Dock Business Centre, Fisherman's Wharf, Grimsby, North East Lincolnshire, DN31 1UL. This will formally invoke our complaints procedure and we will endeavour to deal with your complaint.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the

regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, or you may email [ip.complaints@insolvency.gov.uk](mailto:ip.complaints@insolvency.gov.uk), or you may phone 0845 602 9848 - calls are charged at between 1p and 10 5p per minute from a land line, for mobiles, between 12p and 41p per minute if you're calling from the UK

### **Agent's Costs**

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

### **Disbursements**

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or CRG Insolvency & Financial Recovery, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements are recovered

Room Hire	None
Mileage	45p per mile
Storage	£1 per box per month
Photocopying	10p per sheet