

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



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17/01/2018

#92

COMPANIES HOUSE

1	Company details	
Company number	0 6 4 6 3 1 6 0	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Abbey Security Ltd.	
2	Liquidator's name	
Full forename(s)	Nedim	
Surname	Ailyan	
3	Liquidator's address	
Building name/number	142-148 Main Road	
Street	Sidcup	
Post town	Kent	
County/Region		
Postcode	D A 1 4 6 N Z	
Country		
4	Liquidator's name ①	
Full forename(s)		① Other liquidator Use this section to tell us about another liquidator.
Surname		
5	Liquidator's address ②	
Building name/number		② Other liquidator Use this section to tell us about another liquidator.
Street		
Post town		
County/Region		
Postcode		
Country		

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6 Period of progress report

From date	^d 2	^d 6	^m 1	^m 1	^y 2	^y 0	^y 1	^y 6
To date	^d 2	^d 5	^m 1	^m 1	^y 2	^y 0	^y 1	^y 7

7 Progress report

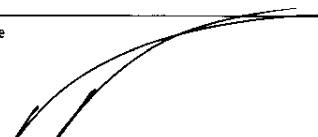
☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 2	^d 0	^m 1	^m 2	^y 2	^y 0	^y 1	^y 7
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LIQ03

Notice of progress report in voluntary winding up



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	Tamara Warner
Company name	Abbott Fielding Limited
Address	142-148 Main Road
	Sidcup
Post town	Kent
County/Region	
Postcode	D A 1 4 6 N Z
Country	
DX	
Telephone	020 8302 4344



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

ABBEY SECURITY LTD - IN LIQUIDATION

LIQUIDATOR'S PROGRESS REPORT TO MEMBERS AND CREDITORS FOR THE YEAR ENDED 25 NOVEMBER 2017

I enclose for your information:

1. A receipts and payments account for the period from 26 November 2012 to 25 November 2017 and for the period from 26 November 2016 to 25 November 2017,
2. A summary of my firm's time costs from 26 November 2012 to 25 November 2017. A summary of my firm's time costs for the period from 26 November 2016 to 25 November 2017 is also shown,
3. A description of the routine work undertaken since my last progress report,
4. Details of my firm's practice fee recovery policy.

STATUTORY INFORMATION

Company Name: Abbey Security Ltd.
Company Number: 06463160
Current Registered Office: 142/148 Main Road, Sidcup, Kent DA14 6NZ
Former Registered Office: 364-368 Cranbrook Road, Gants Hill, Ilford, Essex IG2 6HY
Trading Address: 50A High Street, Sittingbourne, Kent ME10 4PB
Office Holder(s) / Numbers: Nedim Ailyan (9072)
Liquidator's Date of Appointment: 26 November 2012

LIQUIDATOR'S ACTIONS SINCE LAST REPORT

Within the period covered by this report I have ensured that all my statutory requirements have been adhered to and all other duties in relation to the management of the case have been completed.

I have also continued to take steps to recover the Company's assets, as detailed under assets below.

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

RECEIPTS AND PAYMENTS ACCOUNT

My receipts and payments account for the period from 26 November 2016 to 25 November 2017 is attached.

The balance of funds are held in an interest bearing estate bank account.

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ASSETS

Book Debts

As you are aware, the Company operated a factoring agreement with Bibby Financial Services Ltd ("Bibby") and subsequent to my appointment Bibby advised that their collection activities remained ongoing. In January 2013, Bibby advised that these collection activities had concluded and transferred surplus funds totalling £7,244.50 to the liquidation. Bibby also reassigned debts totalling £10,321.88 for the benefit of the liquidation.

An additional outstanding invoice was located in the Company's records and the revised outstanding debtor ledger totalled £10,357.88. I instructed agents, Millmeads, to pursue the outstanding ledger and to date, a total of £4,127.10 has been received.

Due to various disputes as well as amounts having been paid previously, the remaining debts have been written off and, consequently, there will be no further realisations from this source.

Goodwill

As previously advised and as disclosed in the director's Estimated Statement of Affairs ("ESoA"), presented to the first meeting of creditors, the Company's accounts for the year ended 31 December 2010 provided that the Company had goodwill of £6,435. After allowing for amortisation, the goodwill had an estimated book value of £5,065 at the time of liquidation. The goodwill related to the amount paid in connection with the acquisition of the business in 2010.

ABI Security [sic] Services Ltd ("ABI"), a company of which Steven Suri is a director, made an offer to purchase the goodwill of the business from the Liquidator for a sum of £1,000 plus VAT. It was not deemed necessary to obtain a professional valuation of the goodwill and as such, this offer was accepted. ABI made payment in full on 11 December 2012.

ABI did not take independent advice on the transaction and acknowledged that any discussion of the matter with Abbott Fielding was with a view to realising the best price for the assets of Abbey Security Ltd.

Motor Vehicles

As disclosed in the director's ESoA, the Company's accounts for the year ended 31 December 2010 provided that the Company held motor vehicles with a book value of £18,594. After allowing for depreciation, these items would have had an estimated net book value of £10,750 at the time of liquidation. The director advised that this related to two vehicles on hire purchase and two vehicles which were owned outright. He further advised that one of the hire purchase vehicles was written off and the other three vehicles were sold to staff members in 2011.

As previously reported there have been no realisations in respect of the Company's motor vehicles and my further inquiries in this regard have, to date, proved fruitless. Nevertheless, I am continuing to pursue this matter and am awaiting further information before being in a position to conclude my investigations.

Bank Interest Gross

Total bank interest of £1.61 has been received in the period from 26 November 2012 to 25 November 2017 on funds held in the interest bearing liquidation bank account, of which £0.02 has been received in the period 26 November 2016 to 25 November 2017.

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LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies showed that the Company granted the following charges:

IGF Invoice Finance Limited ("IGF") have a fixed and floating charge over all of the Company's assets dated 7 May 2010, which is supported by a personal guarantee from the director. The director advised that there was no liability due to IGF at the time of liquidation and, to date, I can confirm that no secured claim has been received from IGF.

Bibby have a fixed and floating charge over all of the Company's assets dated 5 September 2012, which is supported by a personal guarantee from the director. As noted above, subsequent to my appointment, Bibby reassigned the book debts following the settlement of their liabilities and costs and as such, no secured claim is anticipated.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

Preferential Creditors

Preferential creditors' claims in the director's ESoA totalled £39,807.40 and to date I have received preferential claims to the value of £28,373.11.

Non-Preferential Unsecured Creditors

Non-preferential unsecured creditors' claims in the director's ESoA totalled £484,495.55 of which £409,459.88 was attributable to HM Revenue & Customs. To date, I have received unsecured claims totalling £813,984.35, which includes final claims of £728,556.54 from HM Revenue & Customs. These claims are a lot higher than originally envisaged and are due, for the most part, to increased amounts due to HM Revenue and Customs.

DIVIDENDS

Secured creditors

As stated above, although there was a fixed and floating charge granted to IGF dated 7 May 2010, there is no liability due to them.

The secured claim in favour of Bibby has been satisfied from book debt realisations before reassignment of the remaining debts and, consequently, no amount remains due to them.

Preferential Creditors

Based on current information I am uncertain as to whether there will be a dividend to preferential creditors.

Non-preferential unsecured Creditors

Based on current information, it is considered unlikely there will be sufficient funds to enable a dividend to unsecured creditors.

As previously advised, the Company gave floating charges to IGF and Bibby on 7 May 2010 and 5 September 2012 respectively. However, as both secured creditors are now satisfied, all future asset realisations will be available for the benefit of preferential and unsecured creditors, less the costs of the liquidation.

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INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I can advise that 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 and, taking account of the potential recoveries, the funds likely to be available to fund an investigation and the costs involved, I can confirm that, other than matters relating to the Company's motor vehicles, there were no other matters that justified further investigation in the circumstances of this appointment, which would result in a benefit to creditors.

Within six months of my appointment as Liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

PRE-APPOINTMENT REMUNERATION

The creditors previously authorised the payment of a fee of £3,500 plus VAT, plus disbursements, for assistance with the statement of affairs, producing and circulating the notices for the meetings of members and creditors prior to my appointment at a meeting held on 26 November 2012.

The fee for preparing the statement of affairs and convening and holding the meeting of creditors was paid from first realisations on appointment and is shown in the attached receipts and payments account.

LIQUIDATOR'S REMUNERATION

My remuneration was previously authorised by the creditors at a meeting held on 26 November 2012 to be drawn on a time cost basis. My total costs to 25 November 2017 amount to £14,452.00 representing 70.50 hours at an average charge out rate of £204.99 per hour, of which £1,050.00 representing 4.20 hours work has been incurred in the period since 26 November 2016 at an average charge out rate of £250.00 per hour.

I have drawn £5,000 to 25 November 2017, none of which was drawn since 26 November 2016.

Schedules of my time costs incurred to date and in the period since 26 November 2016 are attached.

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/>. A copy of 'A Creditors' Guide to Liquidators' fees' also published by R3 can be obtained from our website at <http://www.abbottfielding.co.uk/information-for-creditors/>. Please note that there are different versions of the guidance notes, and in this case you should refer to the November 2011 version. Alternatively a hard copy is available on request. A copy of my firm's practice fee recovery policy is enclosed.

LIQUIDATOR'S EXPENSES

I have incurred expenses to 25 November 2017 of £2,155.26, of which £56.67 was incurred in the period since 26 November 2016.

I have drawn £765.71 to date, of which £123.19 was drawn in the period since 26 November 2016. The sum of £1,364.92 has been deducted by Millmeads from realisations.

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I have incurred the following expenses in the period since my last progress report:

Type of expense	Amount Incurred/Accrued in reporting period
Postage	21.33
Storage	35.34
Total	56.67

Agent's Fees

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

Professional Advisor	Nature of Work	Fee Arrangement
Millmeads	Debt Collection	Percentage of realisations

As noted above I instructed agents, Millmeads, to pursue the Company's outstanding debtor ledger. Their fees are based on a percentage of realisations and the sum of £1,364.92 has been paid in respect thereof.

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

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 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.

An unsecured 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.

To comply with the Provision of Services Regulations, some general information about Abbott Fielding Limited can be found at <http://www.abbottfielding.co.uk/information-for-creditors/>

SUMMARY

The liquidation will remain open until my enquiries in respect of the Company's motor vehicles are concluded. I estimate that this will take approximately three to six months and, once resolved, the liquidation will be finalised and my files closed.

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If creditors have any queries relating to the conduct of the liquidation, or if they want hard copies of any of the documents, they should contact Neil Hammond-Jarvis by email at neil@abbottfielding.co.uk, or by phone on 020 8302 4344.

Yours faithfully



Nedim Ailyan
Liquidator

Nedim Ailyan is licensed in the United Kingdom to act as an insolvency practitioner by The Insolvency Practitioners Association

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**Abbey Security Ltd.
(In Liquidation)**

LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 26/11/2016 To 25/11/2017 £	From 26/11/2012 To 25/11/2017 £
RECEIPTS			
Book Debts		0.00	7,244.50
Goodwill	1,000.00	0.00	1,000.00
Motor Vehicles	NIL	0.00	0.00
Book Debts		0.00	4,127.10
Bank Interest Gross		0.02	1.61
		<u>0.02</u>	<u>12,373.21</u>
PAYMENTS			
Preparation of S. of A.		0.00	3,500.00
Liquidator's Remuneration		0.00	5,000.00
Office Holders Expenses		123.19	765.71
Collection Agent's Fees		0.00	1,364.92
Employee Arrears/Hol Pay	(39,807.40)	0.00	0.00
Trade & Expense Creditors	(4,621.50)	0.00	0.00
Employees	(61,346.45)	0.00	0.00
HSBC Bank Plc	(9,067.72)	0.00	0.00
HM Revenue and Customs - PAYE and NI	(369,565.01)	0.00	0.00
HM Revenue and Customs - VAT	(39,894.87)	0.00	0.00
Ordinary Shareholders	(100.00)	0.00	0.00
		<u>123.19</u>	<u>10,630.63</u>
Net Receipts/(Payments)		<u>(123.17)</u>	<u>1,742.58</u>
MADE UP AS FOLLOWS			
Interest Bearing Bank Account		(139.33)	0.23
VAT Receivable / (Payable)		16.16	1,742.35
		<u>(123.17)</u>	<u>1,742.58</u>

SIP 9 - Time & Cost Summary

Period: 26/11/12..25/11/17

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	0.00	0.30	0.00	36.10	36.40	7,807.00	214.48
Investigations	0.00	0.00	0.00	8.80	8.80	1,871.00	212.61
Realisations of assets	0.00	0.00	0.00	15.10	15.70	2,767.00	176.24
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.40	0.00	9.10	9.60	2,007.00	209.06
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	0.00	0.70	0.00	69.10	70.50	14,452.00	204.99
Total Fees Claimed						5,000.00	

SIP 9 - Time & Cost Summary

Period: 26/11/16..25/11/17

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	0.00	0.00	0.00	4.20	4.20	1,050.00	250.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisations of assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	0.00	0.00	0.00	4.20	4.20	1,050.00	250.00
Total Fees Claimed						0.00	

A description of the routine work undertaken since my last progress report.

1. Administration

- Dealing with all routine correspondence and emails relating to the case.
- Maintaining and managing the office holder's estate bank account.
- 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 annual progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing Corporation Tax returns.

2. Creditors

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.

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PRACTICE FEE RECOVERY POLICY FOR ABBOTT FIELDING LIMITED

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 <http://www.abbottfielding.co.uk/information-for-creditors/>. Alternatively a hard copy is available on request. Please note that we have provided further details in this policy document.

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 February 2016 £	Previous charge-out rate per hour, effective from 1 February 2015 £
Partner – appointment taker	365-520	345-500
Managers	280-370	260-350
Administrators	250-280	230-260
Support Staff	190-220	170-200

These charge-out rates charged are reviewed on an annual basis 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 although we will generally continue to seek fees on a time cost basis in some circumstances we may seek time costs for the following categories:

- Investigations

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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.

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 Abbott Fielding Limited; 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:

Mileage	50p per mile
Photocopying	10p per sheet

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