

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number	0	6	7	3	1	7	8	0
Company name in full	Direct Market Touch Limited							

→ **Filling in this form**  
Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s)	Kikis
Surname	Kallis

### 3 Liquidator's address

Building name/number	Mountview Court
Street	1148 High Road
Post town	Whetstone
County/Region	London
Postcode	N 2 0 0 R A
Country	

### 4 Liquidator's name ①

Full forename(s)	
Surname	

① **Other liquidator**  
Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number	
Street	
Post town	
County/Region	
Postcode	
Country	

② **Other liquidator**  
Use this section to tell us about  
another liquidator.

LIQ03

Notice of progress report in voluntary winding up


**6** Period of progress report

From date	<sup>d</sup> <div>0</div>	<sup>d</sup> <div>4</div>	<sup>m</sup> <div>0</div>	<sup>m</sup> <div>1</div>	<sup>y</sup> <div>2</div>	<sup>y</sup> <div>0</div>	<sup>y</sup> <div>2</div>	<sup>y</sup> <div>0</div>	
To date	<sup>d</sup> <div>0</div>	<sup>d</sup> <div>3</div>	<sup>m</sup> <div>0</div>	<sup>m</sup> <div>1</div>	<sup>y</sup> <div>2</div>	<sup>y</sup> <div>0</div>	<sup>y</sup> <div>2</div>	<sup>y</sup> <div>1</div>	

**7** Progress report

<input type="checkbox"/> The progress report is attached	
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**8** Sign and date

Liquidator's signature	<div>Signature</div> <div><b>X</b> </div> <div><b>X</b></div>								
Signature date	<sup>d</sup> <div>2</div>	<sup>d</sup> <div>6</div>	<sup>m</sup> <div>0</div>	<sup>m</sup> <div>2</div>	<sup>y</sup> <div>2</div>	<sup>y</sup> <div>0</div>	<sup>y</sup> <div>2</div>	<sup>y</sup> <div>1</div>	

**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 **Kevin Donnelly**

Company name **Kallis & Company**

Address **Mountview Court**

**1148 High Road**

Post town **Whetstone**

County/Region **London**

Postcode **N 2 0 0 R A**

Country

DX

Telephone **020 8446 6699**

**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

**Direct Market Touch Limited – In Creditors' Voluntary Liquidation**

*LIQUIDATOR'S SECOND PROGRESS REPORT IN ACCORDANCE WITH RULE 18.3 OF THE  
INSOLVENCY RULES 2016 FOR THE PERIOD ENDING 3 JANUARY 2021*

#### Contents:

1. Statutory Information
2. Liquidator's Actions Since Appointment
3. Receipts And Payments
4. Assets
5. Liabilities
6. Dividend Prospects
7. Investigation Into The Affairs Of The Company
8. Pre-Appointment Remuneration
9. Liquidator's Remuneration
10. Liquidator's Expenses
11. Further Information
12. Summary

#### Appendices:

1. Receipts & Payments Account for the period from 4 January 2020 to 3 January 2021, and for the cumulative period from 4 January 2019 to 3 January 2021.
2. A schedule of actions undertaken under each category for the period from 4 January 2020 to 3 January 2021.
3. A schedule of Liquidator's time costs incurred for the period from 4 January 2020 to 3 January 2021, and for the cumulative period from 4 January 2019 to 3 January 2021.
4. Comparison of the estimated and actual time costs incurred
5. An explanatory note which shows Kallis & Company's fee policy
6. Proof of debt form

## **Direct Market Touch Limited – In Creditors' Voluntary Liquidation**

### **LIQUIDATOR'S PROGRESS REPORT TO CREDITORS AND MEMBERS**

**For the year ending 3 January 2021**

#### **1. STATUTORY INFORMATION**

Company name:	Direct Market Touch Limited
Registered office:	Mountview Court 1148 High Road Whetstone London N20 0RA
Former registered office:	8-9 New Street London EC2M 4TP
Registered number:	06731780
Liquidator's name:	Kikis Kallis
Liquidator's address:	Mountview Court 1148 High Road Whetstone London N20 0RA
Liquidator's date of appointment:	4 January 2019

#### **2. LIQUIDATOR'S ACTIONS SINCE LAST REPORT**

Since my last report, I have been dealing with former client claims against the Financial Services Compensation Scheme ("FSCS"). The claims remain ongoing, as a result the liquidation will remain open.

In relation to these claims, I dealt with the following case specific matters:

- Liaised with the Company's clients who had invested in shares and wished to raise complaints regarding the trading of the business and helped clients issue indemnities for their share certificates.
- Sought legal advice regarding the complaints made.
- Collected the client information from the directors in order to deal with the claims.
- Issued returns to the FCA on behalf of the Company.
- Have liaised with the Financial Services Compensations Scheme ("FSCS") regarding possible claims from clients.

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 contained in Appendix 2.

### **3. RECEIPTS AND PAYMENTS**

My Receipts & Payments Account for the period from 4 January 2020 to 3 January 2021 is attached at Appendix 1.

VAT incurred by the Liquidator is unrecoverable as the Company was not registered for VAT. All items are therefore shown as gross of VAT on the receipts & payments account.

I would advise that all asset realisations within the liquidation are held within an interest-bearing account. I can confirm that interest totaling £6.76 has been received on the account, of which £0.48 was received in the reporting period.

### **4. ASSETS**

All assets dealt with in the previous reporting period have been detailed in my previous report.

### **5. LIABILITIES**

#### Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has no current charges over its assets.

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

In accordance with the director's statement of affairs, £461.54 was anticipated in preferential creditors. Claims totalling £3,087.49 have been received.

#### Non-preferential unsecured Creditors

The statement of affairs included seven non-preferential unsecured creditors with an estimated total liability of £81,768.34, including £980.00 estimated to be due to HMRC. I have received claims from four creditors at a total of £6,720.79. I have received no claim from HMRC. I have not received claims from 5 creditors with original estimated claims in the statement of affairs of £70,229.84.

### **6. DIVIDEND PROSPECTS**

On the basis of current information, it is uncertain whether a dividend will be paid to any class of creditor.

### **7. INVESTIGATION INTO THE AFFAIRS OF THE COMPANY**

#### Client Claims

The Financial Services Compensation Scheme ("FSCS") has been receiving claims from former clients for compensation. I have had to provide the FSCS with client information in order for them to consider the claim. The FSCS are still receiving claims and therefore, the liquidation must remain open.

Within three 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 them unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

## **8. PRE-APPOINTMENT REMUNERATION**

The creditors previously authorised the payment of a fee of £10,000 plus VAT for my assistance with preparing the statement of affairs and arranging the decision procedure for creditors to appoint a liquidator.

The fee for preparing the statement of affairs and arranging the decision procedure for creditors to appoint a liquidator was paid by the director, Mr Peter Charalambous.

## **9. LIQUIDATOR'S REMUNERATION**

My remuneration was approved on a time cost basis based on a fees estimate of £28,384.50. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors. My total time costs to 3 January 2021 amount to £29,453.00, representing 177.20 of hours work at a blended charge out rate of £166.21 per hour, of which £7,976.50, representing 51.60 of hours work, was charged in the period since 4 January 2020 at a blended charge out rate of £154.58 per hour. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £188.86 in my fees estimate.

I have drawn £6,000.00 to 3 January 2021, none of which was drawn in the period since 4 January 2020.

A detailed schedule of my time costs incurred to date and since 4 January 2020 compared with my original fees estimate is attached as Appendix 4.

As at 3 January 2021 then, as you can see from the information provided in this report, the total time costs I have incurred in this matter, in respect of the categories of work for which I am being remunerated on a time cost basis, have exceeded the total estimated remuneration I set out in my fees estimate when my remuneration was authorised by the creditors. This is because of the work required in dealing with client claims with FCSC was not anticipated. This has required my staff to carry out a number of tasks list above, which were unforeseen at the time of the preparation of the fee report. Currently I do not intend to draw remuneration in excess of the fees estimate and so will not be seeking a decision to increase my fees estimate.

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 <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>. Once you access the link, scroll down to "Getting involved: Creditors' Voluntary Liquidation" for the relevant details.

A copy of 'A Creditors Guide to Liquidator's Fees' also published by R3 can be accessed at <http://www.kallis.co.uk/downloads> by clicking the link underneath "Insolvency Office Holders' Fees". Please note that there are different versions of these Guidance Notes, and in this case please refer to "Guide to Liquidator's Fees" under "Version 4 – Issued April 2017".

Kallis & Company's fee policy, which is enclosed with this report in Appendix 4, can also be accessed at <http://www.kallis.co.uk/downloads> by clicking the link underneath "Kallis & Company's Fee Policy".

## **10. LIQUIDATOR'S EXPENSES**

I have incurred expenses to 3 January 2021 of £4,600.33 of which £150.00 was incurred in the period since 4 January 2020.

I have paid £4,450.33 to date of which £750.33 was paid in the period since 4 January 2020

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



Type of expense	Amount incurred/ accrued in the reporting period
Irrecoverable VAT	125.05
Postage	4.83
Mail re-direction	204.00
Bonding	80.00
Advertising	186.45
Total	750.33

I have paid the following category 2 disbursements in the period since my last progress report:

Type of category 2 disbursement	Amount incurred/ accrued in the reporting period
Storage	150.00

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.

The table below compares my expenses incurred to date and the estimated expenses:

Nature of expense	Estimated expenses	Expenses incurred to date
Agents/Valuer Fees	-	2,083.33
Irrecoverable VAT	-	1,741.72
Postage	3.99	4.83
Mail Re-direction	-	204.00
Specific Bond	80.00	80.00
Statutory Advertising	186.45	186.45
Storage	Uncertain	300.00
Total	270.44	4,600.33

As at 3 January 2021 then, as you can see from the information provided in this report, the expenses I have incurred in this matter have exceeded the total expenses I estimated I would incur when my remuneration was authorised by the creditors. This is due to the fee paid to the consultant in respect of their work carried out in connection with the sale of the client list. This work was not anticipated to be undertaken at the time of preparation of the fee report.

There has also been an increase in bonding costs as a result of higher realisations than anticipated. There was also a mail-redirection set up, which was not expected at the time of preparing the report.

## 11. 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 their 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 of remuneration charged by the Liquidator as being excessive, and/or the basis of the Liquidator's remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their

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 Kallis & Company can be found at [www.kallis.co.uk/legal](http://www.kallis.co.uk/legal).

## **12. SUMMARY**

The Liquidation will remain open until all claims have been dealt with. I estimate that this will take approximately 12 months and once resolved the Liquidation will be finalised and our files will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Kevin Donnelly on 020 8446 6699, or by email at [Kevin@kallis.co.uk](mailto:Kevin@kallis.co.uk).

A handwritten signature in black ink, appearing to read 'Kikis Kallis', written over a horizontal line.

**Kikis Kallis FCCA FABRP  
LIQUIDATOR**

## **APPENDIX 1- RECEIPTS AND PAYMENTS ACCOUNT**

**Direct Market Touch Limited - In Liquidation****Summary of Liquidator's Receipts and Payments for the period 4 January 2020 to 3 January 2021**

<b>Receipts</b>	<b>Statement of Affairs £</b>	<b>From 4 January 2020 to 3 January 2021 £</b>	<b>From 4 January 2019 to 3 January 2021 £</b>
Bank Interest Gross	-	0.48	6.76
Cash at Bank	1,800.00	NIL	763.88
Fixtures, Fittings & Equipment	1,000.00	NIL	NIL
Property Rights/ Patents	-	NIL	10,000.00
Rent Deposit	Uncertain	NIL	NIL
Third Party Funds	12,000.00	NIL	12,000.00
<b>Total</b>	<b>14,800.00</b>	<b>0.48</b>	<b>22,770.64</b>

**Payments**

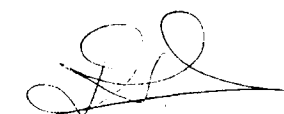
Agents/Valuers Fees	NIL	2,083.33
Irrecoverable VAT	125.05	1,741.72
Liquidator's Fees	NIL	6,000.00
Postage	4.83	4.83
Preparation of Statement of Affairs	NIL	12,000.00
Re-direction of Mail	204.00	204.00
Specific Bond	80.00	80.00
Statutory Advertising	186.45	186.45
Storage	150.00	150.00
<b>Total</b>	<b>750.33</b>	<b>22,450.33</b>

<b>Receipts less Payments</b>	<b>(749.85)</b>	<b>320.31</b>
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**Represented by:**

Cash at Bank	320.31
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<b>Total</b>	<b>320.31</b>
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Kikis Kallis FCCA FABRP  
Liquidator

## APPENDIX 2 - A SCHEDULE OF ACTIONS UNDERTAKEN

### 1. Administration & Planning

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give a direct financial benefit to the creditors but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Dealing with all routine correspondence and emails relating to the case.
- 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 an annual progress report to creditors and members.
- Filing returns at Companies House.

### 2. Financials

- Maintaining and managing the office holder's estate bank account.
- Maintaining and managing the office holder's cashbook.
- Preparing and filing Corporation Tax returns.
- Undertaking regular bank reconciliations of the bank account containing estate funds.

### 3. Creditors

Claims of creditors - the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

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

**APPENDIX 3 - A SCHEDULE OF LIQUIDATOR'S TIME COSTS INCURRED**

## Analysis of Liquidator's time costs for the period 04/01/2019 To 03/01/2021

**KALLIS & COMPANY**  
INSOLVENCY PRACTITIONERS

Classification of Work Content	Partner Hours	Senior Manager Hours	Manager Hours	Senior Hours	Support Hours	Total Hours	Total Cost (GBP)	Average Hourly Rate (GBP)
<b>Administration &amp; Planning</b>	<b>7.00</b>	<b>0.20</b>	<b>2.70</b>	<b>4.40</b>	<b>47.20</b>	<b>61.50</b>	<b>8,335.50</b>	<b>135.54</b>
AD1.1 - Case planning and review	4.30	0.00	1.70	0.00	3.00	9.00	2,023.00	224.78
AD1.2 - Ongoing administration matters	1.10	0.00	0.00	4.40	35.70	41.20	4,490.50	108.99
AD1.3 - Statutory notices & reporting	1.60	0.20	1.00	0.00	8.50	11.30	1,822.00	161.24
<b>Financials</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>8.40</b>	<b>8.40</b>	<b>886.00</b>	<b>105.48</b>
AD2.1 - Completion and agreement of tax returns	0.00	0.00	0.00	0.00	1.10	1.10	125.00	113.64
AD2.2 - Banking and reconciliations	0.00	0.00	0.00	0.00	3.70	3.70	391.00	105.68
AD2.3 - Expense reviews and payments	0.00	0.00	0.00	0.00	3.60	3.60	370.00	102.78
<b>Realisation of Assets</b>	<b>29.80</b>	<b>0.00</b>	<b>0.00</b>	<b>3.00</b>	<b>9.00</b>	<b>41.80</b>	<b>10,367.00</b>	<b>248.01</b>
AD3.1 - Dealing with agents, asset and business sales	11.00	0.00	0.00	0.00	4.80	15.80	3,757.00	237.78
AD3.4 - Identifying assets and recovery	18.80	0.00	0.00	3.00	2.70	24.50	6,460.00	263.67
AD3.6 - Dealing with leasehold and freehold property	0.00	0.00	0.00	0.00	1.50	1.50	150.00	100.00
<b>Investigations</b>	<b>7.50</b>	<b>0.00</b>	<b>1.70</b>	<b>12.90</b>	<b>21.10</b>	<b>43.20</b>	<b>6,559.50</b>	<b>151.84</b>
AD4.1 - SIP 2 review & CDDA reports	0.20	0.00	1.70	0.00	1.40	3.30	590.50	178.94
AD4.2 - Inventory and record review	4.80	0.00	0.00	8.10	8.50	21.40	3,277.00	153.13
AD4.3 - Investigations - antecedent transactions/misconduct	2.50	0.00	0.00	4.80	11.20	18.50	2,692.00	145.51
<b>Creditors</b>	<b>4.20</b>	<b>0.00</b>	<b>0.60</b>	<b>0.40</b>	<b>17.10</b>	<b>22.30</b>	<b>3,305.00</b>	<b>148.21</b>
AD5.1 - Communication with creditors	4.00	0.00	0.00	0.40	3.10	7.50	1,695.00	226.00
AD5.2 - Creditors' claims (including Employees' and other preferential creditors')	0.20	0.00	0.60	0.00	14.00	14.80	1,610.00	108.78
<b>Total Hours</b>	<b>48.50</b>	<b>0.20</b>	<b>5.00</b>	<b>20.70</b>	<b>102.80</b>	<b>177.20</b>		<b>166.21</b>
<b>Total Fees (GBP)</b>	<b>14,920.50</b>	<b>48.00</b>	<b>1,158.00</b>	<b>2,512.50</b>	<b>10,814.00</b>		<b>29,453.00</b>	

## Analysis of Liquidator's time costs for the period 04/01/2020 To 03/01/2021

**KALLIS & COMPANY**  
INSOLVENCY PRACTITIONERS

Classification of Work Content	Partner Hours	Senior Manager Hours	Manager Hours	Senior Hours	Support Hours	Total Hours	Total Cost (GBP)	Average Hourly Rate (GBP)
<b>Administration &amp; Planning</b>	<b>1.20</b>	<b>0.20</b>	<b>2.20</b>	<b>4.40</b>	<b>10.90</b>	<b>18.90</b>	<b>2,809.50</b>	<b>148.65</b>
AD1.1 - Case planning and review	0.00	0.00	1.20	0.00	1.50	2.70	468.00	173.33
AD1.2 - Ongoing administration matters	0.00	0.00	0.00	4.40	1.90	6.30	769.50	122.14
AD1.3 - Statutory notices & reporting	1.20	0.20	1.00	0.00	7.50	9.90	1,572.00	158.79
<b>Financials</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3.10</b>	<b>3.10</b>	<b>346.00</b>	<b>111.61</b>
AD2.1 - Completion and agreement of tax returns	0.00	0.00	0.00	0.00	0.50	0.50	55.00	110.00
AD2.2 - Banking and reconciliations	0.00	0.00	0.00	0.00	2.10	2.10	231.00	110.00
AD2.3 - Expense reviews and payments	0.00	0.00	0.00	0.00	0.50	0.50	60.00	120.00
<b>Realisation of Assets</b>	<b>4.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3.00</b>	<b>2.30</b>	<b>9.30</b>	<b>1,996.00</b>	<b>214.62</b>
AD3.1 - Dealing with agents, asset and business sales	0.00	0.00	0.00	0.00	0.80	0.80	96.00	120.00
AD3.4 - Identifying assets and recovery	4.00	0.00	0.00	3.00	1.50	8.50	1,900.00	223.53
<b>Investigations</b>	<b>1.70</b>	<b>0.00</b>	<b>0.00</b>	<b>12.90</b>	<b>4.20</b>	<b>18.80</b>	<b>2,645.00</b>	<b>140.69</b>
AD4.1 - SIP 2 review & CDDA reports	0.20	0.00	0.00	0.00	0.00	0.20	68.00	340.00
AD4.2 - Inventory and record review	0.00	0.00	0.00	8.10	0.00	8.10	987.00	121.85
AD4.3 - Investigations - antecedent transactions/misconduct	1.50	0.00	0.00	4.80	4.20	10.50	1,590.00	151.43
<b>Creditors</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.40</b>	<b>1.10</b>	<b>1.50</b>	<b>180.00</b>	<b>120.00</b>
AD5.1 - Communication with creditors	0.00	0.00	0.00	0.40	1.10	1.50	180.00	120.00
<b>Total Hours</b>	<b>6.90</b>	<b>0.20</b>	<b>2.20</b>	<b>20.70</b>	<b>21.60</b>	<b>51.60</b>		<b>154.58</b>
<b>Total Fees (GBP)</b>	<b>2,322.00</b>	<b>48.00</b>	<b>528.00</b>	<b>2,512.50</b>	<b>2,566.00</b>		<b>7,976.50</b>	



**Appendix 4 - Tabular comparison of Time Costs actually incurred with the Fees Estimate**

	Fees Estimate			Reporting Period			Total to Date		
<b>SIP 9 Category</b>	Estimated time costs £	Estimated No. of hours	Blended charge out rate £	Time costs incurred £	No. of hours	Blended charge out rate £	Time costs incurred £	No. of hours	Blended charge out rate £
Case Administration	70.10	13,857.50	197.68	18.90	2,809.50	148.65	61..50	8,335.50	135.54
Financials	5.00	500.00	100.00	3.10	346.00	111.61	8.40	886.00	105.48
<b>Realisations of Assets</b>	17.50	3,984.00	227.68	9.30	1,996.00	214.62	41.80	10,367.00	248.01
Investigations	38.30	7,255.50	189.44	18.80	2,645.00	140.69	43.20	6,559.50	151.84
Creditors	21.00	2,787.50	132.74	1.50	180.00	120.00	22.30	3,305.00	148.21
<b>Totals:</b>	151.90	28,384.50	186.86	51.60	7,976.50	154.58	177.20	29,453.00	166.21

## **APPENDIX 5 - PRACTICE FEE RECOVERY POLICY FOR KALLIS & COMPANY**

## PRACTICE FEE RECOVERY POLICY FOR KALLIS & COMPANY

### 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/helpsheets/>. 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.kallis.co.uk/downloads>. Alternatively a hard copy may be requested from Kallis & Company, Mountview Court, 1148 High Road, London N20 0RA. 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.

Grade of staff	Current charge-out rate per hour, effective from 01/10/2019	Previous charge-out rate per hour, effective from 01/10/2017
Senior Partner / appointment taker	£420	
Partner / appointment taker	£320-340	£295-375
Senior Manager	£295	£285
Manager	£240	£225
Senior/Case Administrator	£110-150	£125-175
Support Staff	£100-110	£85-100

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

Where necessary and appropriate, members of staff from other departments of the practice will undertake work on a case. They will be charged at their normal charge out rate for undertaking such work.

These charge-out rates charged are reviewed on periodic 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; Financials; 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 continue to seek time costs for the majority of our cases.

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 Kallis & Company; 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	£50 per hour
Mileage	<a href="http://www.gov.uk/government/publications/rates-and-allowances-travel-mileage-and-fuel-allowances">www.gov.uk/government/publications/rates-and-allowances-travel-mileage-and-fuel-allowances</a>
Storage	£15 per box per annum
Destruction Costs	£5.50 per box

## **APPENDIX 6 – PROOF OF DEBT FORM**

**Rule 14.4 The Insolvency (England and Wales) Rules 2016**

**Proof of Debt – General Form**

<b>Name of Company in Liquidation:</b>	<div>Direct Market Touch Limited</div>
<b>Company Registration Number:</b>	<div>06731780</div>
<b>Date of Liquidation:</b>	<div>4 January, 2019</div>
1 Name of creditor  (If a company, please also provide the company registration number).	<div></div>
2 Correspondence address of creditor (including any email address)	<div></div>
3 Total amount of claim (£)  (include any Value Added Tax)	<div></div>
4 If amount in 3 above includes (£) outstanding uncapitalised interest, state amount.	<div></div>
5 Details of how and when the debt was incurred. (If you need more space, attach a continuation sheet to this form)	<div></div>
6 Details of any security held, the value of the security and the date it was given.	<div></div>
7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.	<div></div>
8 Details of any document by reference to which the debt can be substantiated	<div></div>

9 Signature of creditor  
(or person authorised to act on the creditor's  
behalf)

10 Address of person signing if different from 2  
above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

Admitted to vote for

Amount (£)

Date

Admitted for dividend for

Amount (£)

Date

Kikis Kallis  
LIQUIDATOR

Kikis Kallis  
LIQUIDATOR

Notes:

1. There is no need to attach them now but the office holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.

2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.