

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

FRIDAY



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A23

13/03/2020

#74

COMPANIES HOUSE

### 1 Company details

Company number 0 7 2 4 8 4 6 2

Company name in full Digital High Street Limited

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

### 2 Liquidator's name

Full forename(s) Christopher

Surname Brooksbank

### 3 Liquidator's address

Building name/number Moorend House

Street Snelsins Lane

Post town Cleckheaton

County/Region West Yorkshire

Postcode B D 1 9 3 U E

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

<b>6</b>	<b>Period of progress report</b>									
From date	<sup>d</sup> 1	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9		
To date	<sup>d</sup> 1	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0		
<b>7</b>	<b>Progress report</b>									
<input checked="" type="checkbox"/> The progress report is attached										
<b>8</b>	<b>Sign and date</b>									
Liquidator's signature	<div>Signature</div> <div>X  X</div>									
Signature date	<sup>d</sup> 0	<sup>d</sup> 2	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0		

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	Ian Thompson
Company name	O'Haras Limited
Address	Moorend House
	Snelsins Lane
Post town	Cleckheaton
County/Region	West Yorkshire
Postcode	B D 1 9 3 U E
Country	
DX	info@oharas.co
Telephone	01274800380

**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.

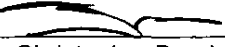
**Further information**

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)

**Digital High Street Limited**  
**(In Liquidation)**  
**Liquidator's Summary of Receipts & Payments**

Statement of Affairs ALL	From 15/01/2019 To 14/01/2020 ALL	From 15/01/2018 To 14/01/2020 ALL	
	ASSET REALISATIONS		
	Bank Interest Gross	14.33	22.25
	Cash at Bank	NIL	0.04
11,700.01	Cash in Hand	NIL	11,700.01
Uncertain	Paypal Monies	NIL	14,646.03
Uncertain	Stock / Returned Goods	NIL	NIL
NIL	Website / Domain Name	NIL	NIL
		14.33	26,368.33
	COST OF REALISATIONS		
	Specific Bond	NIL	360.00
	Statutory Advertising	NIL	219.70
		NIL	(579.70)
	PREFERENTIAL CREDITORS		
(2,967.56)	Employee Arrears/Hol Pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(37,901.00)	Directors	NIL	NIL
(4,960.81)	Employees	NIL	NIL
(4,274.99)	Landlord	NIL	NIL
(4,826.43)	PAYE / NIC	NIL	NIL
(193,418.81)	Trade & Expense Creditors	NIL	NIL
(5,006.57)	VAT	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(11,748.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(253,404.16)		14.33	25,788.63
	REPRESENTED BY		
	Bank 1 Current		25,788.63
			25,788.63

  
Christopher Brooksbank  
Liquidator

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**DIGITAL HIGH STREET LTD**  
**IN LIQUIDATION**  
**(THE 'COMPANY')**

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**LIQUIDATOR'S SECOND ANNUAL PROGRESS  
REPORT TO CREDITORS**

**09 MARCH 2020**

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## APPENDICES

Receipts and Payments Account for the period 15 January 2019 to 14 January 2020, together with my cumulative Receipts and Payments Account

Appendix A

Statement of Insolvency Practice 9 Time Analysis for the period 15 January 2019 to 14 January 2020, together with my cumulative time analysis, Fees Estimate Summary and Comparison; Addendum to Creditors' Guide to Fees; Schedule of Routine Work; Provision of Services Regulations Summary

Appendix B

**1 STATUTORY INFORMATION**

<b>Company Number</b>	07248462	
<b>Date of Incorporation</b>	10 May 2010	
<b>Principal Activity</b>	Online Retailer	
<b>Previous Names</b>	N/A	
<b>Registered Office</b>	Moorend House, Snelsins Lane, Cleckheaton, West Yorkshire, BD19 3UE	
<b>Trading Address</b>	Floor 2, Woodvale House, Woodvale Office Park, Woodvale Road, Brighouse, West Yorkshire, HD6 4AB	
<b>Authorised Share Capital</b>	11,748 £1 Ordinary Shares	
<b>Shareholders</b>	<b>Number held</b>	<b>Class</b>
Dominic Waterson	8,300	Ordinary
Douglas Main	100	Ordinary
Lee Boothroyd	25	Ordinary
Kelsey Gladwell	100	Ordinary
Andrew McCaul	25	Ordinary
Jenny McCaul	100	Ordinary
Jason Sharp	2,745	Ordinary
Joanne Sharp	105	Ordinary
Tomas Collins	248	Ordinary
<b>Directors (last 3 years)</b>	<b>Appointed</b>	<b>Resigned</b>
Dominic Waterson	10 May 2010	-----
Jason Sharp	14 August 2013	-----
Tomas Collins	25 January 2017	-----
Lee Boothroyd	24 September 2014	26 November 2017
Andrew McCaul	24 September 2014	26 November 2017

## **2 INTRODUCTION**

- 2.1 *The purpose of this report is to detail my acts and dealings as Liquidator of Digital High Street Limited (the 'Company') and report on the conduct of the liquidation for the period 15 January 2019 to 14 January 2020 (the 'Reporting Period').*

## **3 PROGRESS OF THE LIQUIDATION**

- 3.1 Creditors will note from the Statement of Affairs that there was cash in hand of £11,700.01. In addition it was uncertain what monies would be realised from the Company's stock / returned goods and PayPal monies. The Company's only other asset was its website / domain name and no realisations were anticipated from this source.
- 3.2 Creditors will be aware from my last progress report that through my efforts £14,646.03 has been realised from the Company's PayPal monies. As anticipated no monies have been realised in respect of the Company's website / domain name despite my efforts and those of my agent as the domain name was registered in the name of Mr D Waterson, one of the Company's directors and shareholders. Unfortunately despite initial interest no offers were received in respect of the Company's website.
- 3.3 I can advise that unfortunately no monies have been realised in respect of the Company's stock / returned goods. My agent, Walker Singleton Chartered Surveyors in Leeds confirmed that the costs associated with the collection and sale of these goods would significantly outweigh any potential realisations. Further details regarding these assets can be found in Section 6 of this report.
- 3.4 Investigations into the Company's affairs have now concluded; further information can be found in Section 4, below.

## **4 INVESTIGATIONS**

- 4.1 In accordance with the Company Directors Disqualification Act 1986 a report on the conduct of the Directors of the Company has been submitted to the Department for Business Innovation and Skills. As this is a confidential report, I am unable to disclose the contents.
- 4.2 In line with my duty as Liquidator, I have conducted investigations into the Company's affairs in accordance with Statement of Insolvency Practice 2 ('SIP 2'). When considering whether there were any matters that justified further investigation I took into account public interest, potential recoveries, the availability of funding for the investigation and the associated costs of the investigation. I can confirm that to date no claims have been brought against the Directors or any third parties following my investigations into the Company's affairs.

## **5 RECEIPTS AND PAYMENTS ACCOUNT**

- 5.1 A copy of the Liquidator's receipts and payments account for the Reporting Period is attached at Appendix A.



## **6 REALISATION OF ASSETS**

### **PayPal Monies**

- 6.1 As detailed on the Statement of Affairs as at the date of my appointment, the Company's PayPal account had a credit balance of £23,019.76. It was uncertain what monies would be forthcoming from this source as any returns / damaged goods are credited to the account for up to 6 months from when the Company's website stopped taking orders which was on Tuesday 19 December 2017.
- 6.2 I am pleased to report that £14,646.03 has been received from these PayPal monies. This account is now closed and there will be no further realisations from this source.

### **Cash in Hand**

- 6.3 Also as detailed on the Statement of Affairs as at the date of my appointment, I was holding cash in hand of £11,700.01. Following my appointment as Liquidator these monies became available for general benefit of the Company's creditors.

### **Cash at Bank**

- 6.4 On 09 February 2018, £0.04 was realised from the Company's bank account with Santander.
- 6.5 The only other realisation in this case is bank interest gross in the sum of £22.25.

## **7 CREDITORS**

### **Secured Creditors**

- 7.1 There is no secured creditor in this matter.

### **Preferential Creditors**

- 7.2 As per the Statement of Affairs there were preferential creditors in the sum of £2,967.56 in respect of employee arrears of wages and holiday pay. The Insolvency Service, Department of Employment have submitted a preferential claim in the sum of £5,594.28.

### **Unsecured Non-Preferential Creditors**

- 7.3 As per the Statement of Affairs prepared by the Company's Director at the date of liquidation, there were unsecured creditors totalling £250,388.61. To date I have received claims totalling £172,252.88.

### **Notice of No Dividend**

- 7.4 I can confirm that I am unable to declare a dividend to creditors due to the balance of monies in hand being used to pay for the costs of liquidation. Therefore in accordance with Rule 14.37(2) of the Insolvency (England and Wales) Rules 2016, I hereby give notice that there is no prospect of a dividend to creditors in this matter.

## **8 DIVIDENDS**

### **Prescribed Part**

- 8.1 Where company assets are secured by a floating charge, the funds in the liquidation estate from realising those assets, after having paid the costs of liquidation and settling the preferential creditors' claims, are available to distribute to the floating charge creditor(s).

8.2 If the charge(s) was created after 15 September 2003, a portion of those funds shall be made available to unsecured, non-preferential creditors. This is called the Prescribed Part.

8.3 In this case the Prescribed Part does not apply as there is no secured creditor.

#### **Unsecured Non-Preferential Creditors**

8.4 There have been no distributions to this class of creditor, either under the Prescribed Part or outside of it within the Reporting Period.

### **9 REMUNERATION AND EXPENSES**

#### **Pre-Appointment Remuneration**

9.1 Authority was given at the meeting of creditors held on 15 January 2018 for me to draw fees totalling £5,000 plus VAT for assisting with the preparation of the Statement of Affairs and for convening the first meetings of members and creditors ('Statement of Affairs Fee')

9.2 I can advise that I have not drawn this fee and the full amount remains outstanding.

#### **Liquidator's Remuneration**

9.3 Authority was also given at this meeting for my remuneration to be approved by reference to the time properly given by me and my staff in attending to matters as set out in the Fees Estimate which was circulated to creditors with a letter dated 03 January 2018, such time to be charged at the prevailing standard hourly charge out rates used by my firm at the time when the work is performed. The Fees Estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors.

9.4 My time costs for the Reporting Period total £8,252.50 representing 51.10 hours at an average hourly rate of £161.50. My cumulative time costs from 15 January 2018 to 14 January 2020 total £23,792.50 representing 130.50 hours at an average hourly rate of 182.32.

9.5 I can confirm that no fees have been drawn against these costs during the Reporting Period.

9.6 Attached is a comparison of the time costs incurred to date and those anticipated per the Fees Estimate previously provided to creditors.

9.7 The actual average charge out rate is lower than the estimated average charge out rate of £218.52 as detailed in the aforementioned Fees Estimate.

9.8 I would also comment that the time costs incurred during the Reporting Period and the period of my appointment are currently less than that estimated.

9.9 Attached at Appendix B is an analysis, in accordance with the provisions of Statement of Insolvency Practice 9 ('SIP9') that details my time costs incurred by work category for the Reporting Period. Included with that analysis is a description of the routine work carried out within each of the work categories.

9.10 The amounts are derived by reference to normal rates for time properly given by me and my staff in attending to matters arising in the liquidation. The 'Addendum to Creditors' Guide to Fees, attached at Appendix B, details the current charge out rates.

9.11 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>.

9.12 I am required, under SIP9, to provide creditors with information relating to the Liquidator's fees. This information is contained within a document entitled 'Guide to Liquidators Fees', which is available at <https://www.r3.org.uk/what-we->

[do/publications/professional/fees](#); please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2017 version. If

you are unable to access or download a guide, please contact this office and a copy will be provided to you free of charge.

#### **Disbursements**

- 9.13 The disbursements charged to the case comprise of external supplies of incidental services specifically identifiable to the case, such as insurances, case advertising, travel invoices, external room-hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. The following external disbursements (Category 1) have been incurred:

	<b>Pre Appointment (£)</b>	<b>Reporting Period (£)</b>	<b>Total (£)</b>	<b>Per Fees Estimate (£)</b>
Specific Bond	0.00	0.00	360.00	150.00
Statutory Advertising	0.00	0.00	219.70	405.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>579.70</b>	<b>555.00</b>

- 9.14 Those disbursements paid can be seen on the attached receipts and payments account.

- 9.15 I have also incurred disbursements relating to internal supplies or services specifically identifiable to the case, such as photocopying, postage, telephone and fax. These items are classified as Category 2 disbursements and are charged to the case on the recovery basis detailed in the addendum attached at Appendix B.

- 9.16 Specific authority was obtained from creditors at the meeting of creditors held on 15 January 2018 for the Liquidator to draw internal (Category 2) disbursements, as defined by SIP 9, as and when incurred. The following internal disbursements (Category 2) have been incurred:

	<b>Pre Appointment (£)</b>	<b>Reporting Period (£)</b>	<b>Total (£)</b>	<b>Per Fees Estimate (£)</b>
Postage & Photocopying	710.50	0.00	710.50	550.00
<b>Total</b>	<b>710.50</b>	<b>0.00</b>	<b>710.50</b>	<b>550.00</b>

- 9.17 These Category 2 disbursements also remain unpaid.

#### **Professional Advisors**

- 9.18 I can confirm that Walker Singleton Chartered Surveyors in Leeds have been engaged in this matter to provide valuations of the Company's chattel assets. No monies have been paid to them either within this reporting period or outside of it.

#### **10 STATEMENT OF CREDITORS' RIGHTS**

- 10.1 In accordance with Rule 18.9 of the Insolvency (England & Wales) Rules 2016 a secured creditor or unsecured creditors with the concurrence of at least 5% in value of the general body of unsecured creditors are entitled to request further information relating to the Liquidator's remuneration or expenses. Such requests must be made within 21 days of receipt of this report. In the event the requesting unsecured creditor does not hold a concurrence of at least 5% an application to

court may be made to obtain the necessary permission. Such applications need to be made within 21 days of receipt of this report.

10.2 In addition to the above and in accordance with Rule 18.34 of the Insolvency (England & Wales) Rules 2016, creditors are entitled to make a claim that the Liquidator's remuneration and/or expenses are excessive. Such claims should be made in the form of an application to court no later than 8 weeks after the progress report has been received.

10.3 To comply with the Provision of Services Regulations, some general information about O'Haras Limited can be found at Appendix B.

## **11 CONCLUSION**

11.1 I can confirm that my administration in this matter has now coming to an end. I am therefore looking to close this case and obtain my release as Liquidator within the next 3 months.

Should you require any further information, please do not hesitate to contact Ian Thompson on 01274 800 380.

Yours faithfully



C Brooksbank  
Liquidator

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**APPENDIX A**

**RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM 15 JANUARY 2019  
TO 14 JANUARY 2020 TOGETHER WITH MY CUMULATIVE RECEIPTS AND  
PAYMENTS ACCOUNT**

**Digital High Street Limited**  
**(In Liquidation)**  
**Liquidator's Summary of Receipts and Payments**

<b>RECEIPTS</b>	<b>Statement of Affairs (ALL)</b>	<b>From 15/01/2018 To 14/01/2019 (ALL)</b>	<b>From 15/01/2019 To 14/01/2020 (ALL)</b>	<b>Total (ALL)</b>
Stock / Returned Goods	Uncertain	0.00	0.00	0.00
Website / Domain Name	NIL	0.00	0.00	0.00
Paypal Monies	Uncertain	14,646.03	0.00	14,646.03
Cash at Bank		0.04	0.00	0.04
Bank Interest Gross		7.92	14.33	22.25
Cash in Hand	11,700.01	11,700.01	0.00	11,700.01
		<b>26,354.00</b>	<b>14.33</b>	<b>26,368.33</b>

**PAYMENTS**

Specific Bond		360.00	0.00	360.00
Statutory Advertising		219.70	0.00	219.70
Employee Arrears/Hol Pay	(2,967.56)	0.00	0.00	0.00
Trade & Expense Creditors	(193,418.81)	0.00	0.00	0.00
Employees	(4,960.81)	0.00	0.00	0.00
Landlord	(4,274.99)	0.00	0.00	0.00
Directors	(37,901.00)	0.00	0.00	0.00
PAYE / NIC	(4,826.43)	0.00	0.00	0.00
VAT	(5,006.57)	0.00	0.00	0.00
Ordinary Shareholders	(11,748.00)	0.00	0.00	0.00
		<b>579.70</b>	<b>0.00</b>	<b>579.70</b>

<b>Net Receipts/(Payments)</b>	<b>25,774.30</b>	<b>14.33</b>	<b>25,788.63</b>
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**MADE UP AS FOLLOWS**

Bank 1 Current	25,774.30	14.33	25,788.63
	<b>25,774.30</b>	<b>14.33</b>	<b>25,788.63</b>

\_\_\_\_\_  
Christopher Brooksbank  
Liquidator

## **APPENDIX B**

**STATEMENT OF INSOLVENCY PRACTICE 9 TIME ANALYSIS FOR THE PERIOD  
FROM 15 JANUARY 2019 TO 14 JANUARY 2020, FEES ESTIMATE SUMMARY AND  
COMPARISON; ADDENDUM TO CREDITORS' GUIDE TO FEES; SCHEDULE OF  
ROUTINE WORK; PROVISION OF SERVICES REGULATIONS SUMMARY**

## **Digital High Street Ltd – In Creditors' Voluntary Liquidation**

### **Summary Comparison of Fees Estimate to Actual Time Costs Incurred**

The office holder is to be remunerated on a time cost basis for the categories of work to be undertaken on the case as per resolutions passed at the meeting of creditors held on 15 January 2018.

We use the charge out rates appropriate for the skills of a member of staff and the work that they perform, recording time spent in 6 minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work.

This document provides a comparison of the estimated time to be spent undertaking the work in each category of work as set out in the Fees Estimate against actual time spent undertaking the work.

#### **Exceeding the Fees Estimate**

The fee estimate was based on my knowledge of the case at the commencement of my initial instruction and reflected the work which we anticipated was necessary to be undertaken whilst administering the case. If it is likely that the Fees Estimate for asset realisations will be exceeded, then it may be necessary to seek further approval for an increase.



# Time Entry - SIP9 Time & Cost Summary

D304 - Digital High Street Limited  
Project Code: POST  
From: 15/01/2019 To: 14/01/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	3.50	8.50	0.20	35.50	47.70	7,272.50	152.46
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.40	0.00	0.00	0.40	80.00	200.00
General Disbursements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	3.00	0.00	0.00	0.00	3.00	900.00	300.00
Realisation 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
<b>Total Hours</b>	<b>6.50</b>	<b>8.90</b>	<b>0.20</b>	<b>35.50</b>	<b>51.10</b>	<b>8,252.50</b>	<b>161.50</b>
<b>Total Fees Claimed</b>						<b>0.00</b>	
<b>Total Disbursements Claimed</b>						<b>0.00</b>	

# Time Entry - SIP9 Time & Cost Summary

D304 - Digital High Street Limited  
Project Code: POST  
To: 14/01/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	6.50	43.80	1.60	45.20	97.10	16,012.50	164.91
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	6.00	15.50	0.00	0.00	21.50	4,900.00	227.91
General Disbursements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	5.00	5.30	0.00	0.00	10.30	2,560.00	248.54
Realisation of Assets	0.00	1.80	0.00	0.00	1.80	320.00	200.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>17.50</b>	<b>66.20</b>	<b>1.60</b>	<b>45.20</b>	<b>130.50</b>	<b>23,792.50</b>	<b>182.32</b>
<b>Total Fees Claimed</b>						<b>0.00</b>	
<b>Total Disbursements Claimed</b>						<b>0.00</b>	

# Time Entry - SIP9 Time & Cost Summary

## Category 2 Disbursements

D304 - Digital High Street Limited  
To: 14/01/2020

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest.

Transaction Date	Type and Purpose	Disbursement Category	Amount
03/01/2018	S98 Notice: DN4950 S100 Notice	Category 2	710.50
Total			710.50

# Digital High Street Ltd – In Creditors' Voluntary Liquidation

## Comparison Of Time By Staff Grade: Fees Estimate v Time for the Period 15/01/2018 to 14/01/2020

	Partner		Manager		Other Senior Professionals		Support Staff		Total Hours		Total Time Costs		Average Hourly Rate	
	Fees Estimate	Actual	Fees Estimate	Actual	Fees Estimate	Actual	Fees Estimate	Actual	Fees Estimate	Actual	Fees Estimate	Actual	Fees Estimate	Actual
Admin & Planning	11.00	6.50	25.50	43.80	25.50	1.60	9.50	45.20	71.50	97.10	£15,725.00	16,012.50	£219.53	£164.91
Case Specific Matters	1.00	0.00	1.00	0.00	0.00	0.00	1.00	0.00	3.00	0.00	£650.00	£0.00	£216.67	£0.00
Creditors	5.00	6.00	12.00	15.50	11.00	0.00	2.50	0.00	36.50	21.50	£7,550.00	£4,900.00	£206.85	£227.91
Investigations	4.00	5.00	8.00	5.30	4.00	0.00	2.50	0.00	18.00	10.30	£4,200.00	£2,560.00	£233.33	£248.54
Realisation of Assets	5.00	0.00	13.00	1.60	15.00	0.00	4.00	0.00	37.00	1.60	£8,150.00	£320.00	£220.27	£200.00
<b>Total Hours</b>	<b>26.00</b>	<b>17.50</b>	<b>59.50</b>	<b>66.20</b>	<b>55.50</b>	<b>1.60</b>	<b>19.50</b>	<b>45.20</b>	<b>166.00</b>	<b>130.50</b>	<b>£36,275.00</b>	<b>£23,792.50</b>	<b>£218.52</b>	<b>£182.32</b>

15/01/2018 – 14/01/2020

Description of Work	Estimated time to be undertake the work (Hours)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£)
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	Fees Estimate	Actual	Fees Estimate	Actual	Fees Estimate	Actual
<b>Administration and Planning</b> <p>This type of work involves:</p> <ul style="list-style-type: none"> <li>• Case acceptance and ethical reviews.</li> <li>• Completing case strategy notes.</li> <li>• Holding strategy meetings.</li> <li>• Managing and maintaining the case on the Firm's client system and our specialist insolvency software system.</li> <li>• Bank account and administration</li> <li>• Planning/Reviews.</li> <li>• Books and records storage.</li> <li>• Meeting of creditors.</li> </ul> <p>This work also requires the following reporting requirements as prescribed by statute:</p> <ul style="list-style-type: none"> <li>• Annual progress reports.</li> <li>• Reporting to Creditors in respect of fee and expenses approvals.</li> <li>• Reporting the outcome of any meetings.</li> <li>• Closure Reporting and convening the final meeting of creditors.</li> <li>• Preparation and lodgement of statutory appointment documents.</li> <li>• Initial notices following appointment.</li> <li>• Case monitoring and statutory compliance, including internal case reviews.</li> <li>• Case bordereau.</li> </ul> <p>Cashiering work is required to ensure that the estate bank account is operated in accordance with guidance issues by my regulatory body. Work in this regard is likely to involve:</p> <ul style="list-style-type: none"> <li>• Establishing set up of case details on our insolvency software system.</li> <li>• Setting up bank accounts, including deposit accounts as necessary.</li> <li>• Bank account maintenance, including periodic reconciliations.</li> <li>• Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.</li> </ul> <p>This work is necessary to ensure that the case is administered correctly and in line with statutory requirements.</p> <p>Taxation work is also required to be completed which will include:</p> <ul style="list-style-type: none"> <li>• Notifying HM Revenue &amp; Customs ("HMRC") of my appointment and</li> </ul>	71.50	97.10	£15,725.00	£16,012.50	£219.53	£164.91

15/01/2018 – 14/01/2020

Description of Work	Estimated time to be undertake the work (Hours)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£)
establishing whether they have any outstanding claims or ongoing investigations. Such enquiries will assist with my own investigations.			
<b><u>Case Specific Matters</u></b>  This type of work involves any matters that are specific to the complexity and type of case	3.00	0.00	£650.00
<b><u>Realisation of Assets</u></b>  The type of work will involve: <ul style="list-style-type: none"> <li>Realisation of tangible and intangible assets.</li> <li>Book debt collections.</li> <li>Recovery of assets as a result antecedent transactions.</li> </ul> The main assets of the estate comprise of Goodwill and Tangible assets and book debts. I will carry out the following tasks to realise property for the benefit of creditors: <ul style="list-style-type: none"> <li>Recovery of book debts</li> <li>Sale and of Company's Goodwill and Tangible assets.</li> </ul>	37.00	1.60	£8,150.00
<b><u>Creditors</u></b>  In order to ensure that creditors are dealt with appropriately, the following work has been required: <ul style="list-style-type: none"> <li>Responding to any queries which arise.</li> <li>Logging creditor claims.</li> <li>Convening and attending Creditors' Meetings and preparing minutes of these meetings.</li> <li>Collating information from the Company's records to assist with claim adjudication work.</li> </ul> In addition to this, if distributions are anticipated, the following work will be required to prepare the distributions: <ul style="list-style-type: none"> <li>Unsecured creditors – adjudicated of claims, requesting further information where necessary and dealing with rejected claims.</li> </ul>	36.50	21.50	£7,550.00
<b><u>Investigations</u></b>  This type of work includes:  SIP 2 Review: <ul style="list-style-type: none"> <li>Correspondence to request information on the company's dealings, making further enquiries of third parties.</li> <li>Reviewing questionnaires submitted</li> </ul>	18.00	10.30	£4,200.00

15/01/2018 – 14/01/2020

Description of Work	Estimated time to be undertake the work (Hours)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£)
<ul style="list-style-type: none"> <li>by creditors.</li> <li>Reconstruction of financial affairs of the company.</li> <li>Reviewing company's books and records.</li> <li>Preparation of deficiency statement.</li> <li>Review of specific transactions and liaising with directors regarding certain transactions.</li> <li>Liaising with the committee/creditors or major creditors about further action to be taken.</li> </ul> <p>Reporting on conduct of director(s):</p> <ul style="list-style-type: none"> <li>Liaising with the Insolvency Service.</li> <li>Assisting the Insolvency Service with its investigations.</li> </ul> <p>If Legal proceedings were required following our investigations then the following work would be involved:</p> <p>Litigation/Recoveries:</p> <ul style="list-style-type: none"> <li>Strategy meeting regarding litigation.</li> <li>Seeking funding from creditors.</li> <li>Reviewing terms of solicitors' conditional fee agreements.</li> <li>Preparing brief to solicitors/counsel.</li> <li>Liaising with solicitors regarding recovery actions.</li> <li>Dealing with ATE insurers.</li> <li>Attending to negotiations.</li> <li>Attending to settlement matters</li> </ul>			
<b>Grand Total For All Categories of Work</b>	<b>166.00</b>	<b>130.50</b>	<b>£36,275.00</b>
			<b>£23,792.50</b>
			<b>£218.52</b>
			<b>£182.32</b>

## **Addendum to Creditors' Guide to Fees**

### **Practice Fees and Disbursements Recovery Policy**

#### **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 appointment. 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 or by 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.r3.org.uk/what-we-do/publications/professional/fees>. Alternatively a hard copy may be requested from O'Haras Limited of Moorend House, Snelsins Lane, Cleckheaton, West Yorkshire, BD19 3UE.

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 cost 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 see 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 cost basis we use charge out rates appropriate for 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.

#### **Charge out Rates**

<b>Grade of Staff</b>	<b>Current Charge out Rate (Effective from 1 January 2013) £ per hour</b>
Director	300 - 400
Senior Manager	250 - 300
Manager	200 - 250
Administrator	175 - 200
Support Staff	150 - 175
Time costs are calculated using 6 minute units.	

These charge out rates are reviewed on 1 January 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
- Realisations of Assets
- Creditors
- Trading
- Case Specific Matters

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 may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fees 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 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 however we do not look to seek our remuneration on a percentage basis.

However, where we do look to recover our fees on a percentage basis a report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisation 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 fees 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 bases 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 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 Basis**

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 fees 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 member' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVL's, the Company's members set the fee basis, often as a fixed fee. In CVA's & IVA's, the fee basis is set out in the proposals and creditors approve the fees when they approve the arrangement.

## **All Bases**

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangement, 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**

These are charged at cost, based upon the charge made by the Agent instructed. The term Agent includes:

- Statutory Advertising
- Solicitors/Legal Advisors
- Auctioneers/Valuer's
- 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 Statement of Insolvency Practice 9 (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 O'Haras Limited; in the case of the latter, the invoices makes a 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 and archiving costs, specific bond insurance, Company search fees, postage, travel expenses and photocopying (where a third party is used).

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 bases of the disbursement charge being approved by creditors in advance. Examples of Category 2 disbursements are photocopying (internal), internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements are recovered as follows:

Postage:	
1 <sup>st</sup> Class	£1.10
2 <sup>nd</sup> Class	£1.00
Airmail	£2.00
Other	According to weight and size
Photocopying	Up to 20p per sheet
Mileage	70p per mile
Internal Room Hire	£25 - £100 per meeting

## **PROVISION OF SERVICES REGULATIONS SUMMARY SHEET FOR O'HARAS LIMITED**

The following information is designed to draw the attention of interested parties to the information required to be disclosed by the Provision of Services Regulations 2009.

### **Licensing Body**

Christopher Brooksbank is licensed to act as an Insolvency Practitioner ("IP") in the United Kingdom by the Insolvency Practitioners Association ("IPA").

### **Code of Ethics and Rules Governing Actions**

All IP's are bound by the rules of their professional body, including any that relate specifically to insolvency. All IPA members are required to act in accordance with the IPA's Ethics Code for Members as well as complying with the Statement of Insolvency Practice (SIP's) and to take account of guidance given by the IPA. Details of the required code of ethics, regulations and guidance can be found at <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/regulation-and-guidance>.

### **Complaints**

At O'Haras Limited 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. As such, should you have any comments or complaints regarding the administration of a particular case then in the first instance you should contact the IP acting as office holder (Christopher Brooksbank).

If you consider that the IP has not dealt with your comments or complaint appropriately you should then put details of your concerns in writing to Christopher Brooksbank, addressed to our offices situated at Moored House, Snelsins Lane, Cleckheaton, West Yorkshire, BD19 3UE who will then endeavour to deal with this.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, if you are not satisfied that your complaint has been resolved or dealt with appropriately, then you may complain to the regulatory body that licenses the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3<sup>rd</sup> Floor, 1 City Walk, Leeds, LS11 9DA and you can make submission using an on-line form available at: [www.gov.uk/complain-about-insolvency-practitioner](http://www.gov.uk/complain-about-insolvency-practitioner); or you can email: [insolvency.enquiryline@insolvency.gsi.gov.uk](mailto:insolvency.enquiryline@insolvency.gsi.gov.uk); or you may phone: 0300 678 0015 – calls are charged at up to 12p per minute from a land line, or for mobiles, between 3p and 45p per minute if you are calling from the UK.

### **Professional Indemnity Insurance**

O'Haras Limited's professional indemnity insurance is provided by Brunel Professional Risk.

### **VAT**

O'Haras Limited is registered for VAT under registration number 975 6645 64.