

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY

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A08 10/01/2018 #440

COMPANIES HOUSE

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A01 19/12/2017 #136

COMPANIES HOUSE

1 Company details

Company number 0 7 7 8 3 5 0 7

Company name in full Torquing Group Ltd

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

2 Liquidator's name

Full forename(s) Gary

Surname Stones

3 Liquidator's address

Building name/number 63

Street Walter Road

Post town Swansea

County/Region

Postcode S A 1 4 P T

Country UK

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

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6 Period of progress report

From date	d	0	d	4	m	1	m	2	y	2	y	0	y	1	y	6
To date	d	0	d	3	m	1	m	2	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	0	d	9	m	0	m	1	y	2	y	0	y	1	y	8
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

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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 **Mrs Ann Evans**

Company name **Stones & Co**

Address **Stones & Co**

63 Walter Road

Post town **Swansea**

County/Region

Postcode

S	A	1		4	P	T
---	---	---	--	---	---	---

Country **UK**

DX

Telephone **01792 654607**



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

TORQUING GROUP LTD – In Creditors' Voluntary Liquidation

LIQUIDATORS' PROGRESS REPORT TO CREDITORS AND MEMBERS

For the year ending 3rd December 2017

STATUTORY INFORMATION

Company Name:	Torquing Group Ltd
Registered Office:	63 Walter Road Swansea SA1 4PT
Former Registered Office:	c/o Bevan & Buckland Langdon House Langdon Road Swansea SA1 8QY
Registered Number:	07783507
Liquidator's Name:	Gary Stones
Liquidator's Address:	Stones & Co 63 Walter Road Swansea SA1 4PT
Liquidator's date of appointment:	4th December 2015

LIQUIDATORS' ACTIONS SINCE LAST REPORT

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 I.

RECEIPTS AND PAYMENTS

A summary of my receipts and payments for the period from 4th December 2016 to 3rd December 2017 is attached at Appendix II.

The balance of funds are held in an interest bearing liquidation bank account with Lloyds Bank Plc.

ASSETS

There have been no asset realisations since my last progress report.

The following assets have been realised to date:-

Estimated to

	<u>Realise per Statement of Affairs</u>	<u>Amount Realised</u>
	£	£
<u>Intellectual Property Rights</u>	4000 =====	12553.76
<u>Plant & Machinery, Office Equipment, and Furniture & Fixtures</u>	5500 =====	

Other Assets

In addition to the above assets disclosed in the Statement of Affairs the following payments have been received:-

	£
Pre - Liquidation VAT Repayment	1425.04 =====
Welsh Water Refund	5.94 =====

The company is owed the sum of £177165.91 by Torquing Robotics Limited and stands to be included in any distribution to unsecured creditors in that liquidation. However, the amount of any distribution is as yet unknown.

The company is also owed the sum of £98323.84 by Torquing Technology Limited but there stands to be no distribution to any class of creditors in that liquidation.

LIABILITIES

Secured Liabilities

An examination of the Company's mortgage register held by the Registrar of Companies showed that the Company has granted security to HSBC Bank Plc in the form of a debenture, created on 23rd December 2014 and registered on 23rd December 2014, conferring fixed and floating charges over the property, undertaking and assets of the company.

The Section 98 report presented at the meeting of creditors held on 4th December 2015 stated that there were nil balances on the company's three accounts held with

the bank. However, the bank has lodged a proof of debt in the liquidation in the sum of £6137.86.

Preferential Creditors

The Statement of Affairs did not anticipate any claims from preferential creditors and none have been received.

Crown Creditors

The Statement of Affairs included £97538 owed to HMRC in respect of VAT. HMRC have submitted a final claim in the liquidation of £75297 in respect of VAT. However, HMRC state in their claim that their claim may change should subsequent arrears arise at a later date. HMRC have informed that as the company was Group VAT registered that the liabilities are claimed jointly and severally against all companies who were members when the debt arose in accordance with Section 43 of the Finance Act 1994. The other liquidated companies within the group are Torquing Robotics Limited and Torquing Technology Limited.

The claim of HMRC was received during February 2016 and was based on assessments. An accurate final VAT return was subsequently submitted by Torquing Group Limited on behalf of the group of companies with the assistance of the former director Mr P. Busby who signed off same.

A Group VAT refund of £8906.48 was received from HMRC of which £1425.04 was attributable to Torquing Group Ltd is disclosed in my receipts and payments account at Appendix II.

It is not believed that HMRC have any remaining claim(s) in the liquidation.

Non-Preferential Unsecured Creditors

In addition to the Crown debt above the Statement of Affairs included 14 non-preferential unsecured creditors with estimated liability totalling £68277. I have received claims from 7 creditors totalling £43333.38. I have not received claims from 7 creditors with original estimated claims in the Statement of Affairs of £26327.99.

DIVIDEND PROSPECTS

Secured Creditor

Any distribution to the floating charge holder will be dependent on any distribution received from the liquidation of Torquing Robotics Limited

Non-Preferential Unsecured Creditors

Any distribution to unsecured creditors in the liquidation is entirely dependent on the extent of any distribution in the liquidation of Torquing Robotics Limited.

As previously advised, the Company gave a floating charge to HSBC Bank Plc on 23rd December 2014 and the prescribed part provisions will apply. On the basis of realisations to date, together with estimated future realisations, and after taking into account the costs of the Liquidation to date, the net property of the Company is £250.13. However, these estimates do not take into account the future costs of the Liquidation, which will reduce the amount of the Company's net property.

If the Company's net property is less than £10,000, the insolvency legislation does not require me to distribute the prescribed part of the net property to creditors if I think that the costs of distributing the prescribed part would be disproportionate to the benefits to creditors.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

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

In particular, I recovered, listed and reviewed the company's accounting records; obtained and reviewed copy bank statements from the company's bankers; and compared the information in the company's last set of accounts with that contained in the Statement of Affairs lodged in the liquidation and made any enquiries needed about the reasons for the changes. There were no matters that justified further investigation in the circumstances of this appointment.

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 or her 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 £7500 for my assistance with preparing the Statement of Affairs and convening and holding the meeting of creditors at a meeting held on 4th December 2015. The fees for preparing the Statement of Affairs and convening and holding the meeting of creditors were partly paid by the Company in the sum of £4000. The balance of £3500 was paid from the the realisations in the liquidation and is shown in the enclosed receipts and payments account.

LIQUIDATOR'S REMUNERATION

My remuneration was approved on a mixture of a time cost basis and as a fixed fee.

I was authorised to draw time costs for my work in respect of the following categories of work:-

- Investigations

- Distributions to Creditors (if any)
- Case Specific Matter:-
 - Investigation into what exactly constitutes the company Intellectual Property Rights and realisation (if of any value) of same.

This approval was based on my fees estimate of £10000. 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 for such work to 3rd December 2017 amount to £767.50, representing 3.30 of hours work at a blended charge out rate of £232.57 per hour, none of which was charged in the period since 3rd December 2016. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £187.40 in my fees estimate.

I have not been able to draw any remuneration in respect of work done for which my fees were approved on a time cost basis.

A detailed schedule of my time costs incurred to date and since 3rd December 2016 compared with my original fees estimate is attached as Appendix III and Appendix IV.

I have sub-contracted some of the work I am required to undertake as Liquidator, namely preparing a report in accordance with Statement of Insolvency Practice 2 in reviewing the company's books and records in order to identify any unusual or exceptional transactions. This work was sub-contracted to an unconnected third party organisation that has charged £46.35 for undertaking that work, which has been paid in full.

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' published by R3 is available at the link <https://www.r3.org.uk/what-we-do/publications/fees>. Please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2017 version.

LIQUIDATOR'S EXPENSES

I have incurred expenses to 3rd December 2017 of £2587.86 of which £2.95 was incurred in the period since 3rd December 2016.

I have drawn £2584.91 to date, none of which has been drawn in the period since 3rd December 2016.

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

Type of expense	Amount incurred in the reporting period
	£
Postage	2.95
	===

The following table shows an estimation of the total expenses expected to be incurred during the course of the liquidation compared to the actual expenses incurred as at 3rd December 2017:-

Nature of expense	Estimated expenses	Expenses incurred to date
	£	£
Agent's Fees & Disbursements	1000	1858.10
Consultancy Fee - SIP2 Report	-	46.35
Statutory Advertising	378	233.00
Liquidator's Bond	180	360.00
Company Search	5	1.00
Legal Fees	1000	-
Postages	120	89.41
	-----	-----
Total	2683	2587.86
	=====	=====

As at 3rd December 2017 I do not anticipate that the expenses I will incur in this matter will exceed the total expenses I estimated I would incur when my remuneration was authorised by the creditors.

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 Stones & Co can be found in the attached summary sheet.

SUMMARY

The liquidation will remain open until any distribution due from the liquidation of Torquing Robotics Limited has been fully resolved. I estimate that this will take a year or more until the liquidation will be finalised following which my case files will be placed in storage in accordance with statute.

If creditors have any queries regarding the conduct of the Liquidation then they should contact Mr Gareth Stones, M.I.P.A., on 01792 654607, or by email at stones.co@btconnect.com.

A handwritten signature in black ink, appearing to read 'G Stones', written in a cursive style.

GARY STONES
LIQUIDATOR

Appendix I

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 VAT returns.
- Preparing and filing Corporation Tax returns.

2. Creditors

- Maintaining up to date creditor information on the case management system.

TORQUING GROUP LTD - IN LIQUIDATIONSUMMARY OF RECEIPTS & PAYMENTS OF GARY STONES AS LIQUIDATOR FROM 4TH DECEMBER 2016 TO 3RD DECEMBER 2017

	Estimated to Realise per Statement of Affairs £	Total Y.E. 3/12/16 £	Y.E. 3/12/17 £	Total £
<u>RECEIPTS</u>				
Patents & Licences	4000	12553.76	-	12553.76
Plant & Machinery , Office Equipment and Furniture & Fixtures	5500			
Welsh Water Refund	-	5.94	-	5.94
Pre - Liquidation VAT Reclaim	-	1425.04	-	1425.04
Gross Interest	-	0.11	0.19	0.30
	-----	-----	-----	-----
	9500	13984.85	0.19	13985.04
	=====	-----	-----	-----

PAYMENTS

Agent's Fees & Disbursements	1858.10	-	1858.10
Balance of Statement of Affairs & S98 Meeting Fees	3500.00	-	3500.00
Liquidator's Remuneration - Fixed Fee on Account	7650.00	-	7650.00
Liquidator's Disbursements	726.81	-	726.81
	-----	-----	-----
	13734.91	-	13734.91
	-----	-----	-----

Balance in Hand			250.13
			=====

Notes

1. The above figures are net of VAT where applicable.
2. The balance is held in an interest bearing liquidation account with Lloyds Bank Plc.
3. Liquidator's Disbursements are as follows:-

Advertising	233.00
Consultancy Fee- SIP Report	46.35
Bond	360.00
Company Search	1.00
Postage	86.46

	726.81
	=====

TORQUING GROUP LTD - IN LIQUIDATION

SCHEDULE OF CHARGEABLE TIME OF GARY STONES AS LIQUIDATOR OF THE COMPANY
FOR THE PERIOD 4TH DECEMBER 2016 TO 3RD DECEMBER 2017

Hours						Time Costs £	Average Hourly Rate £
Classification of work function	Principal	Qualified Accountant/ Manager	Senior Administrator	Cashier/ Administrator and Insolvency Assistant	Total Hours		
Investigations & Conduct reports (Adjustment)	1.60	352.00			1.60	352	220.00
VAT (Adjustment)	(1.60)	(352.00)			(1.60)	(352.00)	220.00
Total Hours	0.00	0.00			0.00		
Total Cost	0.00	0.00				0.00	

All units are 6 minutes

TORQUING GROUP LTD - IN LIQUIDATION

SCHEDULE OF CHARGEABLE TIME OF GARY STONES AS LIQUIDATOR OF THE COMPANY FOR THE PERIOD 4TH DECEMBER 2015 (DATE OF LIQUIDATION) TO 3RD DECEMBER 2017

Hours						Time Costs £	Average Hourly Rate £
Classification of work function	Principal	Qualified Accountant/ Manager	Senior Administrator	Cashier/ Administrator and Insolvency Assistant	Total Hours		
Investigations & Conduct Reports	0.20	1.60	0.60		2.40	511.00	212.91
Intellectual Property Rights	0.90				0.90	256.50	285.00
Distribution to Creditors					-	-	-
Total Hours	1.10	1.60	0.60		3.30		
Total Cost	313.50	352.00	102.00			767.50	232.57
Fees drawn to date						-	
Unbilled Time						767.50	

All units are 6 minutes

FEES COMPARISON

Classification of Work	Estimated Fees		Fees incurred to date	
	Hours	£	Hours	£
Investigations & Conduct Reports	44	7270	2.40	511.00
Distribution to Creditors	-	-	-	-
Intellectual Property Rights	10	2850	0.90	256.50
Totals	54	10120	3.30	767.50

PRACTICE FEE RECOVERY POLICY FOR STONES & CO

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 via a decision procedure, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <https://www.r3.org.uk/what-we-do/publications/professionals/fees>. Alternatively, a hard copy may be requested from Stones & Co of 63 Walter Road, Swansea, SA1 4PT. 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 01/04/2017 £
Principal – appointment taker	285
Qualified IP Manager/ Qualified Accountant	220
Senior Administrator	170
Case Administrator	140
Cashier	140
Support Staff	75

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

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

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

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

- Investigations
- Distributions
- 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 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 Stones & Co, 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 disbursement is recovered:

Mileage 45p per mile

PROVISION OF SERVICES REGULATIONS SUMMARY SHEET FOR STONES & CO

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

Gary Stones is licensed to act as Insolvency Practitioner in the United Kingdom by the Association of Chartered Certified Accountants.

Rules Governing Actions

All IPs are bound by the rules of their professional body, including any that relate specifically to insolvency. The rules of the professional body that licences Gary Stones can be found at <http://www.accaglobal.com/uk/en/member/professional-standards/rules-standards/acca-rulebook.html>. In addition, IPs are bound by the Statements of Insolvency Practice (SIPs), details of which can be found at <https://www.r3.org.uk/what-we-do/publications/professional/statements-of-insolvency-practice>.

Ethics

All IPs are required to comply with the Insolvency Code of Ethics and a copy of the Code can be found at <http://www.accaglobal.com/content/dam/acca/global/PDF-members/2012/2012e/ethical-code.pdf>.

Complaints

At Stones & Co 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.

This will then formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner; or you can email insolvency.enquiryline@insolvency.gsi.gov.uk; or you may phone 0300 678 0015 - calls are charged at up to 10p per minute from a land line, or for mobiles, between 3p and 55p per minute if you're calling from the UK.

Professional Indemnity Insurance

Stones & Co's Professional Indemnity Insurance is provided by Allied World Insurance Company (Europe) Plc, of Third Floor, 30 St Mary Avenue, London, EC3A 8BF. This professional indemnity insurance provides worldwide coverage, excluding professional business carried out from an office in the United States of America or Canada, and any action for a claim brought in any court in the United States of America or Canada and limited to £2.5 million for any one claim (as detailed in the policy wording).

VAT

Stones & Co is registered for VAT under registration no. 728 9872 71.