

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

THURSDAY



\*AAZH4VB6\*

A18

10/03/2022

#161

COMPANIES HOUSE

### 1 Company details

Company number 0 8 5 1 2 9 9 7

Company name in full Led Luxx UK Limited

→ Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Ian

Surname Yerrill

### 3 Liquidator's address

Building name/number Gateway House, Highpoint Business Village

Street Henwood

Post town Ashford

County/Region Kent

Postcode T N 2 4 8 D H

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

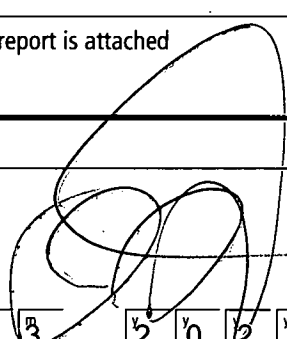
Country

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

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

Company name **Yerrill Murphy**

Address

**Gateway House**

**Highpoint Business Village**

Post town

**Henwood, Ashford**

County/Region

Postcode

**T N 2 4 8 D H**

Country

DX

Telephone

**01233 666280**



**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.



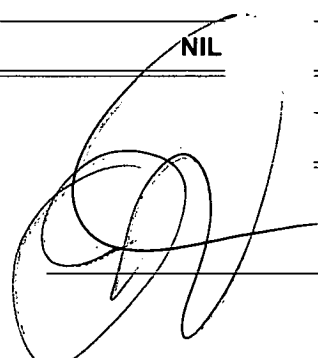
**Further information**

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)**

**Led Luxx UK Limited**  
**(In Liquidation)**  
**Liquidator's Summary of Receipts & Payments**

Statement of Affairs £		From 20/02/2021 To 19/02/2022 £	From 20/02/2020 To 19/02/2022 £
	<b>HIRE PURCHASE</b>		
46,000.00	Factored Sales Ledger	NIL	NIL
(85,000.00)	Ultimate Finance Ltd	NIL	NIL
		NIL	NIL
	<b>ASSET REALISATIONS</b>		
NIL	Goodwill	NIL	NIL
NIL	Motor Vehicle	NIL	NIL
NIL	Office Furniture	NIL	NIL
NIL	Plant & Machinery	NIL	NIL
NIL	Stock	NIL	NIL
		NIL	NIL
	<b>PREFERENTIAL CREDITORS</b>		
(1,262.00)	Employee Arrears/Holiday Pay	NIL	NIL
		NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(250,000.00)	Director's Loan	NIL	NIL
(25,335.00)	Employees	NIL	NIL
(18,354.00)	HM Revenue & Customs - VAT	NIL	NIL
(227,011.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(561,062.00)</b>		<b>NIL</b>	<b>NIL</b>
	<b>REPRESENTED BY</b>		
			<b>NIL</b>



Ian Yerrill  
Liquidator

Our ref: CVL1576L/JL/3

Your ref:

Date: 08 March 2022

**TO ALL KNOWN CREDITORS**

Gateway House  
Highpoint Business Village  
Henwood, Ashford  
Kent TN24 8DH

T: 01233 666280

F: 01233 666281

E: [mail@yerrillmurphy.co.uk](mailto:mail@yerrillmurphy.co.uk)

W: [www.yerrillmurphy.com](http://www.yerrillmurphy.com)

Dear Sirs

**LED LUXX UK LIMITED ("the Company")**  
**In Creditors' Voluntary Liquidation**

I refer to my appointment as Liquidator of Led Luxx UK Limited on 20 February 2020.

Please find here attached my Progress Report covering the period of 12 months commencing 20 February 2021 and ending on 19 February 2022, submitted in accordance with the requirements of rule 18.7 of the Insolvency (England and Wales) Rules 2016.

Should you have any queries regarding the above or the enclosures, please contact Jolyn Lemar on 01233 666280 or [Jolyn.Lemar@yerrillmurphy.co.uk](mailto:Jolyn.Lemar@yerrillmurphy.co.uk).

Yours faithfully

For and on behalf of

**Led Luxx UK Limited**

**(In Liquidation)**

**A.D. YERRILL**

**Liquidator**

*Yerrill Murphy is bound by the Insolvency Code of Ethics when carrying out all professional work in relation to an insolvency appointment.*

**Led Luxx Uk Limited**  
**In Creditors' Voluntary Liquidation**

Progress Report for the period 20 February 2021 to 19 February 2022

Progress Report submitted in accordance with rule 18.7 of the Insolvency (England and Wales) Rules 2016 on 08 March 2022 by the Liquidator, I. D. Yerrill of Yerrill Murphy, Gateway House, Highpoint Business Village, Henwood, Ashford, Kent TN24 8DH.

**LED LUXX UK LIMITED**  
**Creditors' Voluntary Liquidation**

**Contents of Report:**

1. Statutory Information
2. Progress of the Liquidation in the period of the Report
3. Liquidator's Receipts and Payments Account
  - Asset realisations
  - Unrealised assets
  - Expenses paid
  - Expenses accrued
4. Pre-Appointment Costs
5. Liquidator's Remuneration
6. Dividend Prospects and Creditor Claims
7. EC Regulations
8. Opting Out
9. Use of Website for Delivery of Future Documents
10. Further Information
11. Ongoing Issues

## 1. Statutory Information

<i>Company name</i>	Led Luxx UK Limited
<i>Former names</i>	n/a
<i>Company's registration number</i>	08512997
<i>Company's former registered office</i>	Galla House 695 High Road, Finchley, London, N12 0BT
<i>Company's former trading address</i>	15 Eldon Way, Biggleswade, SG18 8NH

<i>Liquidator's names</i>	Ian Douglas Yerrill
<i>Liquidator's License details</i>	Insolvency Practitioners Association (8924 )
<i>Liquidator's address</i>	Gateway House Highpoint Business Village Henwood Ashford Kent TN24 8DH
<i>Liquidator's email address</i>	mail@yerrillmurphy.co.uk
<i>Liquidator's telephone number</i>	01233 666280
<i>Liquidator's facsimile number</i>	01222 666280

## 2. Progress of the Liquidation in the period of the Report

Instructions were issued to Yerrill Murphy to assist in winding-up the Company under a creditors' voluntary liquidation on 29 January 2020 and the appointment of Ian Yerrill as Liquidator was made on 20 February 2020.

This report covers the 12 month period from 20 February 2021<sup>1</sup> to 19 February 2022 and should be read in conjunction with other reports previously circularised.

The Liquidator's progress in dealing with the assets of the Company is detailed in section (3) below.

The Liquidator was obliged to investigate the affairs and dealings of the Company and the conduct of its' Directors and to submit a Report on their findings to the Department for Business, Energy and Industrial Strategy, in accordance with the requirements of the Company Directors Disqualification Act 1986.

This Report has been submitted, however we are not permitted to disclose the contents of the same.

The Liquidator has in addition undertaken enquiries in accordance with the best practice directives of Statement of Insolvency Practice 2 "Investigations by Office Holders in Administrations and Insolvent Liquidations" to ascertain whether there are potential areas of recovery or matters of public interest requiring further more detailed investigation.

The Liquidator's enquiries in this regard remain ongoing but he has nothing to report to creditors at this stage.

Creditor claims received to date have been dealt with as detailed in section (5) below.

### **3. Liquidator's Receipts & Payments Account**

Attached is an account of my Receipts and Payments for the period covered by this report from which you will note there is a nil balance in hand.

#### ***ASSET REALISATIONS***

There have been no asset realisations during the period covered by this report.

#### ***Unrealised assets***

The Liquidator is not aware of any assets of the Company which have not been addressed through the Liquidation process.

#### ***EXPENSES***

##### ***Expenses Paid***

The Liquidator has been obliged to discharge certain expenses from the resources of this Practice. These expenses consist of statutory advertising costs of £189 plus VAT, together with £64 plus VAT in respect of the specific bond. In addition the Liquidator has undrawn remuneration as detailed below.

##### ***Expenses accrued***

No expenses have been accrued during the period of this report other than the undrawn Liquidator's Remuneration as detailed below.

### **4. Pre-Appointment Costs**

The Liquidator is entitled to charge a fee under rule 6.7 of the Insolvency (England and Wales) Rules 2016 ("the Rules") for assisting in the preparation of the Statement of Affairs and assisting in placing the Company into Liquidation. That fee is payable from the assets of the Company as a priority expense with the approval of the Liquidation Committee or, in the absence of a Committee, with approval of the creditors. Yerrill Murphy agreed an initial fee with the Directors of the Company in this regard of £6,000 plus VAT.

### **5. Liquidators' Remuneration**

The Liquidator is additionally entitled to be remunerated for performing his role and duties as Liquidator. The basis of remuneration is fixed by the Liquidation Committee / creditors. Fees may be charged by reference to time costs; on a percentage basis; as a fixed sum; or as a mixture of the foregoing.

In this instance the Liquidator proposed to fix his remuneration by reference to a fixed sum to cover the costs of administration (£7,500) together with a percentage of aggregate realisations (25%) all plus VAT.

The Liquidator sought the creditors' approval of the proposed decisions regarding the basis of his remuneration, by means of a vote by correspondence. No responses were received from creditors and in consequence the creditors neither approved nor rejected the proposed decisions. Accordingly the Liquidator is not deemed to have authority to draw any remuneration for work carried out in administering this winding up.

In accordance with the requirements of Statement of Insolvency Practice 9 'Payments to Office Holders and their associates' the Liquidator is required to provide creditors with an explanation of the work to be carried out by him in his administration of the winding up at the outset of the proceedings and in any subsequent reports provide a written narrative of works carried in the period covered.

I can confirm that the Liquidator has carried out his functions as outlined in the annexe to his previous report. A further analysis of those functions can be made available if required by contacting the offices of Yerrill Murphy. Your attention is additionally drawn to the Fees and Expenses Policies of Yerrill Murphy attached to this report.

Within 21 days of receipt of this report, any secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or with the permission of the court upon an application made within that period of 21 days, any unsecured creditor, may make a request in writing to the Liquidator for further information about remuneration or expenses detailed in this Report.

The Liquidator should, within 14 days of receipt of the request, provide all of the information asked for. However if the Liquidator considers that the time or cost of preparation of the information would be excessive; or disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person; or the liquidator is subject to an obligation of confidentiality in respect of the information; he may withhold the information and give reasons for not providing the same.

If the Liquidator fails to provide the information within the 14 days of the initial request, or gives reasons for withholding the information, then a creditor may apply to the court within the ensuing 21 days and the Court may make such Order as it see fit.

The Liquidator would additionally draw your attention to the provisions of rule 18.34 of The Insolvency (England and Wales) Rules 2016.

Any secured creditor, or any unsecured creditor with either the concurrence of 10% in value of the unsecured creditors (including the creditor in question), or with the permission of the Court, may apply to the Court for one of the following Orders:

- a. An Order reducing the amount of remuneration that the Liquidator is entitled to charge.
- b. An Order fixing the basis of remuneration at a reduced rate or amount.
- c. An Order changing the basis of remuneration.
- d. An Order that some or all of the remuneration or expenses in question be treated as not being expenses of the Liquidation.

- e. An Order that the Liquidator or the Liquidator's personal representative pay to the Company the amount of the excess of remuneration or expenses or such part of the excess as the Court may specify.

Alternatively the Court may make any other Order that it thinks just but Orders under 'b' or 'c' above may be made only in respect of periods after the period of this report.

The costs of the application should be paid by the applicant unless the Court orders otherwise.

Any application must be made within eight weeks of receipt of the first report in which the remuneration and/or expenses in question are detailed, although the Court may extend the period by such further period as the court thinks just.

Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk>.

A 'Creditors' Guide to Liquidators' Fees is available for download at:  
<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/liquidation-a-guide-for-creditors-on-insolvency-practitioner-fees/>

Should you require a paper copy, please send your request in writing to the Liquidator at the address on the front of this report and this will be provided to you at no cost.

## **6. Dividend Prospects and Creditors' Claims**

### **Claiming as a Creditor**

In accordance with Rule 14.3(3) of the Rules where there is a small debt, defined as being not more than £1,000, then the creditor is deemed to have proved for the purposes of adjudication and dividends (but not otherwise) where the Liquidator has issued to the creditor a notice of intended dividend or distribution and the creditor has not advised the office holder that the debt is either incorrect or not owed.

However should any creditor with a claim of not more than £1,000 wish to participate in any decisions made by creditors, it will be necessary for the creditor to submit a proof of debt regardless of this provision.

If you are a creditor of the Company and are owed in excess of £1,000 these provisions will not apply and the creditor will need to provide the Liquidator with a proof of debt to participate in the proceedings.

In this regard, a proof of debt form is enclosed which should be completed and returned to this office.

Creditors registered for VAT may be able to claim VAT bad debt relief in accordance with Section 36 of the Value Added Tax Act 1994. Relief is available when the debt is six months old and 'written off' by the creditor entering it on their VAT refunds for bad debts account. The Liquidator has no role in administering VAT bad debt relief and any creditors requiring further information in this regard should contact HM Revenue & Customs's VAT department or seek their own advice.

### Secured Creditors

Ultimate Finance Ltd has a debenture incorporating fixed and floating charges which was created on 25 January 2019 and registered on 28 January 2019.

### Preferential Creditors

There were no anticipated preferential claims and I would advise that no claims of this status have been received.

### Unsecured Creditors

The Statement of Affairs lodged in the proceedings disclosed potential unsecured creditors totalling £520,670. To date we have received six claims totalling £125,240.35.

### Prescribed part

In accordance with the provisions of Section 176A of the Act where property of a Company is subject to a Floating Charge a prescribed part of the net property available under that charge shall be set aside to enable a distribution to unsecured creditors. The prescribed part equates to 50% of the first £10,000 of the net property available together with 20% of the balance thereafter up to a maximum prescribed part of £600,000 (or £800,000 where the first ranking charge was created on or after 06 April 2020).

The provisions do not apply where the net property is less than £10,000 or where the Court orders on an application by the Officer Holder that the costs of making a distribution to unsecured creditors would be disproportionate to the benefits.

It is not envisaged that there will be sufficient funds to effect a dividend to any class of creditor in this matter and consequently there will be no prescribed part in this Liquidation.

### Dividend prospects

Claims received have yet to be formally agreed and will only be agreed in the unlikely event that funds are sufficient to facilitate a distribution to the unsecured creditors.

Creditors with claims outstanding will be invited to submit same in the unlikely event that a dividend distribution becomes available.

## **7. EC Regulations (Whether Proceedings are Main Proceedings or Territorial)**

The Company's centre of main interest was in 15 Eldon Way, Biggleswade, SG18 8NH and Galla House, 695 High Road, Finchley, London, N12 0BT and therefore it is considered that the EC Regulations will apply. These proceedings are main as defined in Article 3 of the EC Regulation.

## **8. Opting Out**

Please note that creditors have a right to opt out of receiving further communications from the Liquidator (except where there is a continuing statutory requirement to communicate). In this regard your attention is drawn to the attached 'Opting Out of Receiving Documents'.

## **9. Use of Website for Delivering Future Documents**

The Liquidator, in accordance with Rule 1.50 of the Insolvency (England and Wales) Rules 2016 ("the Rules") intends to deliver all future documents in these proceedings, other than those mentioned in paragraph 2 of Rule 1.50, on the website <https://www.ips-docs.com> for viewing and downloading without notice to the recipient. Once logged into the system, the user can subscribe to receive email notifications when new documents are available. The login and password details to access the documents have previously been provided to creditors however should you require this information again, please contact this office (details of which are below) and this can be made available to you.

Please note that the Liquidator is not obliged to deliver any such documents to the recipient of the notice unless requested by that person. Recipients may request, at any time, hard copies of all of documents currently available for viewing on the website and/or all future documents which may be made available there.

Such requests can be made by any of the following options:

Telephone: 01233 666280  
Fax: 01233 666281  
Email: [Jolyn.Lemar@yerrillmurphy.co.uk](mailto:Jolyn.Lemar@yerrillmurphy.co.uk)  
Post: Yerrill Murphy, Gateway House, Highpoint Business Village, Henwood, Ashford  
Kent, TN24 8DH

A copy of the relevant Rule is attached for your information.

## **10. Further Information**

Yerrill Murphy and the Liquidator are bound by the Insolvency Code of Ethics when carrying out professional work in relation to any insolvency appointment, further information regarding which can be found at <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.

Ian Douglas Yerrill is a Director of YM Business Recovery Limited t/a Yerrill Murphy and is licensed to act as an insolvency practitioner by the Insolvency Practitioners Association. General information about Yerrill Murphy, along with the complaints policy and Professional Indemnity Insurance can be found at <https://www.yerrillmurphy.co.uk/legals>.

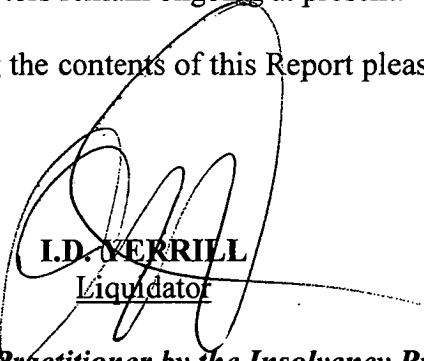
General information regarding the insolvency process is available at the R3 website, <http://www.creditorinsolvencyguide.co.uk>.

Yerrill Murphy's Privacy Policy is available at <https://www.yerrillmurphy.co.uk/privacy-policy>.

#### **11. Ongoing Issues**

As detailed above, certain aspects of the Liquidator's investigations into the trading affairs of the Company and the conduct of its Directors remain ongoing at present.

Should you have any query regarding the contents of this Report please do not hesitate to contact this office.



**I.D. YERRILL**  
Liquidator

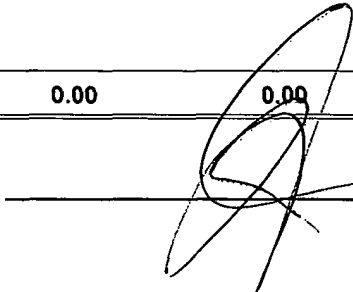
*Licensed to act as an Insolvency Practitioner by the Insolvency Practitioners Association*

**Led Luxx UK Limited**  
**(In Liquidation)**  
**Liquidator's Summary of Receipts and Payments**

<b>RECEIPTS</b>	<b>Statement of Affairs (£)</b>	<b>From 20/02/2020 To 20/02/2021 (£)</b>	<b>From 21/02/2021 To 19/02/2022 (£)</b>	<b>Total (£)</b>
Factored Sales Ledger	46,000.00	0.00	0.00	0.00
Plant & Machinery	NIL	0.00	0.00	0.00
Office Furniture	NIL	0.00	0.00	0.00
Motor Vehicle	NIL	0.00	0.00	0.00
Stock	NIL	0.00	0.00	0.00
Goodwill	NIL	0.00	0.00	0.00
		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>PAYMENTS</b>				
Ultimate Finance Ltd	(85,000.00)	0.00	0.00	0.00
Employee Arrears/Holiday Pay	(1,262.00)	0.00	0.00	0.00
Trade & Expense Creditors	(227,011.00)	0.00	0.00	0.00
Employees	(25,335.00)	0.00	0.00	0.00
Director's Loan	(250,000.00)	0.00	0.00	0.00
HM Revenue & Customs - VAT	(18,354.00)	0.00	0.00	0.00
Ordinary Shareholders	(100.00)	0.00	0.00	0.00
		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Net Receipts/(Payments)</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**MADE UP AS FOLLOWS**

<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
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**Ian Yerrill**  
**Liquidator**

# PROOF OF DEBT - GENERAL FORM

**Led Luxx UK Limited**

DETAILS OF CLAIM		
1.	Name of Creditor (if a company, its registered name)	
2.	Address of Creditor (i.e. principal place of business)	
3.	If the Creditor is a registered company: <ul style="list-style-type: none"> <li>For UK companies: its registered number</li> <li>For other companies: the country or territory in which it is incorporated and the number if any under which it is registered</li> <li>The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act</li> </ul>	
4.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	£
5.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£ ) / NO
6.	Particulars of how and when debt incurred	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Details of any reservation of title in relation to goods to which the debt relates	
9.	Details of any document by reference to which the debt can be substantiated. [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
10.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986	Category  Amount(s) claimed as preferential £
AUTHENTICATION		
Signature of Creditor or person authorised to act on his behalf		
Name in BLOCK LETTERS		
Date		
If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor		
Are you the sole member of the Creditor?		YES / NO

## **OPTING OUT OF RECEIVING DOCUMENTS**

### **The consequences of opting-out**

Creditors have the right to elect to opt out of receiving further documents about the Liquidation unless:

- (i) the Insolvency Act 1986 requires a document to be delivered to all creditors without expressly excluding opted-out creditors;
- (ii) it is a notice relating to a change in the office-holder or the office-holder's contact details; or
- (iii) it is a notice of a dividend or proposed dividend or a notice which the court orders to be sent to all creditors or all creditors of a particular category to which the creditor belongs.

Opting-out will not affect the creditor's entitlement to receive dividends should any be paid to creditors.

Unless the Insolvency (England & Wales) Rules 2016 provide to the contrary, opting-out will not affect any right the creditor may have to vote in a decision procedure or a participate in a deemed consent procedure in the proceedings although the creditor will not receive notice of it.

A creditor who opts out will be treated as having opted out in respect of any consecutive insolvency proceedings of a different kind in respect of the same company.

### **How to opt out**

A creditor may at any time elect to be an opted-out creditor.

The creditor's election to opt out must be by a notice in writing authenticated and dated by the creditor.

The creditor must deliver the notice to the Liquidator (details below).

### **How to opt back in**

The creditor may at any time revoke the election to opt out by a further notice in writing, authenticated and dated by the creditor and delivered to the Liquidator (details below).

### **Contact details**

Name of Liquidator:	Ian Yerrill
Address of Liquidator:	Gateway House, Highpoint Business Village, Henwood, Ashford, Kent, TN24 8DH
IP Number:	8924
Date of Appointment:	20 February 2020
Contact Name:	Jolyn Lemar
Email Address:	Jolyn.Lemar@yerrillmurphy.co.uk
Telephone Number:	01233 280666

## STATUTORY INSTRUMENTS

### 2016 No. 1024

#### The Insolvency (England and Wales) Rules 2016

##### PART 1

##### SCOPE, INTERPRETATION, TIME AND RULES ABOUT DOCUMENTS

##### CHAPTER 9

##### Delivery of documents and opting out (sections 246C, 248A(1), 379C and 383A(2))

##### General use of website to deliver documents

**1.50.**—(1) The office-holder may deliver a notice to each person to whom a document will be required to be delivered in the insolvency proceedings which contains—

- (a) a statement that future documents in the proceedings other than those mentioned in paragraph (2) will be made available for viewing and downloading on a website without notice to the recipient and that the office-holder will not be obliged to deliver any such documents to the recipient of the notice unless it is requested by that person;
- (b) a telephone number, email address and postal address which may be used to make a request for a hard copy of a document;
- (c) a statement that the recipient of the notice may at any time request a hard copy of any or all of the following—
  - (i) all documents currently available for viewing on the website,
  - (ii) all future documents which may be made available there; and
- (d) the address of the website, any password required to view and download a relevant document from that site.

(2) A statement under paragraph (1)(a) does not apply to the following documents—

- (a) a document for which personal delivery is required;
- (b) a notice under rule 14.29 of intention to declare a dividend; and
- (c) a document which is not delivered generally.

(3) A document is delivered generally if it is delivered to some or all of the following classes of persons—

- (a) members,
- (b) contributories,
- (c) creditors;
- (d) any class of members, contributories or creditors.

(1) Section 246C was inserted by section 124(3) of the Small Business, Enterprise and Employment Act 2015 (c.26) and section 248A was inserted by section 124(4) of the same Act.  
(2) Section 379C was inserted by section 125(3) of the Small Business, Enterprise and Employment Act 2015 and section 383(A) was inserted by section 125(4) of the same Act.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

- (4) An office-holder who has delivered a notice under paragraph (1) is under no obligation—
- (a) to notify a person to whom the notice has been delivered when a document to which the notice applies has been made available on the website; or
  - (b) to deliver a hard copy of such a document unless a request is received under paragraph (1)(c).
- (5) An office-holder who receives such a request—
- (a) in respect of a document which is already available on the website must deliver a hard copy of the document to the recipient free of charge within five business days of receipt of the request; and
  - (b) in respect of all future documents must deliver each such document in accordance with the requirements for delivery of such a document in the Act and these Rules.
- (6) A document to which a statement under paragraph (1)(a) applies must—
- (a) remain available on the website for the period required by rule 1.51; and
  - (b) must be in such a format as to enable it to be downloaded within a reasonable time of an electronic request being made for it to be downloaded.
- (7) A document which is delivered to a person by means of a website in accordance with this rule, is deemed to have been delivered—
- (a) when the relevant document was first made available on the website; or
  - (b) if later, when the notice under paragraph (1) was delivered to that person.
- (8) Paragraph (7) does not apply in respect of a person who has made a request under paragraph (1)(c)(ii) for hard copies of all future documents.

## **YERRILL MURPHY**

### **POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS**

#### **Background**

A Liquidator is entitled to be remunerated for performing his role and duties as Liquidator. The basis of remuneration is fixed by the Liquidation Committee / creditors. In accordance with the requirements of Statement of Insolvency Practice 9 "Payments to office holders and their associates" the Liquidator is required to provide creditors with an explanation of the work that he will undertake in relation to the administration of the liquidation.

Fees may be charged by reference to time costs; on a percentage basis; as a fixed sum; or as a mixture of the foregoing. Where it is proposed that the Liquidator draw fees by reference to the time expended in the administration of the case he is obliged to provide an analysed estimate of the anticipated fee for creditor approval.

When a Liquidator asks the Liquidation Committee or creditors to approve his fees he will provide an estimate of the fee that he is seeking to be approved.

It should be stressed that all fees, costs and expenses sought by Yerrill Murphy are deemed reasonable with regard to the scope of the work undertaken. No fees, costs or expenses will be paid to any party deemed to be associated with the Liquidator or Yerrill Murphy without approval by creditors.

Please note that the Liquidator's remuneration will be capped at the lower of the assets available and the level approved by the creditors. In the event that approval of the terms of remuneration cannot be obtained from the creditors then the Liquidator will be obliged to make an application to the Court for his remuneration to be fixed by that authority. The Liquidator will seek an order that costs of making such an application be treated as an expense of the liquidation process.

"A Creditors' Guide to Liquidators' Fees" is available for download at: <https://www.r3.org.uk/what-we-do/publications/professional/fees/liquidators-fees>

Should you require a paper copy, please send your request in writing to the Liquidator at the address on the front of this report and this will be provided to you at no cost.

#### **Time Costs**

Where fees are sought on the basis of time expended by the Liquidator and his staff the charge out rates used will reflect the experience and skills of the relevant member of staff. The staff utilised to perform particular tasks will be chosen by reference to their experience and skills to ensure that creditors receive proper value. Time will be recorded in six minute units with supporting narrative.

#### **Staff and charge-out rates**

Work is conducted by the appropriate staff member at the appropriate level of experience. More junior members of staff deal with the day to day administration on cases subject to the supervision of a partner or the office holder. Where the issues are complex or potentially litigious, the work will be more closely supervised or undertaken by a partner or the office holder.

Where it has been resolved that the office holder's remuneration will be fixed by reference to time properly spent by the office holder and his staff then remuneration will be calculated by reference to time recorded in six minute units at the following hourly rates:

Office Holder	350.00
Other Director	300.00
Insolvency Manager	200.00
Insolvency Senior	160.00
Administrator	125.00

All rates are subject to VAT where appropriate.

### **Blended Rates**

It is considered acceptable, and beneficial to comprehensibility, to provide time cost fee estimates using a blended rate. This rate will be based on the historic analysis of time costs on similar cases and will provide an estimate using a single charge out rate based on the percentage of aggregate time expected to be expended by different staff grades.

### **Fixed Sum**

The Liquidator may fix his remuneration by reference to a fixed sum to cover the costs of activities that have to be undertaken even though they may not directly benefit the creditors for example compliance with statutory requirements. These activities can be time consuming and difficult to estimate accurately. A fixed sum provides better clarity and reflects the method of charging adopted by the Insolvency Service.

### **Percentages**

The Liquidator may additionally seek to charge a fee by reference to a percentage of assets realisations. This is readily understandable and directly relates recovery to reward. It provides creditors with a clear link between the level of benefit they may receive with the level of fees paid to the Liquidator. It additionally incentivises the Liquidator to recover funds.

### **Expenses**

Yerrill Murphy will seek to recover certain third party expenses at cost:

- Postal redirection
- Specific penalty bond (an insurance bond to protect the estate against any losses caused by malpractice, dishonesty or fraud by the office holder)
- Statutory advertising (advertising of appointment or other notices)
- Storage costs (for storage of insolvent estate's books, records or other papers) charged at a rate per box per year plus any relevant handling charges for collection, retrieval etc.
- Legal fees incurred in the administration of the insolvency which will be case dependent but will be generally agreed on a time cost plus disbursements plus VAT basis.
- Agent's fees incurred in the administration of the insolvency which will be case dependent but will be generally agreed on % of realisations basis plus disbursements and VAT.
- Debt collection fees will generally be agreed on a % of collections basis, plus disbursements and VAT.

### **Disbursements**

Category 1 disbursements (third party case specific disbursements) are recovered at cost.

Category 2 disbursements (internal shared or allocated costs) are not recovered.