

In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

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

1

Company details

Company number

09901618

Company name in full

Pretty Legs Direct Limited

→ Filling in this form

Please complete in typescript or in bold black capitals.

2

Liquidator's name

Full forename(s)

Freddy

Surname

Khalastchi

3

Liquidator's address

Building name/number

Lynton House

Street

7 - 12 Tavistock Square

Post town

London

County/Region

Postcode

WC1H9LT

Country

❶ Other liquidator

Use this section to tell us about another liquidator.

4

Liquidator's name ❶

Full forename(s)

Bethan Louise

Surname

Evans

❷ Other liquidator

Use this section to tell us about another liquidator.

5

Liquidator's address ❷

Building name/number

2 Sovereign Quay

Street

Havannah Street

Post town

Cardiff

County/Region

Postcode

CF105SF

Country

❸ Other liquidator

Use this section to tell us about another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6

Period of progress report

From date	<div><div>d</div><div>2</div></div>	<div><div>d</div><div>5</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>4</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	
To date	<div><div>d</div><div>2</div></div>	<div><div>d</div><div>4</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>4</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>1</div></div>	

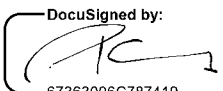
7

Progress report

<div><input checked="" type="checkbox"/> The progress report is attached</div>	
--	--

8

Sign and date

Liquidator's signature	<div>Signature</div> <div><div>X</div><div><div>DocuSigned by:</div><div></div><div>67363006C787419...</div></div><div>X</div></div>								
Signature date	<div><div>d</div><div>2</div></div>	<div><div>d</div><div>7</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>5</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>1</div></div>	

## 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 **Christy Law**

Company name **Menzies LLP**

Address **2 Sovereign Quay**

**Havannah Street**

Post town **Cardiff**

County/Region

Postcode **C F 1 0 5 S F**

Country

DX **DX 200767 Cardiff Bay**

Telephone **029 2049 5444**

**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)**

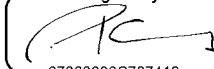
**Pretty Legs Direct Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

<b>Statement of Affairs</b>		<b>From 25/04/2020 To 24/04/2021</b>	<b>From 25/04/2017 To 24/04/2021</b>
<b>£</b>		<b>£</b>	<b>£</b>
	<b>ASSET REALISATIONS</b>		
	Bank Interest Gross	0.39	2.42
Uncertain	Shares in Pretty Legs Holdings Limited	NIL	1,000.00
		0.39	1,002.42
	<b>COST OF REALISATIONS</b>		
	Specific Bond	NIL	48.00
	Statutory Advertising	NIL	95.04
		NIL	(143.04)
	<b>FLOATING CHARGE CREDITORS</b>		
(1,135,952.10)	HSBC Bank Plc	NIL	NIL
		NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(515,000.00)	Former Shareholder	NIL	NIL
(640,000.00)	Intercompany Debt	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(1,000.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(2,291,952.10)</b>		<b>0.39</b>	<b>859.38</b>
	<b>REPRESENTED BY</b>		
	Barclays Bank IB		859.38
			<b>859.38</b>

**Note:**

All items detailed on the receipts and payments account are shown gross of VAT as the Company was not VAT registered and VAT was therefore an expense of the liquidation estate.

DocuSigned by:



67363006C787419...

**Freddy Khalastchi**  
**Joint Liquidator**

**PRETTY LEGS DIRECT LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION**

JOINT LIQUIDATORS' PROGRESS REPORT PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT  
1986 AND RULE 18.2 OF THE INSOLVENCY (ENGLAND & WALES) RULES 2016

FOR THE PERIOD 25 APRIL 2020 TO 24 APRIL 2021

DATED 27 MAY 2021

**PRETTY LEGS DIRECT LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION – ("THE COMPANY")**

**ANNUAL PROGRESS REPORT**

**CONTENTS**

1. Introduction and executive summary
2. Progress and Asset realisations
3. Liabilities, Dividend Prospects and Allocation of Costs
4. Investigations
5. Pre-appointment fees
6. Joint Liquidators' remuneration and expenses
7. Creditors' rights to further information and to challenge liquidators' remuneration and expenses
8. Further Information
9. Concluding remarks

**APPENDICES**

1. Statutory information
2. Joint Liquidators' receipts and payments account
3. Joint Liquidators' analysis of time costs and narrative of work undertaken
4. Joint Liquidators' comparison of original and actual time costs incurred
5. Comparison of estimated expenses and actual costs incurred

## 1. INTRODUCTION AND EXECUTIVE SUMMARY

- 1.1 I was appointed Joint Liquidator of the Company on 25 April 2017. I now present my progress report for the fourth year of the liquidation, pursuant to Section 104A of the Insolvency Act 1986 ("the Act") and Rule 18.2 of the Insolvency (England & Wales) Rules 2016 ("the Rules").
- 1.2 Each creditor has a right under Regulation 11(2) of the Insolvency Regulations 1994 to require the Liquidators to supply a statement of Receipts and Payments free of charge.
- 1.3 The Company's statutory information is attached at Appendix 1 of this report.

### Executive summary

- 1.4 At the date of my appointment the Company had ceased trading and accordingly I took steps to realise the remaining assets with a view to distributing the funds to creditors, after costs, in the prescribed order of priority. As Liquidator, I was also obliged to investigate the company's affairs. At the outset it was anticipated I would not be in a position to declare a dividend to any class of creditor and this continues to be the case (see section 3 below). During the period of this report, time has been spent on my ongoing investigation matters detailed in section 4 below.
- 1.5 The manner in which the affairs of the Company have been managed since my last progress report is set out below.
- 1.6 My Receipts & Payments Account for the period from 25 April 2020 to 24 April 2021, which I have reconciled to the financial records that I am required to maintain, is attached at Appendix 2. All receipts and payments are shown net of VAT.
- 1.7 The balance of funds amounting to £859.38 are held in an interest bearing estate bank account.

## 2. PROGRESS AND ASSET REALISATIONS

### Bank Interest

- 2.1 The only asset realisation during the period of this report is bank interest in the sum of £0.39.

## 3. LIABILITIES, DIVIDEND PROSPECTS AND ALLOCATION OF COSTS

### 3.1 LIABILITIES

#### Secured creditors

- 3.1.1 The Company has no current charges over its assets.
- 3.1.2 My examination of the Company's mortgage register held by the Registrar of Companies showed that there were no further charges registered against the company. Accordingly, there are no known secured creditors.
- 3.1.3 The legislation requires that if the Company has created a floating charge on or after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

#### Preferential creditors

- 3.1.4 The Company had no preferential creditors.

#### Non-preferential unsecured creditors

- 3.1.5 The statement of affairs included 2 unsecured creditors with an estimated total liability of £1,775,952. I have received claims from 1 creditor at a total of £640,000. I have not received claims from 1 creditor with original estimated claims in the statement of affairs of £1,135,952.10. This claim relates to HSBC Bank PLC.

### 3.2 DIVIDEND PROSPECTS

#### Preferential creditors

- 3.2.1 There are no preferential creditors.

#### Unsecured creditors

- 3.2.2 There are insufficient funds to enable a dividend to non-preferential unsecured creditors.

### 4. INVESTIGATIONS

- 4.1 As previously advised, my initial investigations were concluded, although a further matter was identified and brought to my attention. I can confirm that my investigation in this regard remains ongoing.
- 4.2 Time has specifically been spent on making enquiries with my solicitor for initial advice and liaising with Pretty Legs Holdings Limited and Pretty Legs Hosiery Limited ("the Group companies"). I am currently unable to provide further information so as not to prejudice a successful outcome.
- 4.4 Matters requiring further investigation that may lead to potential recovery actions have been identified, and the work outlined above was undertaken to further those investigations with a view to making recoveries for the benefit of the creditors. If these investigations cannot be progressed for any reason, I intend to take steps to close the case.

### 5. PRE-APPOINTMENT FEES

- 5.1 The board previously authorised the payment of £10,000 plus VAT to Menzies LLP for assistance with preparing the statement of affairs and arranging the decision procedure for creditors to appoint a Liquidator.
- 5.2 The fee for preparing the statement of affairs and arranging the decision procedure for creditors to appoint a liquidator was paid by H&R Healthcare Limited, which is connected to the Company by a shareholding.

### 6. JOINT LIQUIDATORS' REMUNERATION & EXPENSES

#### *Joint Liquidators' Remuneration*

- 6.1 At a virtual meeting of creditors held on 25 April 2017, it was resolved that my remuneration be fixed by reference to time properly spent by myself and my staff in attending to matters arising in the liquidation based on a fee estimate of £10,530 plus VAT. The fee estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors.



- 6.2 My total time costs to 24 April 2021 amount to £32,798.92, representing 154.60 of hours work at a blended charge out rate of £212.15 per hour, of which £7,461.50 was charged in the period since 25 April 2020, at a blended charge out rate of £237.63 per hour. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £256.83 in my fee estimate. The blended rate charged is lower than the estimated blended rate by £19.20 per hour. This is because, whilst the case has been opened for longer than expected and it was necessary to undertake more administration work such as producing annual progress reports and investigations, this work was carried out by staff with a lower charge out rate.
- 6.3 I have not been able to draw any remuneration in this liquidation.
- 6.4 I attach at Appendix 3, a breakdown of these time costs by work category and staff grade, together with a narrative explanation of work done in the period since my last report to creditors.
- 6.5 Given the size and technical nature of the liquidation, much of the work described in the sections above was undertaken by me, a manager and an administrator. Additional assistance was provided by cashiers dealing with banking and statutory duties, and administrators offering various support services. All time spent on administering various duties was charged directly to the case in 6 minute units.
- 6.6 As at 24 April 2021, the total time costs that I have incurred in the Liquidation have exceeded the total estimated remuneration which was set out in my fee estimate, when my remuneration was authorised by the creditors. Please see Appendix 4 which details the actual time costs incurred as compared to the fee estimate provided to creditors in my report dated 12 April 2017. As you will see, the time costs incurred was exceeded by an amount of £22,268.92.
- 6.7 The reasons for exceeding the fee estimate is due to investigating potential recovery actions that I have identified following my investigations into the affairs of the company, which were not anticipated in my fee estimate. Currently I do not intend to draw remuneration in excess of the fee estimate and so will not be seeking a decision to increase my fee estimate.

*Professional and sub-contractors' fees, and other expenses*

- 6.8 I have incurred total expenses of £143.04 since my appointment as Liquidator. No expenses have been incurred since my last progress report.
- 6.9 Ashfords LLP has been engaged on an ad-hoc basis to provide legal advice to assist my investigations. Should it be necessary to instruct solicitors to pursue to potential claim, then I intend to instruct Ashfords LLP on a time costs basis.
- 6.10 Ashfords LLP is not an associate of the Joint Liquidators or their firm as defined in section 435 of the Act. Further, the Joint Liquidators have reviewed their and their firm's relationship with Ashfords LLP and consider that it is not one which could give rise to a perception that there is any such association.
- 6.11 The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.
- 6.12 Appendix 5 details the expenses I estimated that I would incur in this matter when my remuneration was authorised by the creditors and compares them with those incurred and drawn to date.
- 6.13 As at 24 April 2021 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.

- 6.14 Based on my knowledge of the case to date, I do not anticipate being able to draw my time costs and expenses, which we have estimated at £10,980, in full and expect to draw only £143.04. As a result, it is not anticipated that there will be a return to unsecured creditors.

**7. CREDITORS' RIGHTS TO FURTHER INFORMATION AND TO CHALLENGE LIQUIDATORS' REMUNERATION AND EXPENSES**

*Creditors' right to request information*

- 7.1 Any secured creditor, or an unsecured creditor with the support of at least 5% in value of unsecured creditors or with the leave of court, may (in writing) request me to provide additional information regarding remuneration or expenses already supplied within this report. In accordance with rule 18.9(2) of the Rules, such a request or application for leave must be made within 21 days of receipt of this report.

*Creditors' right to challenge remuneration and/or expenses*

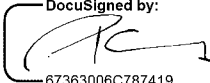
- 7.2 Any secured creditor, or an unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the court, may apply to court for one or more orders under Rule 18.36(4) or 18.37(4) of the Rules. In accordance with rule 18.34(3) such applications must be made within eight weeks of receipt of this report.

**8. FURTHER INFORMATION**

- 8.1 The Joint Liquidators are data controllers of personal data as defined by the relevant provisions of the applicable data protection legislation. Menzies LLP will act as a data processor on their instructions. Personal data will be kept secure and processed only for matters relating to the insolvency appointment. Full details of our privacy notice is at the following link: <https://www.menzies.co.uk/legal/>.
- 8.2 To comply with the Provision of Services Regulations, some general information about Menzies LLP, including about our complaints policy and Professional Indemnity Insurance, can be found at <https://www.menzies.co.uk/legal/> and <https://www.menzies.co.uk/helping-you/business-recovery/making-a-complaint/>.

**9. CONCLUDING REMARKS**

- 9.1 The liquidation will remain open until my investigations have been fully resolved. I estimate that this will take approximately one year and once resolved, I will be in a position to conclude the liquidation.
- 9.2 I will report again on the progress of the liquidation after the next anniversary of the Liquidation or in the draft final account, whichever is earlier.
- 9.3 If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Christy Law by email at CLaw@menzies.co.uk, or by phone on +44 (0)29 2044 7515.

DocuSigned by:  
  
67363006C787419...

Freddy Khalastchi  
Joint Liquidator

APPENDIX 1  
STATUTORY INFORMATION

Company name:	Pretty Legs Direct Limited
Company number:	09901618
Registered office:	Lynton House, 7-12 Tavistock Square, London, WC1H 9LT
Former registered office:	Caldow House, Crescent Road, Lutterworth, England, LE17 4PE
Principal trading activity:	Activities of head offices
Joint Liquidators' names:	Freddy Khalastchi and Bethan Louise Evans
Joint Liquidators' address:	Lynton House, 7-12 Tavistock Square, London, WC1H 9LT
Date of appointment:	25 April 2017
Contact details of Joint Liquidators:	Christy Law on +44 (0)29 2044 7515 or at CLaw@menzies.co.uk
Details of any changes of Liquidator:	There have been no changes of Liquidator during the winding up.

Appendix 2  
 Pretty Legs Direct Limited  
 (In Liquidation)  
 Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 25/04/2020 To 24/04/2021	From 25/04/2017 To 24/04/2021
	ASSET REALISATIONS		
Uncertain	Shares in Pretty Legs Holdings Limited	NIL	1,000.00
	Bank Interest Gross	0.39	2.42
		0.39	1,002.42
	COST OF REALISATIONS		
	Specific Bond	NIL	48.00
	Statutory Advertising	NIL	95.04
		NIL	(143.04)
	FLOATING CHARGE CREDITORS		
(1,135,952.10)	HSBC Bank Plc	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(640,000.00)	Intercompany Debt	NIL	NIL
(515,000.00)	Former Shareholder	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1,000.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(2,291,952.10)		0.39	859.38
	REPRESENTED BY		
	Barclays Bank IB		859.38
			859.38

**Note:**

All items detailed on the receipts and payments account are shown gross of VAT as the Company was not VAT registered and VAT was therefore an expense of the liquidation estate.

## PRETTY LEGS DIRECT LIMITED - IN LIQUIDATION

## APPENDIX 3

## TIME CHARGE OUT SUMMARY FOR THE PERIOD FROM 25 APRIL 2020 TO 24 APRIL 2021

Classification of Work Function	HOURS					Total Hours	Blended Hourly Rate £	Time Costs £
	Partner/ Director	Manager	Senior	Administrator	Support			
Brought Forward From 14.04.2020						123.20	205.66	25337.42
Administration & Planning	0.40	2.60	0.00	12.50	2.10	17.60	159.60	2,809.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	0.00	0.30	0.30	100.00	30.00
Investigations	10.30	0.20	0.00	3.00	0.00	13.50	342.41	4,622.50
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	10.70	2.80	0.00	15.50	2.40	31.40	237.63	
Total Costs	4,342.50	805.00	0.00	2,074.00	240.00			7,461.50
Total Carried Forward						154.60	212.15	32,798.92

Fees Drawn for Period	
Ended:	
24.04.2021	0.00
Total Fees Drawn to	
Date:	0.00
Balance of Time Costs Accrued but Unpaid	32,798.92

CHARGE OUT RATES OF INSOLVENCY TEAM MEMBERS			
	<u>From 1 October</u>	<u>1 Oct 2019 to 30</u>	
	<u>2020</u>	<u>Sept 2020</u>	
	£ per hour	£ per hour	-
Partner/Director	425-525	400-525	
Manager	260-360	260-350	
Senior	230-250	230-250	
Administrator	100-200	100-205	
Support Staff	100	100-135	
Note 1	There may have been a number of promotions through the various grades during the period of the administration.		
Note 2	Overhead costs are reflected in the charge out rates detailed.		
Note 3	The charge-out rate of the Insolvency Practitioner for this assignment is currently £525 and £475 per hour, and the administrator is £130 per hour.		
Note 4	Time is recorded in minimum units of 6 minutes.		

**PRETTY LEGS DIRECT LIMITED - IN LIQUIDATION ("the Company")**  
**JOINT LIQUIDATORS' NARRATIVE OF WORK UNDERTAKEN IN THE PERIOD 25 APRIL 2020 to 24 APRIL 2021**

A description of the work undertaken since my last progress report is as follows:

**1 Administration and planning**

There are certain aspects of the case that are required by statute and for the efficient running of the case. They are not expected to provide a direct quantifiable benefit to creditors; however, without them, other aspects of the case which do provide a quantifiable benefit to creditors would be less efficient.

They include the maintenance of electronic case management information, together with periodic review of files, and strategic case planning and the routine administration of the case. They also include preparation of documentation and reports and dealing with correspondence.

Further time has been spent holding strategy meetings to ensure that progression of this case is monitored.

Specifically:

**Statutory reporting requirements**

Time has been spent preparing a progress report to members and creditors for circulation following the anniversary to advise upon the progress made over the year.

**Cashiering**

Time has been spent lodging receipts and preparing and processing invoices for payments; reconciling the bank account; producing the receipts and payments account.

Time has also been spent preparing and submitting VAT and Corporation Tax ("CT") returns. These are statutory duties which will continue throughout the liquidation.

The aspects detailed above are required by statute for the efficient running of the case and will continue whilst it remains open. Time spent to date is mostly at administrator level with some additional time at partner level. This is not expected to produce any return to creditors but it is a statutory requirement.

**2 Asset realisations**

Net asset realisations provide the financial benefit to creditors and their quantum directly contributes to any dividend ultimately available to creditors.

As all assets had been previously realised no further time was incurred in the period in dealing with assets.

**3 Investigations**

Complying with statutory requirements will not necessarily produce a financial benefit to creditors but may identify potential avenues which could lead to a recovery for the benefit of creditors.

**Further investigation**

During the period of this report, time has been spent recalling, reviewing and listing the Company's records and liaising with third parties to collate relevant information for investigation purposes.

#### 4 Creditors (claims and distribution)

Time spent in this category includes dealing with routine correspondence and queries and taking telephone calls from creditors. Time has also been spent maintaining creditor information on the electronic case management files.



PRETTY LEGS DIRECT LIMITED - IN LIQUIDATION

APPENDIX 4 - FEE ESTIMATE COMPARISON AGAINST TIME COSTS INCURRED

Classification of Work Function	Fee Estimate			Actual - 25.04.17 - 24.04.21		
	Total Hours	Blended Hourly Rate	Total Time Costs	Total Hours	Blended Hourly Rate	Total Time Costs
		£	£		£	£
Administration & Planning	24.00	244.38	5865.00	91.30	156.17	14,258.48
Realisation of Assets	6.00	278.33	1670.00	29.90	342.29	10,234.50
Creditors	3.00	371.67	1115.00	6.90	159.63	1,101.44
Investigations	8.00	235.00	1880.00	26.50	271.87	7,204.50
Trading	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	41.00			154.60		
Blended Hourly Rate		256.83			212.15	
Total Time Costs			10,530.00			32,798.92
Total Fees Drawn to date						0.00
Balance of Time Costs Accrued but Unpaid						32,798.92

CHARGE OUT RATES OF INSOLVENCY TEAM MEMBERS		
	<u>From 1 October 2020</u>	<u>1 Oct 2019 to 30 Sept 2020</u>
	£ per hour	£ per hour
Partner/Director	425-525	400-525
Manager	260-360	260-350
Senior	230-250	230-250
Administrator	100-205	100-205
Support Staff	100	100-135
Note 1	There may have been a number of promotions through the various grades during the period of the administration.	
Note 2	Overhead costs are reflected in the charge out rates detailed.	
Note 3	Time charge-out rate of the Insolvency Practitioner for this assignment is currently £525 and £475 per hour, and the administrator is £130 per hour	
Note 4	Time is recorded in minimum units of 6 minutes.	

## APPENDIX 5

## PRETTY LEGS DIRECT LIMITED - IN LIQUIDATION ("the Company")

## JOINT LIQUIDATORS' COMPARISON OF ESTIMATED EXPENSES AND ACTUAL COSTS INCURRED AND PAID

Details of Expense	Estimated amount £	Incurred / Accrued in period since last report £	Total incurred /accrued to date £	Paid in period since last report £	Total paid to date £
<u>Category 1 Expenses</u>					
Statutory advertising - various notices relating to the company have to be placed in the London Gazette	270.00	NIL	95.04	NIL	95.04
Specific penalty bonding - this is insurance required by statute that every officeholder has to obtain for the protection of each estate, with the premium being based on the value of the company's assets	160.00	NIL	48.00	NIL	48.00
Searches	20.00	NIL	NIL	NIL	NIL
Totals	450.00	0.00	143.04	0.00	143.04

## **MENZIES LLP'S EXPENSES RECOVERY POLICY**

### **Category 1 Expenses**

Specific expenditure relating to the administration of the insolvent estate and payable to a person or persons who are not associates of the office holder is recoverable without creditor approval. Such expenditure is made if funds are available from the insolvent estate. If funds are not available, then payment is made from this firm's office account and reimbursed from the estate should funds become available.

Category 1 expenses will generally comprise external supplies of incidental services specifically identifiable to the case. Typical items include legal fees, agents' fees, sub-contractors' fees, statutory advertising, insurance of assets, search fees, specific penalty bonding, telephone calls, postage, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case.

### **Category 2 Expenses**

These are expenses that are directly referable to the administration of the insolvent estate and are made to associates of the officeholder or have an element of shared costs.

Category 2 Expenses require creditor approval.

Menzies LLP do not as a matter of policy do not seek approval of, or claim any, Category 2 expenses other than those which are paid to associates of the office holder.