

# 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 1 0 7 4 7 4 1 7

Company name in full Mr (Evington) Limited

#### → Filling in this form

Please complete in typescript or in bold black capitals.

### 2 Liquidator's name

Full forename(s) Situl Devji

Surname Raithatha

### 3 Liquidator's address

Building name/number 38 De Montfort Street

Street Leicester

Post town

County/Region

Postcode L E 1 7 G S

Country

### 4 Liquidator's name ①

Full forename(s)

Surname

#### ① Other liquidator

Use this section to tell us about another liquidator.

### 5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

#### ② Other liquidator

Use this section to tell us about another liquidator.

# LIQ03

## Notice of progress report in voluntary winding up


### 6 Period of progress report

From date	<sup>d</sup> 0	<sup>d</sup> 6	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	
To date	<sup>d</sup> 0	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1	

### 7 Progress report

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

Liquidator's signature	Signature X  X								
Signature date	<sup>d</sup> 1	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 4	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1	

# 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 **Donna Brown**

Company name **Springfields Advisory LLP**

Address **38 De Montfort Street**  
**Leicester**

Post town **LE1 7GS**

County/Region

Postcode

Country

DX

Telephone **0116 299 4745**



### 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)**

## **Mr (Evington) Limited – In Creditors' Voluntary Liquidation**

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

**For the period 06 March 2020 to 05 March 2021**

#### **EXECUTIVE SUMMARY**

My investigations into the affairs of the Company are continuing.

It is uncertain at this stage whether there will be sufficient funds to enable a distribution to creditors. This is dependent upon the outcome of my investigations and any resultant recovery action.

#### **STATUTORY INFORMATION**

Company name:	Mr (Evington) Limited
Registered office:	38 De Montfort Street Leicester LE1 7GS
Former registered office:	152b Evington Road Leicester LE2 1HL
Former trading address:	152b Evington Road Leicester LE2 1HL
Registered number:	10747417
Liquidator's names:	Situl Devji Raithatha
Liquidator's address:	38 De Montfort Street, Leicester, LE1 7GS
Liquidator's date of appointment:	6 March 2019

Please note that Deviesh Ramesh Raikundalia has retired from Springfields Advisory LLP and was released and ceased to act as joint office holder in this matter by way of a Court Order effective 31 July 2020. Situl Devji Raithatha continues to act.

#### **LIQUIDATOR'S ACTIONS SINCE LAST REPORTING**

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 during the period is contained in Appendix 1.

My investigations into the affairs of the Company remain ongoing. No further information can be disclosed at this stage, as it may be prejudicial to the outcome.

## **RECEIPTS AND PAYMENTS**

My Receipts & Payments ("R&P") Account for the period from 6 March 2020 to 5 March 2021 ("the Period") is attached at Appendix 2. All amounts are shown exclusive of VAT and the funds are held on an interest bearing estate bank account.

## **ASSETS**

There have been no assets realisation in the Period other than bank interest.

## **LIABILITIES**

### Secured Creditors

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

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

### Preferential Creditors

No preferential claims are anticipated on the Statement Affairs and no claims have received to date.

### Crown Creditors

The statement of affairs included £777.03 owed to HMRC. HMRC's initial claim of £778.34 has been received.

### Non-preferential unsecured Creditors (excluding HMRC)

The statement of affairs included three non-preferential unsecured creditors with an estimated total liability of £16,399.75. I have received claim from one creditor at a total of £14,605.75. I have not received claims from two creditor with original estimated claims in the statement of affairs of £1,016.97. These claims are subject to the Liquidator's adjudication.

## **DIVIDEND PROSPECTS**

It is uncertain at this stage whether there will be sufficient funds to enable a distribution to creditors. This will depend on the outcome of my investigations and any resultant recovery action.

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

As previously advised, HMRC raised a number of concerns at the outset of the Liquidation with regards to the Company's non registration of VAT and the Company's adherence to the National Minimum Wage provisions. These investigations remain ongoing and solicitors, Schofield Sweeney LLP, have been instructed to assist. I am unable to provide creditors with any further details at this stage as this may be prejudicial to the outcome due to this report being filed with the Registrar of the Companies and therefore being available in the public domain.

## **LIQUIDATOR'S REMUNERATION**

My remuneration was approved on a time cost basis based on a fees estimate of £18,752.40. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors.

I enclose a schedule of my time costs in the Period, subject to the posting of timesheets. The actual average charge out rate incurred compares with the estimated average charge out rate of £276.18 per hour in my fees estimate. The enclosed R&P shows that I have not been able to draw any remuneration in this matter. You will note that I have not exceeded my time costs estimate as detailed in my report dated 23 March 2019.

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 the R3 is available at the link <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>. Please note that there are different versions of the Guidance Notes, and in this case, you should refer to the April 2017 version. An explanatory note which shows Springfields Advisory LLP's fee policy is attached. A hard copy of both documents can be obtained on request from this office.

## **LIQUIDATOR'S EXPENSES**

I enclose a schedule of my expenses incurred and accrued in the Period, which includes both category 1 and 2 disbursements. I have obtained creditor approval to draw category 2 disbursements.

As the Company was not registered for VAT, I have been unable to reclaim the VAT on the costs and expenses of the Liquidation.

The following agents or professional advisors have been utilised in this matter to date:

<b>Professional Advisor</b>	<b>Nature of Work</b>	<b>Fee Arrangement</b>
Schofield Sweeney LLP	Legal Services	Time Costs plus disbursements

Schofield Sweeney LLP have been instructed to provide legal assistance with my investigations. They have agreed to work on a time costs basis subject to an uplift should funds permit.

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

The level of expenses incurred in the Period has exceeded those estimated in my report of 23 March 2019. This is due to additional costs associated with holding a physical meeting and the need to instruct solicitors which was not foreseen when the estimate was prepared.

## **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 Joint Liquidators' 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.

As Insolvency Practitioners, when carrying out all professional work relating to an insolvency appointment, I am bound by the Insolvency Code of Ethics, as well as by the regulations of our professional body. More details about these matters and general information about Springfields Advisory LLP that is of relevance can be found at <https://www.springfields-uk.com/regulatory>.

## **SUMMARY**

The Liquidation will remain open until my investigations are complete.

## **DISCLAIMER**

This report has been prepared for the sole purpose of updating creditors and shareholders of the Company for information purposes to fulfil the necessary statutory requirements of the Liquidators. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, or otherwise used by creditors or shareholders for any purpose other than updating them for information purposes, or any other person for any purpose whatsoever.

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 Donna Brown on 0116 299 4745, or by email at [Donna.b@springfields-uk.com](mailto:Donna.b@springfields-uk.com).

A handwritten signature in black ink, appearing to be 'SD' followed by a long horizontal stroke.

**Situl Devji Raithatha**  
**LIQUIDATOR**

**15/04/2021**

## **Appendix 1**

### **1. Administration**

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

- 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 regular 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 Corporation Tax returns.
- Instructing Solicitors

### **2. Creditors**

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

### **3. Investigations**

- Reviewing books and records to identify any transactions or actions the office holder may Take against a third party in order to recover funds for the benefit of creditors.
- Liaising with HMRC with regards to their enquiries
- Instructing solicitors
- Analysing Company records



**Mr (Evington) Limited  
(In Liquidation)  
Liquidator's Summary of Receipts & Payments**

Statement of Affairs £	From 06/03/2020 To 05/03/2021 £	From 06/03/2019 To 05/03/2021 £
ASSET REALISATIONS		
453.84 Bank Interest Gross	0.19	1.18
Book Debts	NIL	NIL
Funds held under indemnity	NIL	2,000.00
	0.19	2,001.18
COST OF REALISATIONS		
Irrecoverable VAT	12.91	270.96
Land Registry Fees	3.00	3.00
Legal Fees	43.48	43.48
Preparation of S. of A.	NIL	1,000.00
Printing and Photocopying	3.70	25.40
Specific Penalty Bond	NIL	40.00
Stationery & Postage	NIL	36.73
Statutory Advertising	17.36	209.15
	(80.45)	(1,628.72)
<b>453.84</b>	<b>(80.26)</b>	<b>372.46</b>
REPRESENTED BY		
Current A/c - Bank 1		372.46
		<b>372.46</b>

Note:

Situl Devji Raithatha  
Liquidator

## Time Entry - SIP9 Time & Cost Summary + Cumulative

MR1773 - Mr (Evington) Limited  
Project Code: POST  
From: 06/03/2020 To: 05/03/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)	Total Hours Cum (POST Only)	Total Time Costs Cum (POST Only)
Administration & Planning	0.80	1.60	5.10	0.00	7.50	1,858.30	247.77	23.10	5,603.80
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.70	0.10	0.00	0.80	212.60	265.75	1.40	329.60
Investigations	0.00	2.60	2.30	0.00	4.90	1,207.00	246.33	8.50	2,336.10
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70	179.70
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours / Costs</b>	<b>0.80</b>	<b>4.90</b>	<b>7.50</b>	<b>0.00</b>	<b>13.20</b>	<b>3,277.90</b>	<b>248.33</b>	<b>33.70</b>	<b>8,449.20</b>
<b>Total Fees Claimed</b>						<b>0.00</b>			
<b>Total Disbursements Claimed</b>						<b>0.00</b>			

**Mr (Evington) Limited - In Creditors' Voluntary Liquidation**

Details of expenses incurred and accrued from 06 March 2020 to 5 March 2021

**Expenses****Category 1**

Type	Brought Forward (£)	Incurred in the Period (£)	Paid in the Period (£)	Carried forward (£)	Incurred in the Liquidation period	Estimated expenses in fee report (£)
Specific Penalty Bond	0.00	0.00	0.00	0.00	40.00	40.00
Statutory Advertising	0.00	17.36	17.36	0.00	209.15	127.86
Legal Fees & Disbursements	1,942.80	1,217.28	43.48	3,160.08	3,116.60	0.00
Postage	0.00	0.00	0.00	0.00	36.73	46.69
Land Registry	3.00	0.00	3.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>1,945.80</b>	<b>1,234.64</b>	<b>63.84</b>	<b>3,160.08</b>	<b>3,402.48</b>	<b>214.55</b>

**Category 2**

Type	Brought Forward (£)	Incurred in the Period (£)	Paid in the Period (£)	Carried forward (£)	Incurred in the Liquidation period	Estimated expenses in fee report (£)
Printing & Photocopying	3.70	0.00	3.70	0.00	25.40	25.00
Storage Costs	0.00	0.00	0.00	0.00	0.00	50.00
<b>TOTAL</b>	<b>3.70</b>	<b>0.00</b>	<b>3.70</b>	<b>0.00</b>	<b>25.40</b>	<b>75.00</b>

**Summary**

£
289.55 Total expenses as per estimate *
3,427.88 Actual expenses incurred and paid to 5 March 2021
<u>-3,138.33 Difference</u>

**Notes**

- \* The estimated costs are those detailed on the schedule that accompanied my report of 23/03/2019

## SPRINGFIELDS ADVISORY LLP PRACTICE FEE RECOVERY POLICY FOR INSOLVENCY APPOINTMENTS

### Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>. Alternatively a hard copy can be provided on request. 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.

### Charge-out Rates

Grade of staff	Current charge-out rate per hour, effective from 1 August 2020 £	Previous charge-out rate per hour, effective from 1 August 2019 £
Partner	475	464
Manager	282-356	275-348
Administrator	161-239	158-233

Time is recorded in units of 6 minutes (prior to 08/01/2007 this was 15 minute units)

These charge-out rates charged are reviewed periodically 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
- Trading
- Case specific matters

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

- Investigations
- Creditors (other than distributions to creditors)
- Trading

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.

In some instances where there is undue risk to the firm in recovering its standard hourly rates in full, typically as a consequence of the pursuit of causes of action where the outcomes are far from certain, or where there are considered to be undue risks associated with the conduct of an assignment, then approval for a percentage uplift on standard hourly rates may be sought. The percentage uplift sought will vary depending upon the circumstances of each case.

## **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 IVA's and CVA's 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 Springfields; 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, travel expenses and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

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

Photocopying / printing:	10p per sheet
Internal storage of books and records:	Initial charge for intake: £6.10 per box Storage: £0.40 per month per box in storage at month end
Internal storage of PC/IT equipment:	Storage: £3.60 per month per item in storage at month end
Internal room hire:	£100 per statutory meeting
Mileage (own car usage):	45p per mile