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

1 Company details

Company number	OC381646
Company name in full	Tredwell's Seven Dials LLP

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

2 Liquidator's name

Full forename(s)	Peter
Surname	Charalambous

3 Liquidator's address

Building name/number	Mountview Court
Street	1148 High Road
Post town	Whetstone
County/Region	London
Postcode	N20 0RA
Country	

4 Liquidator's name ❶

Full forename(s)	
Surname	

❶ **Other liquidator**
Use this section to tell us about another liquidator.

5 Liquidator's address ❷

Building name/number	
Street	
Post town	
County/Region	
Postcode	
Country	

❷ **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

	d	d	m	m	y	y	y	y
From date	2	4	0	2	2	0	2	2
To date	2	3	0	2	2	0	2	3

7 Progress report

☑ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X X

	d	d	m	m	y	y	y	y
Signature date	2	0	0	4	2	0	2	3

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	Michalis Thomas
Company name	Kallis & Company
Address	Mountview Court
	1148 High Road
Post town	Whetstone
County/Region	London
Postcode	N 2 0 0 R A
Country	
DX	
Telephone	020 8446 6699

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

LIQUIDATOR'S PROGRESS REPORT TO CREDITORS AND MEMBERS FOR THE YEAR ENDING 23 FEBRUARY 2023

Tredwell's Seven Dials LLP trading as t/a Tredwells **("the** LLP") – In Creditors' Voluntary Liquidation

EXECUTIVE SUMMARY

This is my first Progress Report to creditors since my appointment. Details of work carried out during this reporting period can be found below however, in summary:

1. The LLP entered Creditors Voluntary Liquidation on 24 February 2022.
2. The LLP's known assets have been realised and funds have been recovered as part of my ordinary course of investigations.
3. I anticipate being in a position of make a distribution to second preferential unsecured creditors.

STATUTORY INFORMATION

LLP name:	Tredwell's Seven Dials LLP trading as t/a Tredwells
Registration number:	OC381646
Principal Trading Address:	4A Upper St Martin's Lane, London, WC2H 9NY
Registered Office:	Mountview Court, 1148 High Road, Whetstone, London, N20 0RA
Former Registered Office:	1st Floor 10 Sabre Close, Quedgeley, Gloucester, GL2 4NZ
Principal trading activity:	Restaurant
Liquidator's names:	Peter Charalambous
Liquidator's address:	Mountview Court, 1148 High Road, Whetstone, London, N20 0RA
Liquidator's contact details:	Sutinder@kallis.co.uk and 020 8446 6699.
Date of appointment:	24 February 2022

LIQUIDATOR'S ACTIONS SINCE THE APPOINTMENT OF THE LIQUIDATOR

Following on from my appointment, I have dealt with statutory filing, issue of notices, and advertising the liquidation and my appointment. I then proceeded to recover the balance in the LLP's bank account held with Natwest and negotiated a settlement agreement for a preference claim. An unanticipated insurance refund was also recovered.

There is certain work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since the appointment of Liquidator is contained in Appendix 2.

RECEIPTS AND PAYMENTS

My Receipts & Payments Account for the period from 24 February 2022 to 23 February 2023 is attached at Appendix 1. All amounts are shown net of VAT. I have reconciled the account against the financial records that I am required to maintain.

The balance of funds are held in an interest bearing estate bank account. I can confirm that interest totalling £1.39 has been received during this reporting period.

ASSETS

Cash at bank

The LLP's Bank, Natwest Bank PLC, was notified of the appointment and consequently the account was closed and the balance of £25.73 was realised.

Insurance Refund

This was not anticipated at the time of the LLP's statement of affairs. A refund on the LLP's insurance cover with Hiscox has been received in the liquidation in the sum of £4,477.60

Settlement Agreement

During my ordinary course of investigations, a preference claim against the LLP's Debenture holder, Marcus Wearing Restaurants Limited ("the charge holder"), was identified. Specifically, just prior to Liquidation, the Company had paid the amount of £49,850 to the charge holder under its floating charge. Had the transaction not been made, this amount would have been available to preferential creditors once the Company entered into Liquidation, As such, Irwin Mitchell LLP ("the solicitors") of Riverside East, 2 Millsands, Sheffield, S3 8DT were instructed to provide legal advice and assist in reviewing the negotiating the claim. I can confirm that the amount of £25,001 was agreed and the full amount received. This is detailed further below in the Investigations' section.

PRE-APPOINTMENT FEES

The Board previously authorised the payment of a fee of £7,500 plus VAT for my assistance with preparing the statement of affairs and arranging the decision procedure for creditors to appoint a liquidator. On 24 February 2022 creditors approved payment of this fee.

The fee for preparing the statement of affairs and arranging the decision procedure for creditors to appoint a liquidator was paid from realisations made in the Liquidation, and is shown in the enclosed receipts and payments account.

INVESTIGATION INTO THE AFFAIRS OF THE LLP

I undertook an initial investigation into the LLP's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. I am required by the Statements of Insolvency Practice to undertake such an initial investigation and the work detailed below has been undertaken in connection with that initial investigation. Specifically, I recovered, listed and reviewed the LLP's accounting records; obtained and reviewed copy bank statements for the 12 months prior to the LLP ceasing to trade from the LLP's bankers; and compared the information in the LLP's last set of accounts with that contained in the statement of affairs lodged in the Liquidation and made enquiries about the reasons for the changes.

I identified matters where I considered that further investigation was required as they could lead to identifying potential recovery actions for the benefit of creditors. During my investigations, a potential preference claim was identified. As per the Company's books and records, the Company sold its assets, converting them into a cash amount of £49,850. On 29 September 2021, the Company transferred this amount to Marcus Wearing Restaurants Limited, the charge holder. The assets sold related to assets caught under the floating charge element of a Debenture granted to Marcus Wearing Restaurants Limited by the Company dated 23 October.

If the Company had been placed into Liquidation without making this claim, then these funds would have been available for HMRC and any other preferential creditors, the prescribed part and the Liquidator's fees.

In accordance with Section 239 of the Insolvency Act 1986 the payment placed Marcus Wearing Restaurants Limited in a better position than it would otherwise have been in compared to all other creditors that were owed monies at the time of the transaction. Following legal advice from the solicitors, a settlement agreement of £25,001 was agreed and the settlement sum has now been received.

Finally, within three months of my appointment as Liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the LLP. I would confirm that my report has been submitted.

LIQUIDATOR'S REMUNERATION

My remuneration was approved by the creditors on 24 February 2022 on a time cost basis based on a fees estimate of £17,935. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors. My total time costs to 23 February 2023 amount to £15,253.00, representing 67.10 hours of work at a blended charge out rate of £227.32 per hour. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £193.89 in my fees estimate.

I have drawn £14,870 plus VAT to 23 February 2023.

A detailed schedule of my time costs incurred to 23 February 2023 compared with my original fees estimate is attached as Appendix 4.

I anticipate that it is likely that my time costs will exceed the fees estimate. This is due to the time taken to investigate, establish, negotiate and realise a claim for the preference payment, and the work necessary in respect of issuing a likely distribution to preferential creditors. As a result, I anticipate issuing a further report seeking a fee increase to enable me to do so.

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 Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at www.kallis.co.uk/downloads. There are different versions of these Guidance Notes, and in this case please refer to the most recent version.

Please note that we have also provided further information about an office holder's remuneration and expenses in our practice fee recovery sheet, which is enclosed at Appendix 5 and can be accessed at www.kallis.co.uk/legal.

LIQUIDATOR'S EXPENSES

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into:

- category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
- category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration.

Category 1 expenses

I have incurred the following category 1 expenses in the Liquidation:

Nature of category 1 expense	Amount incurred/ accrued in reporting period	Amount incurred/ accrued in total	Amount unpaid
Legal Fees	£4,800.00	£4,800.00	£0
Specific Bond	£186.00	£186.00	£0
Statutory Advertising	£344.80	£344.80	£0
Postage	£22.43	£22.43	£22.43
Total	£5,352.43	£5,352.43	£22.43

I have paid category 1 expenses of £5,352.43 to 23 February 2023, as indicated in the attached receipts and payments account.

I have used the following professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Irwin Mitchell Solicitors	Solicitors	Fixed

In the Liquidation the professional advisers have provided legal advice on the claim of preference payment and negotiation of a settlement of the claim.

My choice of professional advisors 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 confirmed that they hold appropriate regulatory authorisations. I have reviewed the fees they have charged and am satisfied that they are reasonable in the circumstances of this case and represents value for money.

Category 2 expenses

I am required to seek approval before I can pay any expenses to associates, or pay expenses where there is an element of shared costs, which are known as category 2 expenses. I have obtained approval to pay the following category 2 expenses. I have incurred the following category 2 expenses in the Liquidation:

Nature of category 2 expense	Amount incurred/ accrued in reporting period	Amount incurred/ accrued in total	Amount unpaid
Storage	£0.00	£0.00	£0.00

Total	£0.00	£0.00	£0.00

I have not incurred any category 2 expenses to date.

Comparison of estimated expenses with actual expenses incurred

Nature of expense	Estimated expenses	Expenses incurred to date
Specific Bond	£44.00	£186.00
Statutory Advertising	£244.50	£344.80
Postage	£24.24	£22.43
Legal Fees	£0.00	£4,800.00
Storage	£15.00	£0.00
Total	£327.74	£5,353.23

As you can see above, while the total expenses I have incurred to date have exceeded the total expenses I estimated I would incur when my remuneration was approved. The reason for this is due to the Legal Fees not being anticipated when I estimated the liquidation expenses.

LIABILITIES

Secured Creditors

An examination of the LLP's mortgage register held by the Registrar of Companies, showed that the LLP has granted the following charges:

1. OC38 1646 0001

Created: 23 October 2017 Delivered: 13 November 2017 Status: Outstanding

Persons entitled: Gilbert Scott Restaurant Limited

Brief description:

All freehold, leasehold and commonhold properties of the chargor.
Contains fixed charge.
Contains floating charge.
Floating charge covers all the property or undertaking of the LLP.
Contains negative pledge.

2. OC38 1646 0002

Created: 23 October 2017 Delivered: 13 November 2017 Status: Outstanding

Persons entitled: Marcus Wearing Restaurants Limited

Brief description:

All freehold, leasehold and commonhold properties of the charger
Contains fixed charge
Contains floating charge.
Floating charge covers all the property or undertaking of the LLP
Contains negative pledge.

There are provisions of the insolvency legislation that require Liquidators to set aside a percentage of a LLP's assets for the benefit of the unsecured creditors in cases where the LLP gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property" ("prescribed part"). An LLP's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. Any costs of the liquidation that are payable before the Liquidators have reached a position to make a distribution to the floating charge holder have to be deducted from floating charge realisations before arriving at an amount for the "net property" of the LLP. As a result, the costs associated with realising floating charge assets, paying preferential claims in full, the general costs of winding up and the costs of confirming the validity of the floating charge will have to be deducted before the "net property" is calculated. The "prescribed part" that the Liquidators then have to set aside for unsecured creditors is:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £600,000/£800,000.

If sufficient asset realisations are made, then the prescribed part provisions will apply.

Preferential Creditors

The statement of affairs did not anticipate any claims in respect of ordinary preferential creditors relating to employee claims.

Secondary Preferential Creditors

These relate to claims by HM Revenue & Customs in respect of VAT and PAYE and a claim totaling £47,835.84 has been received.

Non-preferential unsecured Creditors

The statement of affairs included 8 non-preferential unsecured creditors with an estimated total liability of £7,014,079.60. I have received claims from 3 creditors at a total of £1,399,366.71. I have not received claims from 4 creditors with original estimated claims in the statement of affairs of £5,566,877.05.

DIVIDEND PROSPECTS

On the basis of current information, a dividend will be paid to secondary preferential creditors in due course and it is unlikely that a dividend will be paid to non-preferential unsecured creditors.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Liquidator's remuneration and expenses within 21 days of their receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidator as being excessive, and/or the basis of the Liquidator's remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Kallis & Company can be found at https://www.kallis.co.uk/legal/ .

SUMMARY

The Liquidation will remain open until a dividend has been paid to secondary preferential creditors. I estimate that this will take approximately 6 months and once resolved the Liquidation will be finalised and our files will be closed.

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 Michalis Thomas on 020 8446 6699, or by email at Mike@kallis.co.uk.

Peter Charalambous
LIQUIDATOR

Tredwell's Seven Dials LLP t/a Tredwells
(In Liquidation)
Liquidator's Summary of Receipts & Payments
To 23/02/2023

S of A £		£	£
	SECURED ASSETS		
NIL	Goodwill	NIL	
			NIL
	SECURED CREDITORS		
(4,300,000.00)	Marcus Wareing Restaurants Ltd	NIL	
(1,299,456.05)	Gilbert Scott Restaurant Limited	NIL	
			NIL
	ASSET REALISATIONS		
	Insurance Refund	4,477.60	
39.12	Cash at Bank	25.73	
	Bank Interest Gross	1.39	
	Settlement Agreement	25,001.00	
8,200.00	Cash in Hand	8,200.00	
			37,705.72
	COST OF REALISATIONS		
	Specific Bond	186.00	
	Preparation of S. of A.	7,500.00	
	Office Holders Fees	14,870.00	
	Legal Fees	4,800.00	
	Statutory Advertising	344.80	
			(27,700.80)
	SECONDARY PREFERENTIAL CREDITORS		
(45,750.62)	HMRC (VAT)	NIL	
			NIL
	UNSECURED CREDITORS		
(17,342.06)	Trade & Expense Creditors	NIL	
(1,399,366.71)	Members Current Accounts	NIL	
			NIL
	DISTRIBUTIONS		
(5,200,096.00)	Members	NIL	
			NIL
(12,253,772.32)			10,004.92
	REPRESENTED BY		
	Bank 1 Current Interest Bearing		4,464.76
	Vat Control Account		5,540.16
			10,004.92

Peter Charalambous
Liquidator

Appendix 2: Details of Work undertaken to date

Administration & Financials

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 an office holder must follow.

Case planning - devising an appropriate strategy for dealing with the case and giving instructions to staff to undertake the work on the case.
Setting up electronic case files.
Setting up the case on the practice's electronic case management system and entering data.
Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder must obtain for each insolvency appointment).
Dealing with all routine correspondence and emails relating to the case.
Opening, maintaining and managing the estate bank account.
Undertaking regular bank reconciliations of the estate bank account.
Reviewing the adequacy of the specific penalty bond on a quarterly basis.
Undertaking periodic reviews of the progress of the case.
Overseeing and controlling the work done on the case by case administrators.
Preparing, reviewing and issuing annual progress reports to creditors and members.
Filing returns at Companies House.
Preparing and filing VAT returns.
Preparing and filing Corporation Tax returns.

Realisation of assets:

This represents the work involved in the protection and realisation of assets, which is undertaken directly for the benefit of creditors.
Liaising with the bank regarding the closure of the account and the remittance of the balance to the liquidation’s estate account.
Laising with Hiscox in respect to an insurance refund.

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 their statutory functions

Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
Maintaining up to date creditor information on the case management system.

Investigations:

The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure, and also in respect of matters such as misfeasance and wrongful trading. The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors.

Recovering the books and records for the case.
Listing the books and records recovered.
Submitting an online return on the conduct of the Directors as required by the LLP Directors Disqualification Act.
Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.
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 the charge holder in respect of the settlement of the preference claim.

Analysis of Office Holder's time costs for the period 24/02/2022 To 23/02/2023

KALLIS & COMPANY
INSOLVENCY PRACTITIONERS

Classification of Work Content	Partner Hours	Senior Manager Hours	Manager Hours	Senior Hours	Support Hours	Total Hours	Total Cost (GBP)	Average Hourly Rate (GBP)
Administration & Planning	**6.70**	**0.00**	**3.70**	**18.80**	**0.60**	**29.80**	**5,913.50**	**198.44**
AD1.1 - Case planning and review	4.00	0.00	1.50	3.10	0.00	8.60	2,284.00	265.58
AD1.2 - Ongoing administration matters	1.00	0.00	0.20	15.30	0.00	16.50	2,486.50	150.70
AD1.3 - Statutory notices & reporting	1.70	0.00	2.00	0.40	0.60	4.70	1,143.00	243.19
Financials	**1.70**	**0.00**	**0.60**	**0.20**	**7.60**	**10.10**	**1,756.50**	**173.91**
AD2.1 - Completion and agreement of tax returns	0.20	0.00	0.60	0.00	1.20	2.00	382.00	191.00
AD2.2 - Banking and reconciliations	1.10	0.00	0.00	0.00	6.40	7.50	1,186.50	158.20
AD2.3 - Expense reviews and payments	0.40	0.00	0.00	0.20	0.00	0.60	188.00	313.33
Realisation of Assets	**11.60**	**0.20**	**0.30**	**1.00**	**0.00**	**13.10**	**4,243.00**	**323.89**
AD3.1 - Dealing with agents, asset and business sales	1.30	0.00	0.00	0.00	0.00	1.30	494.00	380.00
AD3.4 - Identifying assets and recovery	10.30	0.20	0.30	1.00	0.00	11.80	3,749.00	317.71
Investigations	**0.20**	**0.20**	**2.70**	**4.90**	**0.00**	**8.00**	**1,477.00**	**184.63**
AD4.1 - SIP 2 review & CDDA reports	0.20	0.00	1.10	2.10	0.00	3.40	625.00	183.82
AD4.3 - Investigations - antecedent transactions/misconduct	0.00	0.20	1.60	2.80	0.00	4.60	852.00	185.22
Creditors	**4.20**	**0.00**	**0.00**	**1.90**	**0.00**	**6.10**	**1,863.00**	**305.41**
AD5.1 - Communication with creditors	1.00	0.00	0.00	0.50	0.00	1.50	410.00	273.33
AD5.2 - Creditors' claims (including Employees' and other preferential creditors')	3.20	0.00	0.00	1.40	0.00	4.60	1,453.00	315.87
Total Hours	**24.40**	**0.40**	**7.30**	**26.80**	**8.20**	**67.10**		**227.32**
Total Fees (GBP)	**8,600.00**	**126.00**	**1,848.00**	**3,693.50**	**985.50**		**15,253.00**	

Appendix 4

Description of categories	Estimated time (Hours)	Estimated value of the time costs £	Blended charge out rate £	Actual time (Hours)	Actual value of the time costs £	Actual blended charge out rate £
ADMINISTRATION	39.00	7,380.00	189.23	29.80	5,913.50	198.44
FINANCIALS	6.50	1,250.00	192.31	10.10	1,756.50	173.91
REALISATION OF ASSETS	12.50	2,635.00	210.80	13.10	4,243.00	323.89
INVESTIGATIONS	27.00	5,265.00	195.00	8.00	1,477.00	184.63
CREDITORS	7.50	1,405.00	187.33	6.10	1,863.00	305.41
GRAND TOTAL FOR ALL CATEGORIES OF WORK	92.50	17,935.00	193.89	67.10	15,253.00	227.32

PRACTICE FEE RECOVERY POLICY FOR KALLIS INSOLVENCY PRACTITIONERS

Introduction
This sheet explains the alternative fee bases allowed by the insolvency 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. The report accompanying the request to fix the basis of remuneration will indicate the basis, or bases, being requested in that particular case and will make it clear what work is to be undertaken in respect of each basis.

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) "Payments to Insolvency Office Holders and their Associates from an Estate" and can be accessed at https://www.kallis.co.uk/downloads/. Alternatively, a hard copy may be requested from Kallis Insolvency Practitioners, Mountview Court, 1148 High Road, London N20 0RA. Please note that we have provided further details in this policy document.

SIP 9 also contains various requirements that the office holder has to comply with in connection with their remuneration, both when seeking approval and when reporting to creditors and other interested parties after approval. One of the matters that an office holder has to comply with is that they must also seek approval for any payments that could reasonably be perceived as representing a threat to the office holder's objectivity or independence by virtue of a professional or personal relationship, including to an associate. Where it is anticipated that such payments will be made in a case they will be separately identified when seeking approval for the basis of the office holder's remuneration.

Other than in respect of Voluntary Arrangements an office holder is required to record the time spent on casework in all cases, even if they are being remunerated for that work on a basis other than time costs. Time is recorded directly to the relevant case and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Case Administration (including statutory reporting).
- Financials
- Realisation of Assets.
- Investigations.
- Creditors (claims and distributions).
- Trading
- Case specific matters.

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 15/08/2022	Previous charge-out rate per hour, effective from 01/10/2019	Previous charge-out rate per hour, effective from 01/10/2017	Previous charge-out rate per hour, effective from 01/10/2015	Previous charge-out rate per hour, effective from 01/10/2012 £	Previous charge-out rate per hour, effective from 01/10/2010 £
Senior Partner / appointment taker	£480	£420				
Partner / appointment taker	£380 - 400	£320-340	£295-375	£340-375	£275-£335	£275-£320
Senior Manager	£280 - 350	£295	£285	£285	£275	£275
Assistant Manager/Manager	£200 - 250	£240	£225	£225	£170-£275	£170-£275
Senior/Case Administrator	£150-180	£110-150	£125-175	£150-175	£90-£175	£90-£175
Support Staff	£110-125	£100-110	£85-100	£85-100	£60-£85	£60-£85

In cases where these staff undertake work, specific approval will be sought for the payment of the fees incurred.

These charge-out rates charged are reviewed regularly and are adjusted to take account of inflation and the firm's overheads.

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, and by reference to each separate category of work. The blended rate is calculated as the prospective average cost per hour, based upon the estimated time to be expended by each grade of staff at their specific charge out rate. 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.

A report accompanying the request to fix the basis of remuneration will include the fees estimate, as well as details of the expenses that will be, or are likely to be, incurred. Further information about expenses is given in a separate section below.

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 summarise that information in an average or "blended" rate for all of the work being carried out within the estimate, and by reference to each separate category of work, and will also say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. A report accompanying the request to fix the basis of remuneration will set out the potential assets in the case, the remuneration percentage proposed in respect of any realisations and the work covered by that remuneration, which may solely relate to work undertaken in connection with the realisation of the assets, but might also include other categories of work as listed above. The report will also include details of the expenses that will be, or are likely to be, incurred. Further information about expenses is given in a separate section below.

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.

A percentage of distributions made to unsecured creditors may also be requested, in order to cover the work associated with the agreement of claims and making the distribution.

The disclosure that we make will 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. In order to meet the requirements of SIP 9 it will also explain why the basis requested is expected to produce a fair and reasonable reflection of the work that we anticipate will be undertaken on the case.

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. A report accompanying the request to fix the basis of remuneration will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as details of the expenses that will be, or are likely to be, incurred. Further information about expenses is given in a separate section below.

The disclosure that we make will 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. In order to meet the requirements of SIP 9 we will also explain why the basis requested is expected to produce a fair and reasonable reflection of the work that we anticipate will be undertaken on the case.

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.

Direct Costs

Where we seek approval on a percentage and/or fixed fee basis, in order to meet the requirements of SIP 9 we also have to disclose the direct costs that are included within the remuneration that will be charged on those bases in respect of the work undertaken. The following are direct costs that will be included in respect of work undertaken in respect of each of the standard categories of work where the office holder is to be remunerated for such work on either a percentage or fixed fee basis:

- Case Administration (including statutory reporting) – staff costs, costs of case management system.
- Realisation of Assets - staff costs, costs of case management system.
- Investigations - staff costs, costs of case management system.
- Creditors (claims and distributions) - staff costs, costs of case management system.
- Trading - staff costs, costs of case management system, costs of accounting software.

Mixed basis

If remuneration is to be sought on a mixed basis, we will make it clear in the report accompanying the request to fix the basis of remuneration which basis will be charged for each category of work that is to be undertaken on the case.

Members' voluntary liquidations and Voluntary Arrangements
The legislation is different for members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) and Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee, and SIP 9 does not apply unless the members specifically request it. 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 fee bases
With the exception of IVAs and CVAs, which are usually VAT exempt, the office holder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Expenses
As already indicated, a report will accompany the request to fix the basis of remuneration and that will include details of expenses to be incurred, or likely to be incurred. 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.

Expenses are any payments from the insolvent estate that are neither an office holder's remuneration nor a distribution to a creditor, or a member. Expenses also include disbursements. Disbursements are payments that are first paid by the office holder and then reimbursed from the insolvent estate. Expenses are divided into those that do not need approval before they are charged to the estate (Category 1) and those that do (Category 2).

Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder. They can be paid by the office holder without obtaining prior approval. . Examples of costs that may amount to Category 1 expenses are professional advisors (who are not associates), statutory advertising, external meeting room hire (where the room is only hired for that meeting), external storage, specific penalty bond insurance, insolvency case management software fees charged on a per case basis, and Company search fees.

Category 2 expenses are either payments to associates, or payments in respect of expenses that have an element of shared costs, such as photocopying and mileage. Category 2 expenses require approval in the same manner as an office holder's remuneration before they can be paid.`

The practice intends to seek approval to recover the following Category 2 expenses that include an element of shared costs:

Room Hire	£50 per hour
Mileage	www.gov.uk/government/publications/rates-and-allowances-travel-mileage-and-fuel-allowances

Professional advisors may be instructed to assist the office holder on the case where they consider that such assistance is necessary to enable them to appropriately administer the case. The fees charged by any professional advisors used will be recharged at cost to the case. Where the professional advisor is not an associate of the office holder it will be for the office holder to agree the basis of their fees. Where the professional advisor is an associate of the office holder it will be for those responsible for fixing the basis of the office holder's remuneration to approve payments to them. The fees of any professional advisors are subject to the rights of creditors to seek further information about them or challenge them as summarised below. Professional advisors that may be instructed on a case include:

- Solicitors/Legal Advisors;
- Auctioneers/Valuers;
- Accountants;
- Book Debt Collectors;
- Quantity Surveyors;
- Estate Agents;
- Pension specialists;
- Employment Claims specialists; and
- GDPR/Cyber Security specialists.

Reporting and rights to challenge
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 charged by the office holder in the period covered by the report, i.e., the amount that the office holder is entitled to draw, together with the amount of remuneration actually drawn. If approval has been obtained for remuneration on a time costs basis, the time costs incurred will also be disclosed, whether drawn or not, together with the "blended" rates of such costs. The report will also compare the actual time costs incurred with those included in the fees estimate prepared when fixing the basis of the remuneration, and indicate whether the fees estimate is likely to be exceeded. If the fees estimate has been exceeded, or is likely to be exceeded, the report will explain why that is the case.

The report will also provide information about expenses incurred in the period covered by the report, together with those actually paid, together with a comparison with the estimated expenses. If the expenses incurred, or anticipated to be incurred, have exceeded the estimate provided the report will explain why that is the case.

Under the insolvency legislation the report must also include a statement of the legislative rights of creditors to request further information about the remuneration charged and expenses incurred in the period covered by the report, or to challenge them on the grounds that they are excessive. Extracts of the relevant insolvency rules dealing with these rights are set out below. Once the time period to seek further information about the office holder's remuneration and/or expenses for the period covered by the report has elapsed, then a Court Order is required to compel the office holder to provide further information about the remuneration and expenses. A Court order is required to challenge the office holder's remuneration and/or expenses for the period covered by the report. Once that period has elapsed, then a separate Court Order is required to allow an application out of time.

Under rule 18.9 of the Insolvency (England and Wales) Rules 2006, 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 office holder's remuneration and expenses, within 21 days of receipt of any report for the period. Any secured creditor may request the same details in the same time limit.

Under rule 18.34, 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 and/or basis of the office holder's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of any report for the period. Any secured creditor may make a similar application to court within the same time limit.

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.

Rule 14.4 The Insolvency (England and Wales) Rules 2016
Proof of Debt – General Form

Name of Company in Liquidation:	**Tredwell's Seven Dials LLP t/a Tredwells**
Company Registration Number:	OC381646
Date of Liquidation:	24 February, 2022
1 Name of creditor (If a company, please also provide the company registration number).	
2 Correspondence address of creditor (including any email address)	
3 Total amount of claim (£) (include any Value Added Tax)	
4 If amount in 3 above includes (£) outstanding uncapitalised interest, state amount.	
5 Details of how and when the debt was incurred. (If you need more space, attach a continuation sheet to this form)	
6 Details of any security held, the value of the security and the date it was given.	
7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.	
8 Details of any document by reference to which the debt can be substantiated	

9 Signature of creditor
(or person authorised to act on the creditor's behalf)

10 Address of person signing if different from 2 above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

Admitted to vote for

Amount (£)

Date

Peter Charalambous

Admitted for dividend for

Amount (£)

Date

Peter Charalambous

Notes:

1. There is no need to attach them now but the office holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.

2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.