

WU07

Notice of progress report in a winding-up by the court



Companies House



1 Company details

Company number 0 0 3 0 6 4 3 8
Company name in full Mitre Property Management Limited

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

2 Liquidator's name

Full forename(s) Douglas
Surname MacDonald

3 Liquidator's address

Building name/number 29 Craven Street
Street London
Post town WC2N 5NT
County/Region
Postcode
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 ①

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

① Other liquidator
Use this section to tell us about
another liquidator.

WU07

Notice of progress report in a winding-up by the court

6	Period of progress report																
From date	^d	1	^d	4	^m	0	^m	5	^y	2	^y	0	^y	2	^y	1	
To date	^d	1	^d	3	^m	0	^m	5	^y	2	^y	0	^y	2	^y	2	
7	Progress report																
<input checked="" type="checkbox"/> The progress report is attached																	
8	Sign and date																
Liquidator's signature	Signature																
																	
Signature date	^d	2	^d	3	^m	0	^m	6	^y	2	^y	0	^y	2	^y	2	

WU07

Notice of progress report in a winding-up by the court



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 Lisa Jenkins

Company name The MacDonald Partnership Ltd

Address 29 Craven Street

London

Post town WC2N 5NT

County/Region

Postcode

Country

DX

Telephone 020 3819 8600



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

Mitre Property Management Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £	From 14/05/2021 To 13/05/2022 £	From 14/05/2019 To 13/05/2022 £
COST OF REALISATIONS		
Bank Charges	88.00	220.00
Petitioners Deposit	NIL	(1,600.00)
Sec of State Fees	NIL	11,044.00
	<u>(88.00)</u>	<u>(9,664.00)</u>
	<u>(88.00)</u>	<u>(9,664.00)</u>
REPRESENTED BY		
ISA NIB		(9,664.00)
		<u>(9,664.00)</u>

Douglas MacDonald
Liquidator



Mitre Property Management Limited (In Compulsory Liquidation)
In the High Court of Justice - Business and Property Courts in Manchester
Number 00201 of 2019
Company Number: 00306438
Liquidator's Third Annual Progress Report

1. INTRODUCTION

- 1.1. I, Douglas MacDonald of The MacDonald Partnership Limited, 29 Craven Street, London, WC2N 5NT ("TMP") was appointed as Administrator over the Mitre Property Management Limited ("Mitre") ("the Company") on 11 July 2003.
- 1.2. The appointment as Administrator was made in accordance with the UK Insolvency Act 1986. The Manchester High Court recognised the Centre of Main Interests of the Company being within the UK and was satisfied the Administration Order and appointment could be made.
- 1.3. On 14 May 2019, the Administration Order was discharged, pursuant to section 18 of the Act, and the Company was wound up.
- 1.4. Pursuant to section 140(1) of the Act, I, Douglas MacDonald, was appointed as Liquidator of the Company. I am licensed in the UK by the Institute of Chartered Accountants in England and Wales.
- 1.5. The company's former trading address and registered office was Albemarle House, 1 Albermarle Street, London, W1S 4HA. The current registered office is 29 Craven Street, London, WC2N 5NT.
- 1.6. This report provides an update on the conduct of the liquidation for the period from 14 May 2021 to 13 May 2022. This report contains details of the progress made, the expected outcome for creditors and other information that the Liquidator is required to disclose.

2. PROGRESS OF LIQUIDATION

- 2.1. The history and background of Mitre is complex, and I would ask creditors to read this report in conjunction with my previous reports.
- 2.2. Creditors may recall that Mitre is part of Orb Estates Group of companies and that I also act as Liquidator of other Orb Estates Group companies. As I have already informed creditors, my investigations into the Orb Estates Group companies indicated potential recoveries into the Orb Estates Group companies and therefore Mitre.
- 2.3. As previously advised, it is deemed inappropriate to further particularise the detail of the ongoing investigation, conclusions or strategy at this stage, as it may prejudice the Mitre and the Orb Estates Group's position. I can, however, say that I, along with my team, continue to pursue potential recoveries, with the support of our legal advisers. We remain hopeful of a realisation for the benefit of creditors.



3. LIQUIDATOR'S ACTIONS TO DATE

- 3.1. Since I was appointed Liquidator, I have undertaken various tasks as part of my routine administrative functions. For example, I have filed notice of my appointment at Companies House and arranged for my appointment to be advertised in the London Gazette. These are tasks that are required by statute or regulatory guidance or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any direct benefit for creditors, they still must be carried out.

4. ASSETS

- 4.1. As outlined above a potential distribution from Orb Estates Group of Companies.

5. LIABILITIES

5.1. Secured Creditors

- 5.1.1. No creditors hold security over the company.

5.2. Preferential Creditors

- 5.2.1. There are no preferential creditors.

5.3. Unsecured Creditors

At the time of the administration the unsecured claims were as follows:

- 5.3.1. There were 23 unsecured trade and expense creditors with estimated claims of £7,923,552. During the administration 13 claims amounting to £66,095.60 were received.

- 5.3.2. There were 3 intercompany claims totaling £16,907,640.

6. RECEIPTS AND PAYMENTS ACCOUNT

- 6.1. A summary of the Receipts and Payments account for the period 14 May 2021 to 13 May 2022 is attached to this report in Appendix 1.
- 6.2. Please note that the figures included within the receipts and payments account are stated net of VAT.
- 6.3. There have been no receipts or payments to date other than the statutory fees charges by the Insolvency Service.

7. LIQUIDATORS FEE RESOLUTION

- 7.1. As the Administration Order was granted pre-Sept 2003, the fee resolution agreed in the Administration does not automatically follow through to the Liquidation.
- 7.2. I am required to ask the Creditors to pass a further resolution with respect to the basis of my remuneration in the Liquidation. Consequently, I asked creditors to pass resolutions as to how my fees should be charged.



- 7.3. I proposed that I be remunerated on a time cost basis i.e., by reference to time properly spent by me and members of this firm's staff at our standard charge out rates. However, I did not receive any response from the creditors; consequently the fee resolution proposed was not passed.
- 7.4. In accordance with Rule 18.22 of the Insolvency (England and Wales) Rules 2016 in the event of remuneration not being fixed by the creditors within 18 months after the date of the liquidator's appointment, the liquidator is entitled to such sum as is arrived at by applying the scale set out in schedule 11, of the Insolvency (England and Wales) Rules 2016, which is based on the realisations and distributions made in the liquidation.
- 7.5. In any event it has not been possible to draw any fees as there have been no realisations to date.
- 7.6. A copy of 'A Creditors Guide to Liquidator's Fees' published by the Association of Business Recovery Professionals and 'A Statement of Insolvency Practice 9 (Revised)' is available at the link:
<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/creditor-guides/more/29109/page/1/compulsory-liquidation/>
<https://www.r3.org.uk/technical-library/england-wales/sips/more/29125/page/1/sip-9-payments-to-insolvency-office-holders-and-their-associates>
- 7.7. Hard copies of these documents may also be requested by contacting Lisa Jenkins by phone on 020 3819 8600 or by email at Lisa.Jenkins@tmp.co.uk.

8. LIQUIDATOR'S FEES & DISBURSEMENTS

8.1. Liquidators Fees

- 8.1.1. For creditors information I have attached a copy of the current time costs and expenses for the Liquidation.
- 8.1.2. During the reporting period I have incurred fees of £1,377.25 represented by 6.65 hours at an average hourly rate of £207.11.
- 8.1.3. For the whole period of the of liquidation I have incurred fees of £6,136.75, represented by 24.10 hours at an average hourly rate of £254.64.
- 8.1.4. As previously reported, the Liquidator's unbilled time costs for the Administration (which preceded the Liquidation) are £32,750.

8.2. Liquidators Expenses

- 8.2.1. Category 1 expenses, incurred in the reporting period (which are payments to independent third parties that do not require creditors' consent) exclusive of VAT are as follows:

Postage and Co Searches	
ISA Statutory Bank Charges	88.00
Total	<u>88.00</u>

- 8.2.2. The ISA statutory bank charges are charged directly to the estate account and are drawn by the ISA once funds are available.



8.2.3. The above expenses have been incurred and are not an expense for which approval is required but are disclosed to provide creditors with a full understanding of the anticipated costs of liquidation.

8.2.4. Category 2 Expenses incurred in reporting period (which include payments in which The MacDonald Partnership Ltd have an interest) exclusive of VAT are as follows:

Printing and Stationery	<u>7.40</u>
Total	<u>7.40</u>

8.2.5. I have not been able to draw any expenses in this matter.

8.2.6. I have attached additional information in relation to the firm's billing policy on staffing, use of professional advisors, expenses, including category 2 expense recovery policy, and details of our current charge-out rates by staff grade.

9. DESCRIPTION OF WORK UNDERTAKEN WITHIN THE REPORTING PERIOD

9.1. Administration and Planning

This section of the analysis encompasses the cost of the liquidators and their staff in complying with their statutory obligations, internal compliance requirements, and all tax matters. This work includes the following:

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up physical/electronic case files (as applicable).
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and others 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 the protection of each estate).
- Complying with GDPR.
- Convening and holding general meetings of creditors and members (as applicable).
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case-by-case administrators.
- Preparing, reviewing and issuing annual progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.
- Filing returns at Companies House.

9.2. Investigations:

- Further investigations relating to the litigation as outlined in the report.
- Watching brief over the litigation in HP11.

9.3. Realisation of assets:

- Watching brief over the litigation in HP11.
- Dealing with the Liquidator of HP11 in the event of any realisations in the HP11 Liquidation.



9.4. Creditors:

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

10. CREDITORS RIGHTS

- 10.1. Within 21 days of receipt of this report, a creditor may request the liquidator to provide further information about the remuneration and expenses set out in this report. A request must be in writing, and may be made by a secured creditor, or an unsecured creditor with the concurrence of at least five per cent in value of the creditors (including that creditor), or the permission of the court.
- 10.2. Any secured creditor, or any unsecured creditor with either the concurrence of at least 10 per cent in value of the creditors (including that creditor) or the permission of the court, may apply to the court, on the grounds that the basis fixed for the liquidator's remuneration is inappropriate, or the remuneration or expenses charged by the liquidator is excessive.
- 10.3. The application must, subject to any order of the court under the paragraph above, be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question.
- 10.4. Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the liquidation.
- 10.5. 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:

www.creditorinsolvencyguide.co.uk/

11. MISCELLANEOUS

I would inform you that when carrying out all professional work relating to an insolvency appointment, Insolvency Practitioners are bound by the Insolvency Code of Ethics.

To comply with the Provision of Services Regulations, some general information about TMP, including about our complaints policy and Professional Indemnity Insurance and the Insolvency Code of Ethics, can be found in the attached summary sheet at Appendix 3. This general information also includes details of TMP's anti-Bribery policy.

TMP use personal information to fulfil the legal obligations under the Insolvency Act and other relevant legislation, and to fulfil the legitimate interests of keeping creditor and others informed about the insolvency proceedings. While discharging my duties as Liquidator, I may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, I am required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation our use of your personal data a copy of TMP's Privacy Notice can be found at:

<http://tmp.co.uk/downloads/privacy-policy/tmp-privacy-policy.pdf>



12. SUMMARY

The Liquidation will remain open until the recoveries as outlined have been realised. It is not possible to say when this will be achieved. Once resolved, the Liquidation will be finalised, and our files will be closed.

13. NEXT REPORT

The next report to creditors will be before or within two months of the 4th anniversary which is 13 May 2023.

Should you have any queries regarding this report, or the Liquidation in general, please contact Lisa Jenkins on 020 3819 8600.

A handwritten signature in black ink, appearing to read 'Douglas MacDonald'.

Douglas MacDonald
Liquidator

23 June 2022



APPENDIX 1

Receipts and payments accounts

1. Liquidation

Receipts and payments for the Liquidation of Mitre:

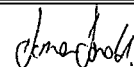
- 1.1. The receipts and payments accounts are shown net of VAT.
- 1.2. As shown on the receipts and payments account, Mitre currently has no funds. The ISA bank account shows a negative balance of £9,664.00 because of Secretary of State fees and other charges. *These will only be recouped in the event of a realisation into the Liquidation.* This is the normal presentation of receipts and payments in a compulsory liquidation.

Mitre Property Management Limited
(In Liquidation)
Liquidator's Summary of Receipts and Payments

RECEIPTS	Statement of Affairs (£)	From 14/05/2019 To 13/05/2021 (£)	From 14/05/2021 To 13/05/2022 (£)	Total (£)
Petitioners Deposit		1,600.00	0.00	1,600.00
		1,600.00	0.00	1,600.00
PAYMENTS				
Sec of State Fees		11,044.00	0.00	11,044.00
Bank Charges		132.00	88.00	220.00
		11,176.00	88.00	11,264.00
Net Receipts/(Payments)		(9,576.00)	(88.00)	(9,664.00)

MADE UP AS FOLLOWS

ISA NIB	(9,576.00)	(88.00)	(9,664.00)
	(9,576.00)	(88.00)	(9,664.00)



Douglas MacDonald
Liquidator



APPENDIX 2

Time costs and expenses

1. Time costs and expenses

In this instance the Creditors failed to approve the basis that the Liquidator may charge his fees. Consequently, the scale rate in Schedule 11 of The Insolvency (England and Wales) Rules 2016 will apply. However, for illustration purposes only, I have included within this appendix:

- 1.1. A schedule of the office-holder's time costs and expenses for the reporting period 14 May 2021 to 13 May 2022 and a separate schedule for the whole period up to 13 May 2022.

The Liquidator's time costs from 14 May 2021 to 13 May 2022 amount to £1,377.25 which comprises 6.65 hours at an average rate of £207.11 per hour. Most of this time relates to compliance and reporting.

- 1.2. Information in relation to the firm's billing policy on staffing, use of professional advisors, expenses, including Category 2 expense recovery policy, and details of our current charge-out rates by staff grade.

Mitre Property Management Ltd

(In Liquidation)

Liquidator:

Douglas MacDonald

Time Cost Analysis

For the period 14/05/21 - 13/05/22

Classification of Work		Insolvency Practitioner	Other IPs	Manager	Administrators & Support Staff	Total Hours	Time Cost	Average Hourly Rate
		Hours					£	£
Administration & Planning		0.00	0.00	0.00	1.05	1.05	£115.50	£110.00
Planning / Engagement	C91					0.00	£0.00	£0.00
Set-up	C92					0.00	£0.00	£0.00
Notification	C93					0.00	£0.00	£0.00
Statutory Duties	C94					0.00	£0.00	£0.00
Books / Records	C95					0.00	£0.00	£0.00
Cashiering	C96				0.95	0.95	£104.50	£110.00
Tax	C97					0.00	£0.00	£0.00
Compliance	C98				0.10	0.10	£11.00	£110.00
Other	C99					0.00	£0.00	£0.00
Realisation of Assets		0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Identification	C51					0.00	£0.00	£0.00
Retention of Title	C52					0.00	£0.00	£0.00
Property	C53					0.00	£0.00	£0.00
Book Debts	C54					0.00	£0.00	£0.00
Cash at Bank	C55					0.00	£0.00	£0.00
Insurance	C56					0.00	£0.00	£0.00
Tangible Assets	C57					0.00	£0.00	£0.00
Valuation & Marketing	C58					0.00	£0.00	£0.00
Other	C59					0.00	£0.00	£0.00
Investigations		0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Initial / Strategy	C81					0.00	£0.00	£0.00
Legal Action & Challenges	C82					0.00	£0.00	£0.00
Reports	C83					0.00	£0.00	£0.00
Books & Records	C85					0.00	£0.00	£0.00
Correspondence	C86					0.00	£0.00	£0.00
Other	C89					0.00	£0.00	£0.00
Creditors		0.00	0.75	1.55	3.30	5.60	£1,261.75	£225.31
Communication	C71					0.00	£0.00	£0.00
Creditors Claims	C72					0.00	£0.00	£0.00
Employee Claims	C73					0.00	£0.00	£0.00
Distributions	C74					0.00	£0.00	£0.00
Meetings	C76					0.00	£0.00	£0.00
Reports	C77		0.75	1.55	3.30	5.60	£1,261.75	£225.31
Other	C79					0.00	£0.00	£0.00
Trading		0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Total hours		0.00	0.75	1.55	4.35	6.65		
Hourly charge out rate		£0.00	£475.00	£350.00	£110.00			
Total time costs to date (£)		£0.00	£356.25	£542.50	£478.50	£1,377.25	£1,377.25	£207.11
Total time costs drawn in period (£)							£0.00	
Total time costs drawn from previous period (£)							£0.00	
Total time costs drawn from current period (£)							£0.00	

Mitre Property Management (In Liquidation)

Analysis of Expenses

For the period 14/05/21 - 13/05/22

Category 1 Expenses		
Amounts comprising external supplies of incidental services specifically identifiable to a case	Billed £	Unbilled £
Bordereau Statutory Advertising Postage & Company Searches Bank Charges		88.00
Total	0.00	88.00

Category 2 Expenses		
Other amounts paid or payable to the office holder's firm or to any party in which the office holder or his firm or any associate has an interest	Billed £	Unbilled £
Printing and stationery		7.40
Total	0.00	7.40

Mitre Property Management Ltd

(In Liquidation)

Liquidator:

Douglas MacDonald

Time Cost Analysis

Up to 13/05/22

Classification of Work		Insolvency Practitioner	Other IPs	Manager	Administrators & Support Staff	Total Hours	Time Cost	Average Hourly Rate
		Hours					£	£
Administration & Planning		0.00	1.10	4.00	6.00	11.10	£2,582.50	£232.66
Planning / Engagement	C91					0.00	£0.00	£0.00
Set-up	C92			0.35		0.35	£122.50	£350.00
Notification	C93		0.10	1.20		1.30	£467.50	£359.62
Statutory Duties	C94		0.50	0.80	0.20	1.50	£539.50	£359.67
Books / Records	C95				0.15	0.15	£16.50	£110.00
Cashiering	C96				3.60	3.60	£396.00	£110.00
Tax	C97					0.00	£0.00	£0.00
Compliance	C98		0.50	1.65	2.05	4.20	£1,040.50	£247.74
Other	C99					0.00	£0.00	£0.00
Realisation of Assets		0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Identification	C51					0.00	£0.00	£0.00
Retention of Title	C52					0.00	£0.00	£0.00
Property	C53					0.00	£0.00	£0.00
Book Debts	C54					0.00	£0.00	£0.00
Cash at Bank	C55					0.00	£0.00	£0.00
Insurance	C56					0.00	£0.00	£0.00
Tangible Assets	C57					0.00	£0.00	£0.00
Valuation & Marketing	C58					0.00	£0.00	£0.00
Other	C59					0.00	£0.00	£0.00
Investigations		0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Initial / Strategy	C61					0.00	£0.00	£0.00
Legal Action & Challenges	C62					0.00	£0.00	£0.00
Reports	C63					0.00	£0.00	£0.00
Books & Records	C65					0.00	£0.00	£0.00
Correspondence	C66					0.00	£0.00	£0.00
Other	C69					0.00	£0.00	£0.00
Creditors		0.00	1.25	6.95	4.80	13.00	£3,554.25	£273.40
Communication	C71			5.40		5.40	£1,890.00	£350.00
Creditors Claims	C72					0.00	£0.00	£0.00
Employee Claims	C73					0.00	£0.00	£0.00
Distributions	C74					0.00	£0.00	£0.00
Meetings	C76					0.00	£0.00	£0.00
Reports	C77		1.25	1.55	4.80	7.60	£1,664.25	£218.98
Other	C79					0.00	£0.00	£0.00
Trading		0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Total hours		0.00	2.35	10.95	10.80	24.10		
Hourly charge out rate		£0.00	£475.00	£350.00	£110.00			
Total time costs to date (£)		£0.00	£1,116.25	£3,832.50	£1,188.00	£6,136.75	£6,136.75	£254.64
Total time costs drawn to date (£)							£0.00	
Total time costs undrawn to date (£)							£6,136.75	

Mitre Property Management (In Liquidation)

Analysis of Expenses

Up to

13/05/22

Category 1 Expenses		
Amounts comprising external supplies of incidental services specifically identifiable to a case	Billed £	Unbilled £
Bordereau		
Statutory Advertising		94.50
Postage & Company Searches		51.05
Bank Charges		220.00
Secretary of State Fees		11,044.00
Total	0.00	11,409.55

Category 2 Expenses		
Other amounts paid or payable to the office holder's firm or to any party in which the office holder or his firm or any associate has an interest	Billed £	Unbilled £
Printing and stationery		174.35
Total	0.00	174.35



THE MACDONALD PARTNERSHIP LTD

CHARGE OUT RATES

Effective date

The charge out rates are effective from 1st October 2015.

Charge out rates

Title	Grade	Rate
		£ph
Insolvency Practitioners	1.1	575
	1.2	475
Managers	2.1	350
	2.2	275
	2.3	225
Administrators	3.1	110
	3.2	95
	3.3	80
Support Staff	4.1	55
	4.2	50
	4.3	45

NOTE:

Time is recorded in three minute increments.

THE MACDONALD PARTNERSHIP LTD FEES AND EXPENSES POLICY INTRODUCTION

The MacDonald Partnership Ltd is a specialist firm of licensed Insolvency Practitioners.

As a result, we have very specific and specialist billing structures. This schedule sets out our terms and conditions of billing to clarify the position.

GENERAL PHILOSOPHY

It is important to stress that the general philosophy of the firm's billing structure is as follows

1. To provide
 - (i) The highest possible quality in terms of
 - (a) technical excellence
 - (b) delivery of service.
 - (ii) The highest possible level of integrity and professionalism.
 - (iii) A personal service.
2. To provide value for money and to reflect the need for a reasonable profit and return in providing our services.

Given this, it is important to set a basic and reasonable pricing and billing structure to maximise the combined interests of our clients, third parties (such as banks and creditors) and the firm.

VARIATION FROM OUR BILLING STRUCTURE

The billing structure has been created to reflect the economic substance of providing the quality of service that we give.

To charge lower or different fees would be unprofitable for the firm. We will therefore only allow variations from our billing structure in extreme circumstances. Any such variation must be approved by either one of the managing or finance directors.

DEFINITIONS

FEES

Fees are the time charges that reflect the time spent on a case by a partner, director or staff member of the firm. Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment.

The legislation allows corporate recovery and insolvency cases fees to be charged on a time cost basis, a set fee basis, on a percentage of the assets realised and distributed or a mixture of the above. 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 mixed 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.

Time cost basis

The time charges that reflect the time spent on a case by a partner, director or staff member of the firm. 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 3 minute units with supporting narrative to explain the work undertaken.

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.

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.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken, or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Percentage basis

The 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.

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.

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 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 bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

A schedule of Charge Out Rates applies to each grade of staff and is available for inspection at any time.

EXPENSES

In new appointments made after 1 October 2015, we 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.

PROFESSIONAL ADVISORS

We use professional advisors on some of our assignments. The basis of our fee arrangements with advisors, which is subject to review on a regular basis, is generally on an hourly rate basis plus expenses. Fixed fee arrangements will be disclosed where applicable. Our choice of professional advisors is based on our perception of their experience and ability to perform the type of work required, the complexity and nature of the assignment and the basis of our fee arrangement with them.

EXPENSES

For the purposes of compliance with Statement of Insolvency Practice 9 (SIP 9) and R3's best practice guidelines, expenses are split into two categories.

Category 1 Expenses

Generally comprise those external supplies of incidental services specifically identifiable to a specific job or case. (including agents, insurances, as well as other outsourced services such as room hire, statutory advertising, court fees, couriers, postage, printing, travel and document storage).

Category 2 Expenses

Generally comprise costs, which whilst being in the nature of expenses, include elements of shared or allocated costs. Such expenses are listed below.

1	Binders	£1.15	Per item
2	Car	£0.50	Per mile
3	Copies (black)	£0.15	Per page
4	Dividers	£1.00	Per item
5	Envelopes	£0.10 - £0.15	Per item
6	Files	£6.00	Per item
7	Labels	£0.25	Per sheet
8	Letters	£2.20	Per letter
9	Printouts	£0.20	Per page

AGREEMENT OF FEES AND EXPENSES

CORPORATE RECOVERY AND INSOLVENCY

For corporate recovery and insolvency work, the following fee structure applies. For this specialist type of work, fees can either be charged on a time basis or on a scaled percentage charge of assets realised and distributed.

Unless otherwise stated, all corporate recovery and insolvency work is done on a time basis.

1. Pre-appointment work

Pre-appointment work includes (for example)

- (1) Nominees fees in individual and company voluntary arrangements.
- (2) Assistance and preparation in placing a company into liquidation.
- (3) Assistance in placing a company into administration.
- (4) Investigation work prior to a formal insolvency procedure, or general advisory work.

Pre-appointment work will be charged on the following basis:

- (1) Fees will be agreed with the firm's client in advance.
- (2) A standard engagement letter will be produced and it will refer to the fees and expenses policy, as a source of reference.
- (3) In cases where (due to urgency or unusual circumstances) no engagement letter has been drawn up, all fees will be charged according to this schedule.

2. Post appointment work

Post appointment work includes all work done as required by the Insolvency Act 1986 (as amended) and by the Insolvency Rules 1986 (as amended).

All post appointment fees and expenses must be approved by

- (1) By the creditors via a decision process, or
- (2) a meeting of a creditor or liquidation committee, or
- (3) both of the above, or
- (4) where there is a disagreement on the level of fees, by the procedure available in the Insolvency Rules 1986 (as amended).
- (5) in the case of an administrative receivership, by the debenture holder.

3. Scale charges

Where fees are taken on a realisation basis (other than a time charge basis) the scale charges are charged on the basis of the Scale Charges laid out in schedule 6 of the Insolvency Rules 1986, which is detailed as follows.

The realisations scale

(i)	On the first £5,000 or fraction thereof...	20%
(ii)	On the next £5,000 or fraction thereof...	15%
(iii)	On the next £90,000 or fraction thereof...	10%
(iv)	On all further sums realised...	5%

The distribution scale

(i)	Of the first £5,000 or fraction thereof...	10%
(ii)	On the next £5,000 or fraction thereof...	7½%
(iii)	On the next £90,000 or fraction thereof...	5%
(iv)	On all further sums realised...	2½%

4. Realisation and distribution for secure creditors

The realisation and distribution fees for any secured creditor (other than an appointing debenture holder) are based on the Official Receivers scale charges as detailed above.

MAINTENANCE OF RECORDS

The MacDonald Partnership Ltd maintains complete records on both time recording and expenses to ensure accuracy of charges.

DATA PROTECTION

Confidentiality of information is an important concern for The MacDonald Partnership Ltd. We are registered and comply with the data protection laws of the United Kingdom. Information about clients and creditors are held on databases. If you wish to know what information we hold about you please write to The Data Protection Officer, The MacDonald Partnership Ltd, 29 Craven Street, London WC2N 5NT to request details.

MONEY LAUNDERING

The MacDonald Partnership Ltd is required, by law, to assist the authorities in eradicating the laundering of proceeds of illegal activity. We may therefore ask certain questions in respect of the source of funds or other monies provided, as well as the identification of clients. We may also be required, in certain circumstances, to report to the relevant authorities on any suspicious activity. We are not required to inform any party of any report made about them.

Time Code Descriptions

C5 ASSETS	
C51 Identification	Review books and records and identify assets to be realised. Meetings with directors to discuss the assets to be realised.
C52 Retention of Title	Deal with any retention of title claims.
C53 Property	All matters relating to leasehold and freehold property, including disclaimers.
C54 Book Debts	Collection of book debts, including appointing a solicitors or agent to recover if applicable.
C55 Plant & Machinery	All matters relating to plant and machinery.
C56 Insurance	Arrange insurance of assets and property.
C57 Tangible Assets	Any other tangible assets including, stock, fixtures and fittings and equipment
C58 Valuation & Marketing	Appointing and liaising with agents to value and market assets.
C59 Intangible Assets	Any intangible assets including, cash at bank and intellectual property rights/patents.
C6 INVESTIGATION	
C61 Initial / Strategy	Initial review and investigation strategy. Identifying potential claims.
C62 Legal Action & Challenges	Liaising with solicitors and relevant parties if claims or directors being pursued legal etc.
C63 Reports	Report to DTI on directors' conduct.
C65 Books & Records	Review books and records to identify claims against third parties and directors conduct.
C66 Correspondence	General correspondence regarding investigations.
C69 Other	Any other matters in regard to investigations that are not covered above.
C7 CREDITORS	
C71 Communication	All general correspondence with creditors.
C72 Creditors Claim	All aspect of the creditor's claim including, agreeing, rejecting and adjudicating.
C73 Employee Claim	Processing RPO claims and dealing with any residual claims.
C74 Distributions	Issuing notice of Intention to declare a dividend and preparing distribution for cashier.
C76 Meetings	Preparing for and attending any creditors' meetings.
C77 Reports	Preparing reports for creditors. SIP 9 Reports.
C79 Other	Any other matters that do not fall into the above categories.

C8 TRADING	
C81 Planning	Planning trading strategy.
C82 Management	Management of day to day company trading issues.
C83 Customers	Dealing with customers regarding orders.
C84 Suppliers	Dealing with suppliers, placing orders and managing debts etc.
C85 Property Matters	Dealing with the landlord, utilities and rates and any other property matters.
C86 Accounting	Preparing trading accounts.
C87 Tax	Preparing all tax returns.
C88 Employees	Dealing with wages and general day to day staff matters, including redundancies.
C89 Other	Any other matters that do not fall into the above categories.
C9 CASE ADMINISTRATION	
C91 Planning / Engagement	Initial meeting with director, planning strategy and engagement.
C92 Set-up	Set-up case administration on IPS and Timeslips.
C93 Notification	Initial notification of appointment to creditors, Court, Companies House and pension regulator and any other parties identified.
C94 Stat Duties	R & P to Companies House and other parties and all reporting with in statutory time frames.
C95 Books/Records	Collection and listing of books and records immediate before or on appointment.
C96 Cashiering	Any estate accounting, i.e. receipts in and payments out for the estate account. Bank reconciliations. Ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
C97 Tax	All returns and VAT matters dealt with in the relevant time scales.
C98 Compliance	Case reviews, completing checklists and ensure that the case is being progressed in line with the firm's practices and the statutory guidelines.
C99 Other	Any other matters that do not fall into the above categories.



APPENDIX 3

Provision of Services Regulations



Standard Provision of Service Regulations and Information Summary

1. Licensing Body

Elizabeth Aird-Brown is licensed to act as an Insolvency Practitioner in the United Kingdom by the Institute of Chartered Accountants in England and Wales.

2. Rules Governing Actions

All IPs are bound by the rules of their professional body, including any that relate specifically to insolvency. The rules of the professional body that licences Elizabeth Aird-Brown and Douglas MacDonald can be found at:

<https://www.icaew.com/-/media/corporate/files/members/regulations-standards-and-guidance/master--insolvency-regulations-and-guidance-notes-010518.ashx?la=en>

In addition, IPs are bound by the Statements of Insolvency Practice (SIPs), details of which can be found at:

<https://www.r3.org.uk/technical-library/england-wales/sips/>

3. Ethics

All IPs are required to comply with the Insolvency Code of Ethics and a copy of the Code can be found at:

<https://www.icaew.com/regulation/insolvency/sips-regulations-and-guidance/insolvency-code-of-ethics#New%20Insolvency%20Code>

4. Complaints Procedure

4.1. If you would like to talk to us about how we could improve our service to you, or if you are unhappy with the service you are receiving, please let us know by telephoning Neil Chesterton on 020 3819 8600.

4.2. Any dispute or issue on service will formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

4.3. Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may ask for the complaint to be referred to the regulatory body that licenses our insolvency practitioners. Any such complaints should be addressed to IP Complaints, Insolvency Service, 3rd Floor, 1 City Walk, Leeds, LS11 9DA. You will be required to fully complete a form which can be downloaded from www.gov.uk/complain-about-insolvency-practitioner.

4.4. You may also email or call to complain emailing insolvency.enquiryline@insolvency.gsi.gov.uk or you may phone 0300 678 0015.

5. Professional Indemnity Insurance

Our professional indemnity insurance is provided by Travelers Insurance Company Ltd, Exchequer Court, 33 St. Mary Axe, London, EC3A 8AG. This professional indemnity insurance provides worldwide coverage excluding professional business carried out from an office in the United States of America or Canada, and any action for any claim brought in any court in the United States of America or Canada.

6. VAT Registration Number

TMP's VAT Registration number is 468 8925 77.

7. Bribery Act 2010

- 7.1. TMP is committed to applying the highest standards of ethical conduct and integrity in its business activities. Every employee and individual acting on TMP's behalf is responsible for maintaining our reputation and for conducting company business honestly and professionally.
- 7.2. TMP takes a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate.
- 7.3. TMP requires all those who are associated with it to observe the highest standards of impartiality, integrity and objectivity.
- 7.4. TMP prohibits anyone acting on its behalf from:
 - 7.4.1. bribing another person. A bribe includes the offering, promising or giving of any financial or other type of advantage;
 - 7.4.2. accepting a bribe. This includes requesting, agreeing to receive or accepting any financial, or another kind of advantage;
 - 7.4.3. bribing a foreign public official; and
 - 7.4.4. condoning the offering or acceptance of bribes.
- 7.5. TMP will:
 - 7.5.1. avoid doing business with others who do not accept our values and who may harm our reputation;
 - 7.5.2. maintain processes, procedures and records that limit the risk of direct or indirect bribery;
 - 7.5.3. promote awareness of this policy amongst its staff, those acting on its behalf and entities with which it has any commercial dealings;
 - 7.5.4. investigate all instances of alleged bribery, and will assist the police, and other authorities when appropriate, in any resultant prosecutions. In addition, disciplinary action will be considered against individual members of staff;
 - 7.5.5. review this policy regularly and update it when necessary.