

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



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A18

20/05/2020

#68

COMPANIES HOUSE

1 Company details

Company number 00628491

Company name in full Killby & Gayford Limited

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

2 Liquidator's name

Full forename(s) Danny

Surname Dartnaill

3 Liquidator's address

Building name/number Thames Tower Level 12

Street Station Road

Post town Reading

County/Region

Postcode RG11LX

Country

4 Liquidator's name

Full forename(s) Simon

Surname Girling

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

5 Liquidator's address

Building name/number Bridgewater House

Street Counterslip

Post town Bristol

County/Region


Postcode BS16BX

Country

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

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report											
From date	^d 2	^d 4	^m 0	^m 4	^y 2	^y 0	^y 1	^y 9				
To date	^d 2	^d 3	^m 0	^m 4	^y 2	^y 0	^y 2	^y 0				
7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												
8	Sign and date											
Liquidator's signature	<div>Signature X  X</div>											
Signature date	^d 1	^d 9	^m 0	^m 5	^y 2	^y 0	^y 2	^y 0				

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 **Martin Woodhall**

Company name **BDO LLP**

Address **Thames Tower**

Level 12

Station Road

Post town **Reading**

Country/Region

Postcode **R G 1 1 L X**

Country

DX

Telephone **0118 925 4400**

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

**Killby & Gayford Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs	From 24/04/2019 To 23/04/2020	From 24/04/2013 To 23/04/2020
£	£	£
ASSET REALISATIONS		
Admin VAT Refund	NIL	64.57
Bank Interest Gross	1,517.03	12,932.98
262,862.50 Book Debts	NIL	342,835.03
Cash at Bank	NIL	1,000.00
Mesothelioma	NIL	161,015.26
Sundry Refunds	NIL	1,055.05
1,166,608.49 Transfer From Admin	NIL	1,166,608.49
VAT Refund	19,682.41	61,071.23
	21,199.44	1,746,582.61
COST OF REALISATIONS		
Agents (Mesothelioma)	NIL	24,152.28
Agents/Valuers Fees (1)	NIL	142,971.09
Bank Charges	NIL	60.00
Book Debt Agents Fees	NIL	4,000.00
Corporation Tax	NIL	2,666.26
Insurance of Assets	NIL	3,445.00
Joint Administrators' Disbs	NIL	2.00
Joint Administrators' Fees	9,773.00	224,773.00
Legal Fees (1)	23,942.00	24,892.00
Stationery & Postage	NIL	3,151.04
Storage Costs	1,961.90	13,282.66
Sundry Costs	NIL	75.00
VAT Paid	NIL	22,527.22
	(35,676.90)	(465,997.55)
PREFERENTIAL CREDITORS		
Preferential E.P.A.	NIL	202,918.90
Preferential Hol. Pay	NIL	49,113.36
Preferential Wages	NIL	23,592.50
	NIL	(275,624.76)
FLOATING CHARGE CREDs		
Floating Charge (1)	9,773.00	710,680.77
	(9,773.00)	(710,680.77)
1,429,470.99	(24,250.46)	294,279.53
REPRESENTED BY		
Bank 2 Current		251,000.14
Vat Input		83,913.63
Vat Output		(40,634.24)
		294,279.53

Note:

On 28 August 2013 a dividend of £275,625 was paid to preferential creditors at a rate of 100p in the £.



Tel: +44 (0)151 237 4500
Fax: +44 (0)151 237 4545
www.bdo.co.uk

5 Temple Square
Temple Street
Liverpool
L2 5RH

TO ALL KNOWN CREDITORS

19 May 2020

Our Ref 00185866/C2/DD/VN

Please ask for Vicki Noonan
0151 237 4422
BRCMT@bdo.co.uk

Dear Madams/Sirs

Killby & Gayford Limited - In Creditors' Voluntary Liquidation ('the Company')
Registered number: 00628491

I set out below an annual progress report in accordance with Section 104A of the Insolvency Act 1986 and Rule 18.4 of the Insolvency (England and Wales) Rules 2016 ('the Rules'). This report covers the period from 24 April 2019 to 23 April 2020 ('the Period') and should be read in conjunction with my previous reports.

Statutory Information

The Joint Liquidators are Danny Dartnaill (officeholder No: 10110) of BDO LLP, Thames Tower, Level 12, Station Road, Reading, RG1 1LX and Simon Girling (officeholder No: 9283) of BDO LLP, Bridgewater House, Counterslip, Bristol, BS1 6BX. The Joint Liquidators were appointed on 24 April 2013 and carry out their functions jointly and severally meaning any action can be done by one Liquidator or by both of them.

Receipts and Payments

I attach for your information a summary of my Receipts and Payments account, analysed to show activity in the last year compared to the whole of the Liquidation. The account shows a balance in hand of £250,884 for your information.

Receipts

Since my last report, a realisation of £19,682 has been made in relation to a VAT refund. The only other receipt in the Period is £1,517 in respect of bank interest.

Payments

During the Period, payments were made in respect of Joint Administrators' Remuneration and legal fees which are discussed further below. The only other payment made has been £1,962 to cover storage costs.

Costs in the Liquidation

As previously reported, Bryan Cave Leighton Paisner LLP ('BCLP') have been engaged to advise the Liquidators in pursuing recovery of the material contractual book debt. During the Period

BDO LLP, a UK limited liability partnership registered in England and Wales under number OC305127, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. A list of members' names is open to inspection at our registered office, 55 Baker Street, London W1U 7EU. BDO LLP is authorised and regulated by the Financial Conduct Authority to conduct investment business

The Joint Liquidators are Data Controllers as defined by the General Data Protection Regulations. BDO LLP will act as Data Processor on the instruction of the Data Controllers. Personal data will be kept secure and processed only for matters relating to the Liquidation of Killby & Gayford Limited. Please see the privacy statement at <https://www.bdo.co.uk/en-gb/privacy-notices/insolvencies>



legal fees of £23,942 were paid to BCLP. No other costs have been accrued during the period.

Progress of the Liquidation

The Joint Liquidators are continuing to pursue the recovery of the assets detailed below. It is anticipated that a distribution will be made to unsecured creditors via the Prescribed Part once the remaining assets have been realised. The timing and quantum of any dividend is uncertain at present.

Assets

Book Debts & Retentions

The Joint Liquidators appointed independent agents, Driver Group to assist with the book debt collection process. To date, book debt collections during the Liquidation total £342,835, none of which were realised during the Period

Driver Group have continued to pursue an outstanding contractual book debt, which has a material balance, however negotiations continued to be protracted, and the claim was disputed. With the agreement of the secured creditor I therefore instructed solicitors to pursue settlement of the amount due. Due to the contractual nature of the book debts and the fact it was heavily disputed, it has been deemed not cost effective to pursue this debt further. No further book debt realisations are therefore anticipated.

Inter-company Debtors

As previously reported, there are debts due from group companies totalling £21,392,349.

There will be no recoveries from the insolvencies of Killby & Gayford Group Limited and Killby & Gayford (Consolidation) Limited in respect of debts of £8,143,151 and £11,070,457.

Recoveries from the Liquidation of Killby & Gayford (Holdings) Limited are anticipated to be in the region of £2,000.

I can confirm that there are no assets of a peculiar or special nature which cannot be sold. Consequently there has been no distribution of unsold assets to creditors, as mentioned in Rules 18.10/14.13 of the Insolvency (England & Wales) Rules 2016.

Future Prospects

Secured Creditors

The Company's secured creditors are The Bank of Scotland ('BoS') and Growth Capital Partners ('GCP').

BoS were owed £1,675,641 from the Killby & Gayford group of companies at the date of Administration being 18 April 2012. As detailed in my previous report, BoS has been repaid in full from distributions made during the Company's Administration and Liquidation.

GCP is owed £6,075,000 from the Group, which is secured by a debenture also dated 14 September 2007. GCP's security ranks behind that held by BoS.

During the Period I made a further distribution on account of floating charge realisations to GCP



in the sum of £9,773, bringing the total distributed to £199,773. GCP will suffer a significant shortfall under its security.

Preferential Creditors

All preferential claims have been settled in full.

Unsecured Creditors and the Prescribed Part

Under Section 176A of the Insolvency Act 1986 where after 15 September 2003 the company has granted to a floating charge to a secured creditor, a proportion of the net property of that company must be made available purely for the unsecured creditors. The Company did grant a floating charge to a creditor after this date, and consequently, the Prescribed Part applies.

Based on present information the Joint Liquidators estimate that after allowing for costs, the value of the Company's net property will be in the region of £1,300,000, and this means the prescribed part would be £263,000.

To date, unsecured claims totalling £30,959,410 have been received, therefore, it is estimated that the prescribed part dividend will be in the region of 0.8p in the £. The timing of any dividend payment is uncertain at present.

Investigations

The Joint Liquidators have a duty to investigate the affairs of the Company and also the conduct of the directors and in respect of the latter, to submit a confidential statutory report to the Secretary of State. I confirm that a report has been submitted.

I have completed the review of the Company's affairs and assets to establish whether there are any actions that can be investigated for the benefit of the creditors and concluded there are no causes of action to be pursued.

Joint Administrators' Remuneration

As detailed in my previous report, approval of the Joint Administrators' fees was sought and obtained from the secured creditors on a time costs basis totalling £275,000 plus VAT, in accordance with the relevant insolvency legislation.

The Joint Administrators' fees drawn to date total £224,773 plus VAT with £9,773 plus VAT being drawn during the Period.

Time costs totalling £56,822 were written-off during the Administration.

Joint Liquidators' Remuneration

Pursuant to the Rules, the Joint Liquidators are obliged to fix their remuneration in accordance with Rule 18.16. This permits remuneration to be fixed either:

- (1) As a percentage of the assets realised and distributed; and/or
- (2) By reference to the time the Joint Liquidators and the staff have spent attending to matters in the Liquidation; and/or



(3) As a set amount; and/or

(4) As a combination of the above.

Pursuant to the relevant insolvency legislation, where a company which was in Administration moves to Liquidation under Paragraph 83 of Schedule B1 of the Insolvency Act 1986, the basis of the remuneration fixed in the Administration is treated as having been fixed in the Liquidation.

To date, the Joint Liquidators have not drawn any fees in respect of remuneration as shown on the enclosed Receipts and Payments account.

I attach two schedules detailing the time costs incurred to date. The first schedule covers the Period. This records time costs of £32,544 which represents 101 hours spent at an average charge out rate of £322 per hour.

The second schedule covers the whole period of appointment and records time costs of £249,637 which represents 1,119 hours spent at an average charge out rate of £223 per hour.

For guidance, I enclose a document that outlines the policy of BDO LLP in respect of fees and disbursements.

Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements.

Since my last report no category 1 disbursements have been incurred. I therefore report that during the Liquidation I drawn category 1 disbursements totalling £4,256 in relation to travel, storage and courier services.

Some Liquidators recharge expenses, for example printing, photocopying and telephone costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors before they can be drawn, and these are known as category 2 disbursements. The policy of BDO LLP in respect of this appointment is not to charge any category 2 disbursements with the exception of mileage on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to the creditors. No category 2 disbursements have accrued during the Liquidation.

Creditors' rights

I provide at the end of this report an extract from the Rules setting out the rights of creditors to request further information and/or challenge the remuneration or expenses within the Liquidation. Creditors may access information setting out creditors' rights in respect of the approval of the Joint Liquidators' remuneration at: <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit: <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.



The Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code can be found at:
<https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

If you require any further information please contact me or my colleague Vicki Noonan at BRCMT@bdo.co.uk.

Yours faithfully
For and on behalf of
Killby & Gayford Limited

A handwritten signature in black ink, appearing to read 'Danny Dartnaill', written over a horizontal line.

Danny Dartnaill
Joint Liquidator
Authorised by the Institute of Chartered Accountants in England & Wales in the UK

Enclosures
Receipts and Payments Account
SIP 9 Time Cost Report for the Period of Report
SIP 9 Time Cost Report for the Period of Liquidation
BDO LLP Policy in Respect of Fees and Disbursements
Statement of Creditors' Rights in respect of Fees and Disbursements

Killby & Gayford Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs	From 24/04/2019 To 23/04/2020	From 24/04/2013 To 23/04/2020
£	£	£
ASSET REALISATIONS		
Admin VAT Refund	NIL	64.57
Bank Interest Gross	1,517.03	12,932.98
262,862.50 Book Debts	NIL	342,835.03
Cash at Bank	NIL	1,000.00
Mesothelioma	NIL	161,015.26
Sundry Refunds	NIL	1,055.05
1,166,608.49 Transfer From Admin	NIL	1,166,608.49
VAT Refund	19,682.41	61,071.23
	21,199.44	1,746,582.61
COST OF REALISATIONS		
Agents (Mesothelioma)	NIL	24,152.28
Agents/Valuers Fees (1)	NIL	142,971.09
Bank Charges	NIL	60.00
Book Debt Agents Fees	NIL	4,000.00
Corporation Tax	NIL	2,666.26
Insurance of Assets	NIL	3,445.00
Joint Administrators' Disbs	NIL	2.00
Joint Administrators' Fees	9,773.00	224,773.00
Legal Fees (1)	23,942.00	24,892.00
Stationery & Postage	NIL	3,151.04
Storage Costs	1,961.90	13,282.66
Sundry Costs	NIL	75.00
VAT Paid	NIL	22,527.22
	(35,676.90)	(465,997.55)
PREFERENTIAL CREDITORS		
Preferential E.P.A.	NIL	202,918.90
Preferential Hol. Pay	NIL	49,113.36
Preferential Wages	NIL	23,592.50
	NIL	(275,624.76)
FLOATING CHARGE CREDS		
Floating Charge (1)	9,773.00	710,680.77
	(9,773.00)	(710,680.77)
1,429,470.99	(24,250.46)	294,279.53
REPRESENTED BY		
Bank 2 Current		251,000.14
Vat Input		83,913.63
Vat Output		(40,634.24)
		294,279.53

Note:

On 28 August 2013 a dividend of £275,625 was paid to preferential creditors at a rate of 100p in the £.

Name of Assignment

Kilby & Gayford Limited - CVL

00185866

Summary of Time Charged and Rates Applicable for the Period From 24/04/2019 to 23/04/2020

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL		AVG
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	
B. Steps on Appointment	0.55	281.05	0.50	195.50	0.50	65.50	1.85	98.70	11.85	899.15	6.45	587.50	0.50	195.50	391.0
D. General Administration			14.95	6,168.85									37.15	8,100.55	218.9
E. Assets Realisation/Dealing			42.25	18,355.75									42.25	18,355.75	454.4
H. Creditor Claims			4.00	1,712.50					2.00	142.00			6.00	1,854.50	309.0
I. Reporting			6.25	2,646.50	1.50	190.50	0.35	44.45	5.05	353.45			13.15	3,234.00	246.0
J. Distribution and Closure			2.00	796.00			0.05	6.55					2.05	802.55	391.4
	0.55	281.05	69.95	29,875.10	2.00	256.00	2.25	149.70	19.90	1,944.60	6.45	587.50			
													101.10	32,543.75	
														0.00	
														0.00	
														0.00	
														32,543.75	

Net Total

Secretarial Expense

Other Disbursements

Billed

Grand Total

Detail of Time Charged and Rates Applicable for the Period From 24/04/2013 to 23/04/2020

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
B. Steps on Appointment														
02. Statutory Documentation			5.75	1,750.00									5.75	1,750.00
03. Review Company Search			2.75	998.25									2.75	998.25
08. Detail Documentation Review			2.00	726.00									2.00	726.00
12. Setting up Internal Files			2.50	979.00									2.50	979.00
sub total -			13.00	4,453.25									13.00	4,453.25
B. Steps on Appointment														
C. Planning and Strategy														
02. Review Financial Position			2.75	767.25									2.75	767.25
07. Strategy Planning			2.25	627.75									2.25	627.75
sub total -			5.00	1,395.00									5.00	1,395.00
C. Planning and Strategy														
D. General Administration														
01. Insurance Matters														
02. VAT			3.50	1,229.75									3.50	1,229.75
03. Taxation			17.50	5,703.00							0.95	83.25	29.30	7,081.10
04. Instruct/Liaise Solicitors			15.50	5,477.75					10.85	1,294.85			17.90	5,695.35
05. Investigations			1.75	755.25					0.40	48.40	2.00	169.20	1.75	755.25
			6.00	1,674.00									6.00	1,674.00

Detail of Time Charged and Rates Applicable for the Period From 24/04/2013 to 23/04/2020

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
06 Conduct Reports			0.75	209.25									0.75	209.25
07 Receipts/Payment Accounts	0.40	204.40	20.45	6,593.40	0.80	99.80	3.25	342.65	43.10	4,704.55	27.25	2,152.70	95.25	14,097.50
08 Remuneration Issues	0.15	76.65	6.75	2,115.50							0.65	59.80	7.55	2,251.95
09 Statutory Matters			1.65	668.95			0.25	31.55	1.00	67.00			2.90	767.50
15 Gen. Admin/Correspondence	0.30	153.70	1.90	633.40			0.85	109.25	23.15	1,652.10	3.90	329.15	30.10	2,877.60
16 Mandaun Internal Files			29.25	10,815.75	1.00	128.25							30.25	10,944.00
sub total -	0.85	434.75	105.00	35,876.00	1.80	228.05	4.35	483.45	78.50	7,766.90	34.75	2,794.10	225.25	47,583.25
D. General Administration														
E. Assets Realisation/Dealing			5.00	1,366.00									5.00	1,366.00
04. Agent Instruction/Traising			168.25	63,393.50									168.25	63,393.50
07 Debt Collection			4.00	1,576.50									4.00	1,576.50
09 Dealing with other Assets									0.50	45.50			0.50	45.50
99 Other Matters														
sub total -			177.25	66,336.00					0.50	45.50			177.75	66,381.50
E. Assets Realisation/Dealing														
F. Trading Related Matters														
99 Other Matters									0.75	68.25			0.75	68.25

Name of Assignment

Kilby & Gayford Limited - CVL

00185866

Detail of Time Charged and Rates Applicable for the Period From 24/04/2013 to 23/04/2020

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
sub total -				0.00					0.75	68.25			0.75	68.25
F. Trading Related Matters														
G. Employee Matters														
02. Dealing with Employees			10.25	2,925.25					16.45	1,788.30			26.70	4,713.55
03. EPA Matters			1.75	488.25									1.75	488.25
04. Pension Issues			4.75	1,531.25					6.35	711.20			11.10	2,242.45
99. Other Matters									4.95	472.45			4.95	472.45
sub total -			16.75	4,944.75					27.75	2,971.95			44.50	7,916.70
G. Employee Matters														
H. Creditor Claims														
01. Validity of charges														
02. Secured Creditors			3.75	1,402.00							2.00	154.00	2.00	154.00
03. Preferential Creditors			2.00	768.25									3.75	1,402.00
04. Non-Preferential Creditors			147.40	48,256.10					306.20	37,291.80	7.50	611.80	461.10	86,159.70
06. Other Creditors									0.65	81.25			0.65	81.25
99. Other Matters									2.70	259.20			2.70	259.20

Detail of Time Charged and Rates Applicable for the Period From 24/04/2013 to 23/04/2020

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
sub total -														
H. Creditor Claims														
I. Reporting														
01. Statutory Reporting			153.15	50,436.35					309.55	37,652.25	9.50	765.90	472.20	88,824.40
02. Reporting to Appointor														
04. Reporting to Creditors			1.50	481.50	4.70	587.30	0.35	44.45	12.10	825.80	16.20	1,288.10	34.85	3,227.15
			21.00	6,831.00									21.00	6,831.00
			33.75	12,058.50					2.80	338.40	13.90	1,081.50	50.45	13,478.40
sub total -			56.25	19,371.00	4.70	587.30	0.35	44.45	14.90	1,164.20	30.10	2,369.60	104.30	23,536.55
I. Reporting														
J. Distribution and Closure														
02. Distributions			8.25	2,801.75			0.05	6.55	65.60	6,670.00			73.90	9,478.30
			8.25	2,801.75			0.05	6.55	65.60	6,670.00			73.90	9,478.30
sub total -														
J. Distribution and Closure														
Net Total														249,637.20
Secretarial Expense														0.00
Other Disbursements														0.00
Billed														0.00
Grand Total														249,637.20



Killby & Gayford Limited - In Liquidation

In accordance with best practice I provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within my firm who may be involved in working on the insolvency, follows:

GRADE	£
Partner	549-665
Manager	285-499
Assistant Manager	257
Senior Administrator	240-257
Administrator	83-230
Other Staff	90

This in no way implies that staff at all such grades will work on the case. The rates charged by BDO LLP are reviewed in December and July each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories:-

Pre Appointment
Steps upon Appointment
Planning and Strategy
General Administration
Asset Realisation/Management
Trading Related Matters
Employee Matters
Creditor Claims
Reporting
Distribution and Closure
Other Issues.

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.

Other Costs

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.



1) Category 1

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents etc. In each case the recharge will be reimbursement of a specific expense incurred.

2) Category 2

I propose to recover from the estate the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff. Where costs are incurred in respect of mileage, approval will be sought in accordance with the Insolvency (England and Wales) Rules 2016 to recover this disbursement.

Where applicable, all disbursements will be subject to VAT at the prevailing rate.

BDO LLP
19 May 2020

Statement from the Insolvency (England and Wales) Rules 2016 regarding the rights of creditors in respect of the Joint Liquidators' fees and expenses:

Creditors' and members' requests for further information in administration, winding up and bankruptcy

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
 - (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
 - (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
 - (d) any unsecured creditor with the permission of the court; or
 - (e) any member of the company in a members' voluntary winding up with the permission of the court.
- (2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.
- (3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—
- (a) providing all of the information requested;
 - (b) providing some of the information requested; or
 - (c) declining to provide the information requested.
- (4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—
- (a) the time or cost of preparation of the information would be excessive; or
 - (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
 - (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
 - (d) the office-holder is subject to an obligation of confidentiality in relation to the information.
- (5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.
- (6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—
- (a) the office-holder giving reasons for not providing all of the information requested; or
 - (b) the expiry of the 14 days within which an office-holder must respond to a request.
- (7) The court may make such order as it thinks just on an application under paragraph (6).

Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
 - (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
 - (c) the expenses incurred by the office-holder are in all the circumstances excessive.
- (2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—
- (a) a secured creditor,
 - (b) an unsecured creditor with either—
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
 - (c) in a members' voluntary winding up—
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ('the relevant report').

Applications under rules 18.34 and 18.35 where the court has given permission for the application

18.36.—(1) This rule applies to applications made with permission under rules 18.34 and 18.35.

- (2) Where the court has given permission, it must fix a venue for the application to be heard.
- (3) The applicant must, at least 14 days before the hearing, deliver to the office-holder a notice stating the venue and accompanied by a copy of the application and of any evidence on which the applicant intends to rely.
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders—
- (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
 - (b) an order reducing any fixed rate or amount;
 - (c) an order changing the basis of remuneration;
 - (d) an order that some or all of the remuneration or expenses in question is not to be treated as expenses of the administration, winding up or bankruptcy;
 - (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
 - (i) the administrator or Liquidator or the administrator's or Liquidator's personal representative to the company, or
 - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
 - (f) any other order that it thinks just.
- (5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.
- (6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration, winding up or bankruptcy.

Applications under rule 18.34 where the court's permission is not required for the application

18.37.—(1) On receipt of an application under rule 18.34 for which the court's permission is not required, the court may, if it is satisfied that no sufficient cause is shown for the application, dismiss it without giving notice to any party other than the applicant.

- (2) Unless the application is dismissed, the court must fix a venue for it to be heard.
- (3) The applicant must, at least 14 days before any hearing, deliver to the office-holder a notice stating the venue with a copy of the application and of any evidence on which the applicant intends to rely.
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders—
- (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
 - (b) an order reducing any fixed rate or amount;
 - (c) an order changing the basis of remuneration;
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration or winding up or bankruptcy;
 - (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
 - (i) the administrator or Liquidator or the administrator's or Liquidator's personal representative to the company, or
 - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
 - (f) any other order that it thinks just.
- (5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.
- (6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration or as winding up or bankruptcy.