

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

00638133

Name of Company

International Training Service Ltd

I / We

Timothy Frank Corfield, 26/28 Goodall Street, Walsall, West Midlands, WS1 1QL

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 08/02/2014 to 07/02/2015

Signed



Date

2/4/15

Griffin & King Insolvency
26/28 Goodall Street
Walsall
West Midlands
WS1 1QL

Ref INT503/TFC/MH

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COMPANIES HOUSE

International Training Service Limited
In Creditors' Voluntary Liquidation

Liquidator's Progress Report to Company & Creditors
Under Section 104A of the Insolvency Act 1986

Prescribed Period for Report

The prescribed period for which the Liquidator must produce a progress report is the period of 1 year commencing on the date on which the Liquidator was appointed and every subsequent period of 1 year. In this case the Liquidator's report covers the year from 8th February 2014 to 7th February 2015

Statutory Information

Company Name	International Training Service Limited
Former Company Name(s)	International Training Service, Industrial Training Service
Trading Name(s)	ITS
Company Number	00638133
Date of Incorporation	28 th September 1959
Former Registered Office	The Beeches, 37 Parkfield Road, Coleshill, Birmingham, B46 3LD
Former Trading Addresses	The Beeches, 37 Parkfield Road, Coleshill, Birmingham, B46 3LD 21B Waterside, 44-48 Wharf Road, London, N1 7UX 3 Wellington Park, Belfast, BT9 6DJ
Current Registered Office	26/28 Goodall Street, Walsall, West Midlands WS1 1QL
Name of Liquidator	Timothy Frank Corfield
Address of Liquidator	Griffin & King, 26/28 Goodall Street, Walsall, West Midlands WS1 1QL
IP Number	8202
Date of Appointment of Liquidator	8 th February 2011
Change(s) in Liquidator	None

Liquidator's Receipts & Payments Account from 8th February 2014 to 7th February 2015
Together with Liquidator's Receipts & Payments Account from 8th February 2011 to 7th February 2015

An abstract showing receipts and payments during the period of this report and for the whole period of the liquidation from 8 February 2011 to 7 February 2015 is attached at Appendix A. The current balance in hand is £11,659.85

Liquidation Committee

At the meeting of creditors held on 8th February 2011 creditors approved the formation of a Liquidation Committee consisting of Ann Harris representing herself, Derek Powell representing himself and Rupert Parkin representing Piper Developments Limited. There have been two formal meetings of the Committee on 8th February 2011 and 23rd February 2011. Subsequently, the Liquidator has provided the Committee with written reports and has liaised by telephone or email with the Committee on matters arising in the course of the liquidation process.

Progress During the Period Covered by this Report

Asset realisations

1) London Deposit

Creditors will recall it was agreed during the last reporting period that the landlord would repay £2,195 to the liquidation and those funds have been received during the course of this reporting period

2) Other Receipts

Gross bank interest of £6 60 and net interest of £0 54 have been received during this reporting period

A dividend cheque in the sum of £145 31 has not been presented by one of the unsecured creditors

There are no other assets that remain to be realised

Investigations

The Liquidator has previously advised creditors that he has a statutory obligation to consider the directors' conduct. The Liquidator has submitted his report to the Insolvency Service, an Executive Agency of the Department for Business Innovation & Skills in accordance with the requirements of the Company Directors' Disqualification Act 1986

The Liquidator was requested at the meeting of creditors held on 8th February 2011 to investigate certain matters relating to directors' conduct prior to the company entering into liquidation. The Liquidator also received information from creditors subsequently expressing concern in this regard. The Liquidator has liaised closely with the Liquidation Committee whilst carrying out his investigations in this area and the Liquidator has advised the Committee of his findings as far as he is able to do so without breaching his duties of confidentiality

The Liquidator's investigations have revealed no undisclosed assets or antecedent transactions from which any recoveries could be made

Prescribed Part for Unsecured Debts

With effect from 15th September 2003, where a floating charge has been created after this date, an element of the company's net property is available for the satisfaction of unsecured debts ("the prescribed part") under section 176A of the Insolvency Act 1986 (as introduced by the Enterprise Act 2002). In this case there are no outstanding charges created after that date and therefore section 176A of the Insolvency Act 1986 does not apply. Accordingly there is no sum payable to unsecured creditors under this section

Professional Advisers

The Liquidator has used professional advisers and the basis of the fee arrangement is listed as below

Name of Professional Advisor	Nature of Work	Basis of Fee Arrangement	Total £
Deeley Matthews	Asset Disposal/Valuation	Time Costs plus vat No fees invoiced to date	Nil

Silk Plant & Associates	Agreement of dilapidations - Coleshill	Fixed Fee Disbursements	700 36
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The Liquidator's choice of professionals has been based on their experience and ability to perform this type of work, the complexity & nature of the assignment and the basis of the fee arrangement

Payments made to the Liquidator other than out of the assets of the liquidation

No payments, other than out of the assets of the liquidation, have been made to the Liquidator during this reporting period

Ongoing Matters:

London Borough of Hackney

A claim has been received from London Borough of Hackney ('LBH') for £1,196.30 for outstanding rent at the London premises. The Liquidator has been trying to get this reduced to nil under section 65(5) of the Local Government Finance Act 1988. Although the Liquidator has tried to get a definitive response from LBH this has not been forthcoming as yet due to various staff changes within LBH. The Liquidator is continuing to press for a response.

Taxation

The claim received from Le Gouvernement du Grand-Duché de Luxembourg in respect of VAT has been accepted by the Liquidator.

The Liquidator is agreeing the final position re VAT and Corporation Tax with HM Revenue & Customs prior to closure of the liquidation.

Creditor Claims & Dividend Prospects to Creditors

Creditor & Employee Claims

There are no remaining issues concerning agreement of creditor & employee claims.

Dividend

Preferential creditors have been paid in full and unsecured creditors have received dividends totalling 56p in the £.

It is estimated that a further dividend of approximately 7p in the £ will be paid to non-preferential unsecured creditors prior to closure of the liquidation. It is anticipated that the liquidation will be closed within the next six months.

Basis of Remuneration

At its first meeting on 8th February 2011 the Liquidation Committee resolved that the Liquidator's remuneration be fixed on the basis of the time properly incurred by the Liquidator and his staff in attending to matters arising in the insolvency under Rule 4.127(2)(b) of The Insolvency Rules 1986 and that Liquidator's fees in excess of £15,000.00 were subject to the approval of a further meeting of the Committee. Liquidator's fees are to be paid as an expense of the liquidation, and on account, from funds held and/or from realisations of company assets.

At a subsequent meeting of the Liquidation Committee held on 23rd February 2012, the following resolution was approved: "Liquidator's fees are agreed at up to £15,000 without the need for further approval and fees in excess of £15,000 are subject to the approval of a further meeting of the Committee or can be authorised by a meeting by correspondence".

Liquidator's Remuneration and Time Costs

A detailed analysis of the Liquidator's post appointment time costs for the period of this report is enclosed at Appendix C. In summary (as detailed in the table below), 39.1 hours have been spent working on the liquidation at a cost of £10,309.50 resulting in an average rate per hour of £263.67 for this reporting period. Liquidator's remuneration has been drawn for this period of £NIL.

Period	Liquidators Time Costs	Remuneration Charged	Amount Outstanding This Period	Total Hours	Average Rate Per Hour
	£	£	£		£
08-02-14 to 07-02-15	10,309	NIL	10,309	39.1	263.67

A cumulative time cost analysis is attached at Appendix D covering the period from 8th February 2011 to 7th February 2015. In summary a total of 445.15 hours have been spent working on the liquidation at a cost of £108,898.25 resulting in an average cost per hour of £244.63. Detailed analysis and breakdowns of the Liquidator's time costs have been provided to the Liquidation Committee and the Liquidator has previously discounted the time charged by 10%. Total Liquidator's time costs stand at £108,898.25 of which the Committee has approved remuneration of £88,281, leaving a current balance outstanding of £20,617.25 for the whole period of the liquidation.

Period	Liquidators Time Costs	Remuneration Charged	Amount Outstanding This Period	Total Hours	Average Rate Per Hour
	£	£	£		£
08-02-11 to 07-02-15	108,898	88,281	20,617	445.15	244.63

The Liquidator will agree any further remuneration with the Committee prior to closure of the liquidation.

A schedule of charge out rates is attached at Appendix B. A Guide to Liquidator's fees is available at www.icaew.com/en/technical/insolvency/creditors-guides. If you do not have access to online services, a copy can be provided upon request.

Statement of Expenses**1) Category 1 Disbursements & Expenses**

No category 1 disbursements & expenses have been drawn or incurred during this reporting period.

2) Category 2 Disbursements & Expenses

Creditors' approval is required for internal disbursements or expenses (category 2) where the cost (or an allocation of cost) is in respect of services provided by the Liquidator or his firm. At the meeting of the Liquidation Committee held on 8th February 2011 creditors resolved to approve the Liquidator's expenses and disbursements, including an explanation of the basis of calculation for costs which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs. An explanatory schedule detailing the basis of calculation for costs is attached at Appendix B.

The following category 2 disbursements have been incurred but not paid during this reporting period:

<u>To Whom Paid</u>	<u>Nature of Disbursement/Expense</u>	<u>£</u>
Griffin & King	Photocopying Progress Reports & Dividend (510 copies @ 4 00p per copy)	23 12
Griffin & King	Postage Progress Reports & Dividend (34 @ 0 76p each 34 @ 0 50p each)	42 84
Griffin & King	Letterheads Progress Reports & Dividend (68 X @ 3 05 each)	2 07
Griffin & King	A4 window envelopes Progress Reports & Dividend (68 envelopes @ 7 25 per envelope)	4 93
Goodall Management (a partnership in which Mr Corfield is a partner)	Storage charge (10 boxes @ £5 per box p a)	50 00
Total (excluding vat)		£ 122.96

Creditors' Right to Request Further Information About the Liquidator's Remuneration and Expenses and to Challenge the Liquidator's Remuneration and Expenses

Under Rule 4 49E of the Insolvency Rules 1986 creditors have a right to request further information about the Liquidator's remuneration and expenses Under Rule 4 131 of the Insolvency Rules 1986 creditors have the right to challenge said remuneration and expenses on the grounds that it is or are, in all the circumstances, excessive or inappropriate The relevant conditions and time limits are laid out within the Rules which are attached at Appendix E.

Other Relevant Information

As the Liquidator has substantively completed the winding-up of the affairs of the company, it is proposed a draft final report will be issued before the expiry of the next prescribed period

If any creditor requires further explanation on any aspect of the Progress Report they should telephone Mr M Hall who will be able to deal with such enquiries


Signed
Timothy F Corfield - Liquidator

Dated 2nd April 2015

Appendix A**International Training Service Ltd (In Liquidation)
Liquidator's Abstract of Receipts & Payments**

Statement of Affairs	From 08/02/2014 to 07/02/2015	From 08/02/2011 To 07/02/2015
	ASSET REALISATIONS	
	Brought Forward	352,223 84
1,000 00	Furniture & Equipment	NIL
133,328 00	Book Debts	165,329 26
Uncertain	Contracts/Intellectual Property	30,922 53
146,905 00	Balance at Bank	146,905 00
NIL	Inter-Company Debt	NIL
	NNDR Refund	215 17
	Bank Interest Gross	326 46
	Bank Interest Net of Tax	7 19
	Bank Charges	0 33
	VAT Payable	1,217 30
	VAT Refund	6,788 06
	Sundry Refund	363 47
	London Deposit	2,195 00
	Non-preferential creditors	297 03
	Petty Cash	4 49
		<u>354,571 29</u>
	COST OF REALISATIONS	
	Brought Forward	139,743 69
	Courier Charges	17 40
	Specific Bond	600 00
	Statement of Affairs Fee	20,000 00
	Liquidators Fees	88,281 00
	Document Destruction	331 43
	Book - Keeping Services	3,973 23
	Negotiate Dilapidations	736 00
	Alarm Services	210 22
	Business Rates (NNDR)	970 15
	Re-Direction of Mail	25 96
	Corporation Tax	65 58
	Statutory Advertising	303 30
	Bank Charges	0 33
	Rent Liability	14,797 47
	Utility Charges	705 07
	Site Clearance	1,115 27
	IT Services	80 00
	VAT receivable	2,869 40
		<u>156,960 09</u>
	PREFERENTIAL CREDITORS	
	Brought Forward	15,193 02
(16,260 00)	Employee Claims	12,798 07
	Tax & NI on Preferential Dividend	2,394 95
		<u>15,193 02</u>
	UNSECURED CREDITORS	
	Brought Forward	149,140 54
(43,748 00)	Trade & Expense Creditors	43,691 25
(215,244 00)	Employee Claims	90,455 73
(41,431 00)	HM Revenue & Customs (PAYE/NI)	23,103 60
(19,755 00)	H M Revenue & Customs - VAT	13,507 75
		<u>170,758 33</u>
(55,205.00)		11,659 85

GRIFFIN & KING**CHARGE OUT RATES PER HOUR**

Grade	£ 2011- 2012	£ 2013	£ 2014	£ 2015
Insolvency Practitioner	335	350	365	375
Managers	195 to 275	225 to 295	250 to 315	260 to 325
Senior Case Administrators	120 to 195	110 to 225	135 to 235	150 to 245
Administrators & Junior Administrators	60 to 120	60 to 110	75 to 135	100 to 150
Junior Staff	35 to 60	35 to 60	35 to 75	50 to 100

Matters of particular complexity requiring responsibility of an exceptional kind will be dealt with by the Appointee personally or his senior staff. Where possible and in order to maximise cost effectiveness of the work performed the routine administration of the case is carried out by administrators and junior staff under the supervision of senior staff and/or the Appointee.

All charge-out rates are subject to periodic review. Any material amendments to charge-out rates shall be advised to Creditors (or the liquidation committee) in subsequent statutory reports. Time is charged by individual staff to the category of work undertaken, in units of 6 minutes (being 0.10 of an hour).

Charges in relation to secretarial support are accounted for as an overhead cost of the firm and not charged separately to the case.

EXPENSES AND DISBURSEMENTS

Creditors approval is not required for necessary external disbursements (Category 1) paid to independent third parties. Such disbursements shall be disclosed to Creditors during the course of reporting in the administration.

Creditors approval is required for internal disbursements (Category 2) where the cost (or an allocation of cost) is in respect of services provided by the Liquidator or his firm. Additionally, where cost is paid to an outside party in which the Liquidator or his firm (or any associate) has an interest.

Detailed below are the disbursements that may be charged to the case from time to time, together with the cost and the basis of calculation to the cost.

<u>Disbursement</u>	<u>Cost</u>	<u>Basis of Calculation of Cost</u>
Photocopying for all circulars to Creditors	4 pence per copy	This is the actual cost of a sheet of white copying paper at 0.004 pence and the actual cost per use of the copier of 0.035 pence.
Postage for all circulars to Creditors	The cost is dependent on the weight of the circular	This is the actual cost of the postage charged by the Royal Mail (or equivalent service) for 1 st or 2 nd class postage according to the size & weight of the circular.
Envelopes for all circulars to Creditors	7.25 pence per A4 window envelope	This is the actual cost an envelope used.
Letterheads for all circulars to Creditors	3.05 pence per letterhead	This is the actual cost of a letterhead used.
Companies House search information	The cost is dependent on the quantity of documents required or available	This is the actual cost of the document download service provided by Companies House.
Meeting Room Hire for all formally convened Creditor meetings	£65 for each meeting	This is the actual cost of hiring the meeting room facilities or if held at our offices in Walsall, as levied by the managing agents of the building, Goodall Management (a partnership of which Mr Corfield is a partner). The amount charged is in line with the cost of alternative external provision.
Mileage	40 pence per mile	This is the cost reimbursed to staff of Griffin & King for the cost of petrol and the use of their own vehicle for business purposes.
Archive storage boxes for all company books & records	£4.55 per archive record storage box required	This is the actual cost of each archive storage box.
Storage for all the archive storage boxes of books & records	£5 per annum per archive box	This is the actual invoice cost for storage per archive box at 26/28 Goodall Street, Walsall, West Midlands WS1 1QL (or other storage facilities), levied by Goodall Management (a partnership of which Mr Corfield is a partner). The amount charged is in line with the cost of alternative external provision.

Appendix C

International Training Service Limited - In Liquidation
Time Analysis - 8th February 2014 to to 7th February 2015

			Hours				
Classification of work/function	Insolvency Practitioner	Manager	Administrator	Junior Staff	Total Hours	Time Costs £	Average Hourly Rate £
Realisation of Assets					0 00		0 00
Recall of Laptops & Computers					0 00		0 00
Contract Settlements					0 00		0 00
Administration and Planning	6 70	7 70			14 40	4267 00	296 32
Liquidation Committee		9 30			9 30	2281 50	0 00
Preferential Creditors					0 00		0 00
Creditors		7 70			7 70	1857 50	241 23
Debtors					0 00		0 00
Financial & Tax Matters		2 10			2 10	493 50	235 00
Employee & Pension Matters					0 00		0 00
Investigation					0 00		0 00
Dividend & Closure		5 60			5 60	1410 00	251 79
Miscellaneous Matters					0 00		0 00
Total Hours	11 80	32 40	0 00	0 00	39 10		
Total Costs Incurred (£)						10309.50	
Average Hourly Rate (£)							263 67

The following details are indicative, but not fully inclusive of the types of activities undertaken under each of the above categories, and are provided as a guide

- 1 Realisations of assets included dealing with valuations, offers received and selling / disposing of company assets
- 2 Recall of Laptops/Computers liaising with directors, consultants & landlords to recall computers for security cleansing
- 3 Contract Settlements negotiations with ITS clients and directors & consultants to obtain value for contracts acquired
- 4 Administration planning & control included such activities as agreeing strategy, reviewing the post received and sent, statutory responsibilities, seeking appropriate legal assistance, ensuring the Office Holder was sufficiently bonded, collating, printing and storing of both company and Office Holder's books and records, discussions with Bank, file reviews, progress reports, filing

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- 5 Preferential Creditor administration involves handling employee preferential claims and agreeing and checking claims from the Redundancy Payments Office
 - 6 Creditors consists of identifying and informing trade creditors, managing and agreeing creditor claims, telephone queries
 - 7 Liquidation Committee consists of all dealings & meetings with members of the liquidation committee
 - 8 Debtors includes writing to outstanding debtors, dealing with queries, taking further action where appropriate
 - 9 Financial and tax matters include maintaining the Office Holders financial records, tax returns
 - 10 Employee matters dealing with employee queries, submitting claims to RPO, employment forms & returns, pension queries
 - 11 Investigations directors' conduct, investigating antecedent transactions and reviewing the company books & records
 - 12 Closing procedures involves calculating dividends to secured, preferential and unsecured creditors and formal statutory requirements to close the case
 - 13 Miscellaneous matters include dealing with any other case specific matters

Appendix D

**International Training Service Limited - In Liquidation
Time Analysis - 8th February 2011 to 7th February 2015**

			Hours				
Classification of work/function	Insolvency Practitioner	Manager	Administrator	Junior Staff	Total Hours	Time Costs £	Average Hourly Rate £
Realisation of Assets	1 00	35 30			36 30	8183 50	225 44
Recall of Laptops & Computers	0 80	31 50			32 30	7682 50	237 85
Contract Settlements		27 20			27 20	7360 00	270 59
Administration and Planning	29 10	78 70	0 65	6 00	114 45	30300 25	264 75
Liquidation Committee	2 00	76 20			78 20	19397 00	248 04
Preferential Creditors		1 50			1 50	322 50	215 00
Creditors	1 20	47 50			48 70	11868 50	243 71
Debtors	0 20	23 30			23 50	5297 50	225 43
Financial & Tax Matters	0 90	14 50		3 80	19 20	3789 50	197 37
Employee & Pension Matters		14 10	0 70	0 60	15 40	3379 50	219 45
Investigation		20 90			20 90	5069 50	242 56
Dividend & Closure	0 40	25 50			25 90	5921 50	228 63
Miscellaneous Matters		1 30	0 30		1 60	326 50	204 06
Total Hours	35 60	397 50	1.65	10 40	445.15		
Total Costs Incurred (£)						108898 25	
Average Hourly Rate (£)							244 63

The following details are indicative, but not fully inclusive of the types of activities undertaken under each of the above categories, and are provided as a guide

- 1 Realisations of assets included dealing with valuations, offers received and selling / disposing of company assets
- 2 Recall of Laptops/Computers liaising with directors, consultants & landlords to recall computers for security cleansing
- 3 Contract Settlements negotiations with ITS clients and directors & consultants to obtain value for contracts acquired
- 4 Administration planning & control included such activities as agreeing strategy, reviewing the post received and sent, statutory responsibilities, seeking appropriate legal assistance, ensuring the Office Holder was sufficiently bonded, collating, printing and storing of both company and Office Holder's books and records, discussions with Bank, file reviews, progress reports, filing

- 5 Preferential Creditor administration involves handling employee preferential claims and agreeing and checking claims from the Redundancy Payments Office
- 6 Creditors consists of identifying and informing trade creditors, managing and agreeing creditor claims, telephone queries
- 7 Liquidation Committee consists of all dealings & meetings with members of the liquidation committee
- 8 Debtors includes writing to outstanding debtors, dealing with queries, taking further action where appropriate
- 9 Financial and tax matters include maintaining the Office Holders financial records, tax returns
- 10 Employee matters dealing with employee queries, submitting claims to RPO, employment forms & returns, pension queries
- 11 Investigations directors' conduct, investigating antecedent transactions and reviewing the company books & records
- 12 Closing procedures involves calculating dividends to secured, preferential and unsecured creditors and formal statutory requirements to close the case
- 13 Miscellaneous matters include dealing with any other case specific matters

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Rule 4.49E Creditors' and members' request for further information

(1) [Duty of Liquidator re remuneration or expenses] If—

(a) within the period mentioned in paragraph (2)—

- (i) a secured creditor, or
- (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
- (iii) 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, or

(b) with the permission of the court upon an application made within the period mentioned in paragraph (2)—

- (i) any unsecured creditor, or
- (ii) any member of the company in a members' voluntary winding up,

makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4 49B(1)(e) or (f) (including by virtue of Rule 4 49C(5)) or in a draft report under Rule 4 49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter in a draft report under Rule 4 49D or a progress report required by Rule 4 108 which (in either case) was previously included in a progress report not required by Rule 4 108

(2) [Period for compliance with r4 49E(1)] The period referred to in paragraph (1)(a) and (b) is—

(a) 7 business days of receipt (by the last of them in the case of an application by more than one member) of the progress report where it is required by Rule 4 108, and

(b) 21 days of receipt (by the last of them in the case of an application by more than one member) of the report or draft report in any other case

(3) [How liquidator to comply] The liquidator complies with this paragraph by either—

(a) providing all of the information asked for, or

(b) so far as the liquidator considers that—

- (i) the time or cost of preparation of the information would be excessive, or
- (ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
- (iii) the liquidator is subject to an obligation of confidentiality in respect of the information,

giving reasons for not providing all of the information

(4) [Application to court by creditors and members] Any creditor, and any member of the company in a members' voluntary winding up, who need not be the same as the creditors or members who asked for the information, may apply to the court within 21 days of—

(a) the giving by the liquidator of reasons for not providing all of the information asked for, or

(b) the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just

(5) [Court may extend period in rr.4.131(1B), 4.148C(2)] Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks or, as the case may be, 4 weeks provided for in Rule 4 131(1B) or 4 148C(2) by such further period as the court thinks just

(6) [Non-application to official receiver] This Rule does not apply where the liquidator is the official receiver

Rule 4 131 Creditors' claim that remuneration is or other expenses are excessive

(1) **[Secured or certain unsecured creditors may apply to court]** Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

(1A) **[Grounds for application]** Application may be made on the grounds that—

- (a) the remuneration charged by the liquidator,
- (b) the basis fixed for the liquidator's remuneration under Rule 4 127, or
- (c) expenses incurred by the liquidator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

(1B) **[Time limit for application]** The application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or, in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report, or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

(2) **[Power of the court to dismiss etc]** The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice but which is without notice to any other party

If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

(3) **[Notice to Liquidator]** The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

(4) **[Court order]** 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 liquidator was entitled to charge,
- (b) an order fixing the basis of remuneration at a reduced 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 liquidation,
- (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

(5) **[Costs of application]** 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