

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 2 0 0 8 7 6 8

Company name in full Hamlet New Homes Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Martin FP

Surname Smith

3 Liquidator's address

Building name/number 15 Colmore Row

Street Birmingham

Post town B3 2BH

County/Region

Postcode

Country

4 Liquidator's name ①

Full forename(s) Nicola J

Surname Meadows

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 15 Colmore Row

Street Birmingham

Post town B3 2BH

County/Region

Postcode

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 2	^d 9	^m 0	^m 7	^y 2	^y 0	^y 1	^y 9
To date	^d 2	^d 8	^m 0	^m 7	^y 2	^y 0	^y 2	^y 0

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X

M. H. Linn

X

Signature date

^d 2	^d 4	^m 0	^m 9	^y 2	^y 0	^y 2	^y 0
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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	Alan Hands
Company name	Dains Business Recovery Limited
Address	15 Colmore Row Birmingham
Post town	B3 2BH
County/Region	
Postcode	
Country	
DX	
Telephone	0121 200 7900



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

Hamlet New Homes Limited
(In Liquidation)

Joint Liquidators' Summary of Receipts and Payments

RECEIPTS	Statement of Affairs (£)	From 29/07/2011 To 28/07/2019 (£)	From 29/07/2019 To 28/07/2020 (£)	Total (£)
WIP	97,250.00	60,000.00	0.00	60,000.00
Freehold Land		0.00	15,942.00	15,942.00
Book Debts	43,118.00	6,590.76	0.00	6,590.76
Cash at Bank	958.00	939.31	0.00	939.31
Bank Interest Gross		23.63	0.00	23.63
Removal of Property Restrictions		1,300.00	0.00	1,300.00
Transfer of Land		2,000.00	0.00	2,000.00
Contribution of Insurance		200.00	0.00	200.00
Sundry Refunds		16,818.14	0.00	16,818.14
Cash in Hand		368.25	0.00	368.25
Funds Held by Solicitor		104.00	0.00	104.00
		88,344.09	15,942.00	104,286.09
PAYMENTS				
Specific Bond		240.00	0.00	240.00
S98 Meeting Fees		5,000.00	0.00	5,000.00
S98 Meeting Expenses		138.65	0.00	138.65
Office Holders Fees		74,431.02	6,870.00	81,301.02
Office Holders Expenses		0.00	42.70	42.70
Professional Fees		0.00	700.00	700.00
Agents/Valuers Fees		1,170.00	30.00	1,200.00
Legal Fees		6,462.00	7,194.00	13,656.00
Legal Disbursements		0.00	108.00	108.00
Corporation Tax		0.00	4.06	4.06
Stationery & Postage		0.00	239.70	239.70
Tax Deducted at Source		0.03	0.00	0.03
Storage Costs		59.45	256.85	316.30
Re-Direction of Mail		25.96	0.00	25.96
Statutory Advertising		355.00	0.00	355.00
Insurance of Assets		0.00	928.79	928.79
Bank Charges		0.00	25.00	25.00
		87,882.11	16,399.10	104,281.21
Net Receipts/(Payments)		461.98	(457.10)	4.88
MADE UP AS FOLLOWS				
Floating Current A/c		461.98	(457.10)	4.88
		461.98	(457.10)	4.88

Note:



Martin FP Smith
Liquidator

Hamlet New Homes Limited – In Creditors' **Voluntary Liquidation**
Formerly Hamlet Housing Limited and Optionactive Limited

LIQUIDATORS' PROGRESS REPORT TO CREDITORS

For the year ending 28 July 2020

1. EXECUTIVE SUMMARY

My duties and functions as Liquidator are the realisation of the Company's assets, the agreement of the claims of creditors, investigation of the directors' conduct and the company's affairs generally, and the eventual distribution of the Liquidation funds between the creditors in accordance with their legal entitlements. The asset realisation in this case is still ongoing with the repayment of the equity loan still to be realised.

2. STATUTORY INFORMATION

Company name:	Hamlet New Homes Limited
Former company name:	Hamlet Housing Limited, Optionactive Limited
Registered office:	Charlotte House, Stanier Way, The Wyvern Business Park, Derby, DE21 6BF.
Former registered office:	Wilmot House, St James Court, Friar Gate, Derby, DE1 1BT
Registered number:	08215820
Joint Liquidators' names:	Martin FP Smith and Nicola J Meadows
Joint Liquidators' address:	15 Colmore Row, Birmingham, B3 2BH
Joint Liquidators' date of appointment	29 July 2011
Actions of Joint Liquidators'	Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both of the Liquidators acting jointly or alone

3. **LIQUIDATORS' ACTIONS SINCE APPOINTMENT**

- The specific penalty bond was reviewed to ensure that the level of cover was adequate to protect the realisations made in the Liquidation.
- VAT has been reclaimed on expenses of the Liquidation by submitting form VAT 426, following the deregistration of the Company for VAT dated 12 August 2011.
- The bank account held at Bank of Scotland has been regularly reconciled, with bank interest being received accordingly when appropriate.

Continued...

- I have continued to liaise with the property owner in respect of settlement of the 25% share of equity.
- I have continued to liaise with the solicitors and the prospective purchaser in respect of the sale of the land on the North East side of Burton (Field View), Woodville, Swadlincote.
- The payments due from the remaining debtor have been monitored to ensure prompt payment is received.
- All corporation tax returns for the period in Liquidation have been submitted to HM Revenue & Customs in a timely manner.
- I have continued to liaise with various leaseholders in order to assist in removing registered charges where necessary to assist with their personal property sales.
- I have reported the progress of the Liquidation to members, creditors, and the Registrar of Companies.
- I have complied with my statutory duties in accordance with the Insolvency Act 1986.

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

4. RECEIPTS AND PAYMENTS ACCOUNT

My receipts & payments account for the period from 29 July 2019 to 28 July 2020 and cumulative to 28 July 2020 is attached at Appendix B. All figures are shown net of VAT.

The balance of funds is held in an interest bearing liquidation estate account.

5. ASSETS

5.1 Work in Progress (WIP) – Long Term Receivable

As previously reported, the Company extended an equity loan to the buyer of one of the houses constructed by the Company. The terms of this loan dictate that 25% of the value of the house will be repaid in 2019. Historically, I have attempted to encourage the occupants of the house to settle the liability early without success. The loan is now repayable in full and I have instructed solicitors to assist with its realisation. However, due to the occupant's current financial circumstances further delays are likely to resolve this matter.

I will inform creditors of the progress or outcome in my next report.

5.2 Removal of Property Restrictions

In order to enable the owners to transfer various properties. I was required to remove restrictions placed at the Land Registry. No funds have been paid in this matter, in the period of this report.

Continued...

5.3 Land to North East side of Burton (Field View), Woodville, Swadlincote.

As previously reported, in early 2019, I was approached by a resident of Field View, in respect of purchasing a piece of land which sits adjacent to their property, to which the Company owns title.

Independent local estate agents Cadley Cauldwell were instructed to provide a market valuation of the land and an offer of £15,000 was submitted received from the purchaser and accepted, based on the agents valuation.

I subsequently instructed solicitors to advise on the viability of sale and also to assist with associated conveyancing. I am pleased to report, the sale of the land was duly completed for sum totalling £15,942.

6. LIABILITIES

6.1 Secured Creditors / Fixed Charge

As previously advised, the company operated a motor vehicle which was subject to a finance agreement with BMW Financial Services Limited. The amount due to the finance company at the date of my appointment was £12,925. The vehicle was repossessed in August 2011, and following its disposal there was a shortfall due of £2,675, which was subject to the director's personal guarantee. No other fixed charges remain unsatisfied.

6.2 Preferential Creditors

The statement of affairs anticipated £4,129 in preferential creditors, representing the employees' arrears of wages and holiday pay. These claims have been settled by the Redundancy Payment Service. To date, no claim from the Redundancy Payment Service has been received.

6.3 Secured Creditors / Floating Charge

There are provisions of the insolvency legislation that require a Liquidator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company granted a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property". A company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. A Liquidator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property up to a maximum of £600,000.

No floating charges remain unsatisfied at Companies House, so the prescribed part provisions will not apply.

Continued...

6.4 Crown Creditors

The statement of affairs included £12,089 owed to HM Revenue and Customs ("HMRC") in respect of VAT and £7,624 in respect of CIS tax. HMRC's final claim of £93,294 in respect of VAT has been received. This figure is higher than anticipated as returns have been brought up to date. No claim has been received in respect of CIS tax.

6.5 Non-preferential unsecured Creditors

The statement of affairs included 48 unsecured creditors in addition to HMRC with an estimated total liability of £3,124,161. I have received claims from 18 creditors totalling £3,102,690, including eight creditors who have come forward since the statement of affairs was prepared. To date, I have not received claims from 38 creditors with original estimated claims in the statement of affairs of £178,679.

7. DIVIDEND PROSPECTS

Based on current information, it is unlikely that a dividend will be payable to any class of creditors, due to the outstanding costs of the Liquidation, and future costs of administering the Liquidation until the asset realisations are complete.

8. INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I have not undertaken any enquiries that required any further investigation in the period of this report.

9. PRE-APPOINTMENT REMUNERATION

The creditors previously authorised the payment of a fee of £5,000 for assistance with preparing the statement of affairs, and producing and circulating the notices for the meetings of members and creditors at a meeting held on 29 July 2011.

The fee for the statement of affairs and meetings was paid from first realisations on appointment and is shown in the enclosed receipts and payments account.

10. LIQUIDATORS' REMUNERATION

My remuneration was previously authorised by creditors at a meeting held on 29 July 2011 to be drawn on a time cost basis. My total time costs to 28 July 2020 amount to £226,927.82, comprising of 926.67 hours, which have been charged at an average charge out rate of £244.89 per hour. A total of £27,959.75 was charged in the period between 29 July 2019 and 28 July 2020 for 97.65 hours work, at an average charge out rate of £286.33 per hour.

I have drawn remuneration of £81,301.02 to date, of which £6,870 was drawn in the period of this report. A schedule of my time costs incurred to date, is attached at Appendices C and D.

Continued...

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, together with an explanatory note which shows Dains Business Recovery Limited's fee policy are available at the link <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>. Please note that there are different versions of the Guidance Notes and in this case you should refer to the post-April 2010 version.

Additional information in relation to Liquidator's fees in accordance with SIP 9 is attached. This provides details of the firm's policy in relation to staffing, the use of sub-contractors and disbursements. Please note, in common with all professional firms, the charge out rates may increase from time to time over the period of the administration of each insolvency case.

11. LIQUIDATORS' EXPENSES

I have incurred the following expenses in the period since my last progress report. Due to insufficient funds, these remain outstanding: -

Type of expense	Amount incurred
Office Holder's Expenses	£42.70
Professional Fees	£700.00
Agents/Valuers Fees	£30.00
Legal Fees	£7,194.00
Legal Disbursements	£108.00
Corporation Tax	£4.06
Stationary & Postage	£239.70
Storage Costs	£256.85
Insurance of Assets	£928.79
Bank Charges	£25.00

I have incurred but not yet paid disbursements totalling £16.98, in respect of storage costs in the period of this report.

I have paid the following agents or professional advisors in the reporting period: -

Professional Advisor	Nature of work	Basis of fees
Dains LLP	Tax work	£700 plus VAT
Flint Bishop LLP	Property and Land Matters	Fixed Fee of £4,669 plus VAT
Smith Partnership Solicitors	Property and Land Matters	Fixed Fee of £2,525 plus VAT

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

Continued...

12. FURTHER INFORMATION

A Member or Creditor may, with the permission of the court or with at least 5% of the total voting rights of all the Creditors having the right to vote at general meetings of the company request further details of the Joint Liquidators' remuneration and expenses, within 21 days of receipt of this report.

A Member or Creditor may, with the permission of the court or with at least 10% of the total voting rights of all the Creditors having the right to vote at general meetings of the company, apply to Court to challenge the amount of remuneration charged by the Joint Liquidators as being excessive, and/or the basis of the Joint Liquidators' remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report.

13. SUMMARY

The Liquidation will remain open until the property matters have been concluded. Once these issues have been dealt with, the Liquidation will be finalised and my files will be closed. Due to the legalities surrounding the realisation of the equity charge, I am unable to give an estimate as to when these matter will be fully resolved.

If you have any queries regarding the conduct of the Liquidation, or you would like a hard copy of any of the documents made available on-line, you should contact Alan Hands by email at ahands@dains.com, or by phone on 0121 200 7918.



Martin FP Smith
JOINT LIQUIDATOR

ahands@dains.com

Appendix A

1. Administration

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

- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Undertaking regular bank 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.

2. Creditors

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

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

3. Realisation of Assets

- Liaising with the purchaser of the house subject to the equity loan.
- Liaising with solicitors and purchasers in respect of land sale.

Hamlet New Homes Limited
(In Liquidation)

Appendix B

Joint Liquidators' Summary of Receipts and Payments

RECEIPTS	Statement of Affairs (£)	From 29/07/2011 To 28/07/2019 (£)	From 29/07/2019 To 28/07/2020 (£)	Total (£)
WIP	97,250.00	60,000.00	0.00	60,000.00
Freehold Land		0.00	15,942.00	15,942.00
Book Debts	43,118.00	6,590.76	0.00	6,590.76
Cash at Bank	958.00	939.31	0.00	939.31
Bank Interest Gross		23.63	0.00	23.63
Removal of Property Restrictions		1,300.00	0.00	1,300.00
Transfer of Land		2,000.00	0.00	2,000.00
Contribution of Insurance		200.00	0.00	200.00
Sundry Refunds		16,818.14	0.00	16,818.14
Cash in Hand		368.25	0.00	368.25
Funds Held by Solicitor		104.00	0.00	104.00
		88,344.09	15,942.00	104,286.09
PAYMENTS				
Specific Bond		240.00	0.00	240.00
S98 Meeting Fees		5,000.00	0.00	5,000.00
S98 Meeting Expenses		138.65	0.00	138.65
Office Holders Fees		74,431.02	6,870.00	81,301.02
Office Holders Expenses		0.00	42.70	42.70
Professional Fees		0.00	700.00	700.00
Agents/Valuers Fees		1,170.00	30.00	1,200.00
Legal Fees		6,462.00	7,194.00	13,656.00
Legal Disbursements		0.00	108.00	108.00
Corporation Tax		0.00	4.06	4.06
Stationery & Postage		0.00	239.70	239.70
Tax Deducted at Source		0.03	0.00	0.03
Storage Costs		59.45	256.85	316.30
Re-Direction of Mail		25.96	0.00	25.96
Statutory Advertising		355.00	0.00	355.00
Insurance of Assets		0.00	928.79	928.79
Bank Charges		0.00	25.00	25.00
		87,882.11	16,399.10	104,281.21
Net Receipts/(Payments)		461.98	(457.10)	4.88
MADE UP AS FOLLOWS				
Floating Current A/c		461.98	(457.10)	4.88
		461.98	(457.10)	4.88

Note:



Martin FP Smith
Liquidator

A Schedule of the Liquidators' timecosts
for the period 29 July 2011 to 28 July 2020

Classification of Work Function	Hours							Average Hourly Rate £
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Cashier & Secretaries	Total Hours	Time Cost £	
ADMINISTRATION & PLANNING								
Case Planning	15.63	20.86	65.50	19.93	0.00	121.92	31,010.51	254.35
Administrative set-up	7.65	4.58	31.00	30.42	4.88	78.53	15,506.01	197.45
Appointment notification	0.45	0.00	0.00	0.00	0.35	0.80	241.75	302.19
Maintenance of records	38.77	2.91	21.75	26.57	92.73	182.73	41,294.75	225.99
Statutory reporting	0.60	0.75	29.25	27.70	1.00	59.30	12,059.58	203.37
INVESTIGATIONS								
SIP 2 review	7.50	2.35	18.25	29.02	0.00	57.12	12,259.43	214.63
CDDA reports	0.00	0.00	2.08	0.00	0.00	2.08	395.83	190.30
Investigating antecedent transactions	1.58	9.13	3.42	9.00	0.00	23.13	5,910.74	255.54
REALISATION OF ASSETS								
Identifying, securing, insuring assets	96.60	17.15	116.43	13.00	1.50	244.68	67,799.42	277.09
Retention of title	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Debt collection	10.50	0.60	15.25	2.65	0.00	29.00	7,886.82	271.96
Property, business and asset sales	12.27	0.20	40.00	1.55	0.33	54.35	13,965.19	256.95
TRADING								
Management of operations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounting for trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
On-going employee issues	0.25	0.00	0.00	0.00	0.00	0.25	95.00	380.00
CREDITORS								
Communication with creditors	15.57	11.49	21.17	7.13	11.07	66.43	16,657.57	250.75
Creditors' claims (including employees and other preferential creditors')	3.03	0.10	1.42	0.17	1.63	6.35	1,845.25	290.59
Total Hours	210.40	70.12	365.52	167.14	113.49	926.67		
Total Fees Claimed £	83,094.32	20,680.54	74,531.02	29,549.71	19,072.26		226,927.85	
Average Rate £	394.93	294.93	203.90	176.80	168.05			244.89

A Schedule of the Liquidators' timecosts
for the period 29 July 2019 to 28 July 2020

Classification of Work Function	Hours						Time Cost £	Average Hourly Rate £
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Cashier & Secretaries	Total Hours		
ADMINISTRATION & PLANNING								
Case Planning	0.00	0.00	0.00	8.72	0.00	8.72	1,830.50	209.92
Administrative set-up	0.00	0.00	1.25	0.25	0.00	1.50	333.75	222.50
Appointment notification	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance of records	8.57	0.00	12.50	0.67	10.48	32.22	8,256.58	256.26
Statutory reporting	0.10	0.00	6.67	0.00	0.00	6.77	1,540.50	227.55
INVESTIGATIONS								
SIP 2 review	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CDDA reports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigating antecedent transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
REALISATION OF ASSETS								
Identifying, securing, insuring assets	19.27	0.00	0.00	0.00	0.00	19.27	7,803.00	404.93
Retention of title	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Debt collection	0.00	0.00	4.33	0.00	0.00	4.33	975.00	225.17
Property, business and asset sales	8.50	0.00	10.58	0.58	0.00	19.66	5,946.25	302.45
TRADING								
Management of operations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounting for trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
On-going employee issues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CREDITORS								
Communication with creditors	1.17	0.00	0.00	0.00	3.12	4.29	1,017.92	237.28
Creditors' claims (including employees and other preferential creditors')	0.42	0.00	0.00	0.17	0.30	0.89	256.25	287.92
Total Hours	38.03	0.00	35.33	10.39	13.90	97.65		
Total Fees Claimed £	15,396.75	0.00	7,950.00	2,180.50	2,432.50		27,959.75	
Average Rate £	404.86	0.00	225.02	209.87	175.00			286.33

Practice Fee Recovery Policy for Dains Business Recovery Limited

Introduction

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

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>. Alternatively a hard copy may be requested from Dains Business Recovery Limited, 15 Colmore Row, Birmingham, B3 2BH. Please note that we have provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Chargeout Rates

Grade of staff	Current charge-out rate per hour, effective from 1 April 2014 £
Partner – appointment taker	405
Senior Manager	330
Manager	245
Supervisor	225
Case Administrator	210
Cashier & Support Staff	80 - 195

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Where necessary and appropriate, members of staff from other departments of the practice will undertake work on a case. They will be charged at their normal charge out rate for undertaking such work.)

These charge-out rates charged are reviewed on 1 April 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. The work is generally recorded under the following categories:

- Administration and Planning
- Investigations
- Realisation of Assets
- Creditors
- Trading
- Case specific matters
- Employee matters

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

- Case specific matters
- Investigations
- Trading

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

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

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee

Continued...

as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Fixed fee

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Members' voluntary liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

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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.

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Disbursements

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Dains Business Recovery Limited, 15 Colmore Row, Birmingham, B3 2BH, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

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

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

Mileage is charged at a rate of up to 45p per mile
External disbursements are recovered at cost

PROVISION OF SERVICES REGULATIONS SUMMARY SHEET FOR DAINS BUSINESS RECOVERY LIMITED

The following information is designed to draw the attention of interested parties to the information required to be disclosed by the Provision of Services Regulations 2009.

Trading Name

Dains Business Recovery Limited – Registered Company number 10115314 (also trading as “DBRL”). Registered office at St. Johns Court, Wiltell Road, Lichfield, Staffordshire, WS14 9DS. Registered in England and Wales.

Licensing Body

Martin Frederick Peter Smith and Nicola Joanne Meadows are licensed to act as Insolvency Practitioners in the United Kingdom by the Institute of Chartered Accountants in England and Wales (“ICAEW”).

Martin FP Smith is a fellow of the ICAEW (“FCA”) and fellow of Association of Business Recovery Professionals (“FABRP”).

Nicola J Meadows is an affiliate of the ICAEW, a fellow of Association of Certified Chartered Accountants (“FCCA”) and a fellow of Association of Business Recovery Professionals (“FABRP”).

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 Martin FP Smith and Nicola J Meadows can be found at <http://www.icaew.com/en/members/regulations-standards-and-guidance/insolvency/insolvency-regulations-and-guidance>. In addition, IPs are bound by the Statements of Insolvency Practice (SIPs), details of which can be found at <https://www.r3.org.uk/what-we-do/publications/professional/statements-of-insolvency-practice>.

Ethics

All IPs are required to comply with the Insolvency Code of Ethics and a copy of the Code can be found at which the Code of Ethics can be found at <http://www.icaew.com/en/technical/insolvency/insolvency-regulations-and-standards>.

Data Protection Act and Copyright

Dains Business Recovery Limited uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how Dains Business Recovery Limited uses your personal information on our website at www.dains.com/privacy.

Bribery Act 2010

Dains Business Recovery Limited is committed to applying the highest standards of ethical conduct and integrity in its business activities. Every employee and individual acting on Dains Business Recovery Limited's behalf is responsible for maintaining our reputation and for conducting company business honestly and professionally.

Dains Business Recovery Limited take 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.

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Dains Business Recovery Limited requires all those who are associated with it to observe the highest standards of impartiality, integrity and objectivity.

Dains Business Recovery Limited prohibits anyone acting on its behalf from:

- bribing another person. A bribe includes the offering, promising or giving of any financial or other type of advantage;
- accepting a bribe. This includes requesting, agreeing to receive or accepting any financial, or another kind of advantage;
- bribing a foreign public official; and
- condoning the offering or acceptance of bribes.

Dains Business Recovery Limited will:

- avoid doing business with others who do not accept our values and who may harm our reputation;
- maintain processes, procedures and records that limit the risk of direct or indirect bribery;
- promote awareness of this policy amongst its staff, those acting on its behalf and entities with which it has any commercial dealings;
- 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;
- review this policy regularly and update it when necessary.

Complaints

At Dains Business Recovery Limited we always strive to provide a professional and efficient service. However, we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. As such, should you have any comments or complaints regarding the administration of a particular case then in the first instance you should contact the IP acting as office holder.

If you consider that the IP has not dealt with your comments or complaint appropriately you should then put details of your concerns in writing to our complaints officer, MFP Smith, Dains Business Recovery Limited, 15 Colmore Row, Birmingham, B3 2BH. This will then 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.

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 complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner; or you can email insolvency.enquiryline@insolvency.gov.uk; or you may phone 0300 678 0015. Information on the call charges that apply is available at <https://www.gov.uk/call-charges>.

Professional Indemnity Insurance

Dains Business Recovery Limited's Professional Indemnity Insurance is provided by Arch Insurance. 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 a claim brought in any court in the United States of America or Canada].

VAT

Dains Business Recovery Limited is registered for VAT under registration no. 241 1416 53.