

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	7	9	5	0	7	1
Company name in full	CSS Realisations 2017 Limited							

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

2 Liquidator's name

Full forename(s)	Kikis
Surname	Kallis

3 Liquidator's address

Building name/number	Mountview Court
Street	1148 High Road
Post town	Whetstone
County/Region	London
Postcode	N 2 0 0 R A
Country	

4 Liquidator's name ①

Full forename(s)	Andreas
Surname	Arakapiotis

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

5 Liquidator's address ②

Building name/number	Mountview Court
Street	1148 High Road
Post town	Whetstone
County/Region	London
Postcode	N 2 0 0 R A
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	1	^d	2	^m	0	^m	9	^y	2	^y	0	^y	1	^y	9
To date	^d	1	^d	1	^m	0	^m	9	^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</div> <div>  </div>															
Signature date	^d	0	^d	6	^m	1	^m	1	^y	2	^y	0	^y	2	^y	0

**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 **Andreas Arakapiotis**

Company name **Kallis & Company**

Address **Mountview Court**

1148 High Road

Post town **Whetstone**

County/Region **London**

Postcode **N 2 0 0 R A**

Country

DX

Telephone **020 8446 6699**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**Where to send**

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

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

**Further information**

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

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

CSS Realisations 2017 Limited – In Creditors' Voluntary Liquidation

**JOINT LIQUIDATORS' THIRD PROGRESS REPORT IN ACCORDANCE WITH RULE 18.3 OF THE
INSOLVENCY RULES 2016 FOR THE PERIOD ENDING 11 SEPTEMBER 2020**

Contents:

1. Statutory Information
2. Joint Liquidators' Actions Since Last Report
3. Receipts And Payments
4. Assets
5. Liabilities
6. Dividends
7. Joint Liquidators' Remuneration
8. Joint Liquidators' Expenses
9. Further Information
10. Summary

Appendices:

1. Receipts & Payments Account for the period from 12 September 2019 to 11 September 2020 and for the cumulative period from 12 September 2017 to 11 September 2020
2. A schedule of actions undertaken under each category for the period from 12 September 2019 to 11 September 2020
3. A schedule of Liquidator's time costs incurred for the period from 12 September 2019 to 11 September 2020 and for the cumulative period from 12 September 2017 to 11 September 2020
4. Comparison of the estimated and actual time costs incurred
5. An explanatory note which shows Kallis Insolvency Practitioners' fee policy
6. Proof of debt form

CSS Realisations 2017 Limited – In Creditors' Voluntary Liquidation
Formerly Connect Support Services Limited

LIQUIDATOR'S PROGRESS REPORT TO CREDITORS AND MEMBERS

For the period ending 11 SEPTEMBER 2020

1. STATUTORY INFORMATION

Company name:	CSS Realisations 2017 Limited
Registered office:	Mountview Court 1148 High Road Whetstone London N20 0RA
Former registered office:	Office 6 225 Marsh Wall London E14 9FW
Registered number:	02795071
Joint Liquidators' names:	Kikis Kallis FCCA FABRP and Andreas Arakapiotis
Joint Liquidators' address:	Mountview Court 1148 High Road Whetstone London N20 0RA
Joint Liquidators' date of appointment:	12 September 2017
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.

2. JOINT LIQUIDATORS' ACTIONS SINCE LAST REPORT

As advised in the last report, the only asset left to be realised is a dividend from the members' voluntary liquidation ("MVL") of Thinhost Limited ("Thinhost"), the Company's wholly owned subsidiary.

Thinhost has had to bring all of its outstanding liabilities to date and finally obtain clearance from HMRC. Once clearance has been obtained they will be in a position to make a distribution to the Company by way of dividends on its shareholding.

In addition I have also spent time agreeing creditors' claims and declaring a first interim dividend of 21.06p in the £ to non-preferential, unsecured creditors of the Company.

In my last report I mentioned an unsettled claim received from an employee who was made redundant during the former administration proceedings. Since my last report I have spent time in reviewing this claim and liaising with the employee. The claim was ultimately rejected.

Finally, there is also 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 last progress report is contained in Appendix 2.

3. RECEIPTS AND PAYMENTS

My Receipts & Payments Account for the period from 12 September 2019 to 11 September 2020 and for the cumulative period from 12 September 2017 to 11 September 2020 is attached at Appendix 1.

As the Company was registered for VAT, all items are shown as net of VAT on the receipts & payments account, and the VAT was recovered for the benefit of the insolvent estate.

I would advise that all asset realisations within the liquidation are held within an interest-bearing account. I can confirm that interest totalling £4,215.48 has been received on the account, of which £312.12 was realised in the reporting period.

4. ASSETS

All realised assets in the Liquidation have been mentioned in the previous report.

As aforementioned above, the only asset still outstanding to be realised is the dividend from Thinhost.

5. LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has no current charges over its assets.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

Preferential Creditors

The Director's estimated Statement of Affairs did not anticipate any preferential claims. However, a claim in the sum of £4,035.44 has been received from an employee who was made redundant during the former administration proceedings.

Non-preferential unsecured Creditors

The Statement of Affairs included 34 non-preferential, unsecured creditors with an estimated total liability of £1,870,588.71, of which £1,486,241 was owed to HM Revenue & Customs ("HMRC") in respect of unpaid PAYE and VAT and £255,049 in respect of corporation tax.

To date, I have received claims from 14 creditors at a total of £1,898,964.78, including HMRC's final, agreed claim of £1,800,916.72.

6. DIVIDENDS

Secured creditors

As detailed above, there are no outstanding charges over the Company's assets.

Preferential creditors

On 9 October 2017, a preferential dividend of 100p in the £ was declared and paid by the Joint Liquidator, with a total of £3,842.50 being distributed in this regard.

It has since come to my attention that due to an administrative error, the preferential claim of one of the redundant employees was underpaid. The balance of this claim, in the sum of £192.94, was paid to this employee in the reporting period.

Non-preferential unsecured Creditors

On 11 July 2019, I issued to all known creditors a notice of intended dividend. The last day to prove was 9 August 2019 and a dividend was to be paid within two months of the last day to prove.

On 7 October 2019, I declared a first interim dividend of 21.06p in the £ to non-preferential, unsecured creditors of the Company. A total of £400,000 was distributed

A second, final dividend is expected to be paid once the distribution from Thinhost has been received.

7. JOINT LIQUIDATORS' REMUNERATION

My remuneration was previously authorised by creditors whilst the Company was in administration, on a time cost basis, based on a revised fees estimate of £429,448.75. Included in this revised fees estimate is a sum of £174,971.75 for work required to be undertaken by the subsequent Joint Liquidator to bring the insolvency proceedings to a conclusion.

Creditors should note that the fees estimate acts as a cap and I cannot draw remuneration in excess of the revised estimate without first seeking leave from the Court.

My total time costs to 11 September 2020 amount to £180,219.50, representing 653.80 of hours worked at a blended charge out rate of £275.65 per hour, of which £20,402.00, representing 75.20 of hours worked, was charged in the period since 12 September 2019, at a blended charge out rate of £271.30 per hour. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £233.53 in my fees estimate.

There is a difference in the blended rate charged, compared with the estimated blended rate because of the complexity of the work required in assisting Zanettos with the preparation of the Thinhost accounts and liaising with a number of creditors to agree their final claims, all of which was undertaken at senior management and partner level. In particular, a substantial amount of time was spent at partner level in reviewing the draft Thinhost accounts prepared by Zanettos and overseeing any changes required to ensure these accounts were accurate prior to submission.

I have drawn £178,633.25 to 11 September 2020 of which £30,633.25 was drawn in the period since 12 September 2019.

A detailed schedule of my time costs incurred to date, compared with my revised fees estimate, is attached as Appendix 4.

Creditors will note from the comparison schedule that more time was spent in dealing with creditors' claims and attending to general administration/financial matters than anticipated. This was due to a number of claims received being substantially higher than what was shown in the Company's records, resulting in considerable time being spent working with both Zanettos and the creditors involved to determine why there was such a large discrepancy between the figures.

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 <https://www.r3.org.uk/what-we-do/publications/professional/creditors-guides>. A copy of 'A Creditors Guide to Joint Liquidators' Fees' also published by R3, together with an explanatory note which shows

Kallis Insolvency Practitioners' fee policy are available at the link <http://www.kallis.co.uk/downloads> by clicking the link underneath "Insolvency Office Holders' Fees". Please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2017 version.

8. LIQUIDATORS' EXPENSES

I have paid the following expenses totalling £22,820.91 to 11 September 2020, of which £560.92 was paid in the period since 12 September 2019.

	<u>Period from 12 September 2019 to 11 September 2020</u>	<u>To date</u>
<u>Disbursement</u>	<u>Paid £</u>	<u>Paid £</u>
Accountants Fees	-	15,000.00
Corporation Tax	452.67	741.66
Legal Fees	-	6,820.00
Professional fees	-	151.00
The Stationery Office	108.25	108.25
Total	560.92	22,820.91

9. FURTHER INFORMATION

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

An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the 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. Any secured creditor may make a similar application to court within the same time limit.

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

10. SUMMARY

The Liquidation will remain open until the distribution from Thinhost has been received and a second, final dividend has been paid to unsecured creditors. It is anticipated that this will be resolved within the next 12 months.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Antonis Stylianou on 020 8446 6699, or by email at Antonis@kallis.co.uk.



Andreas Arakapiotis
JOINT LIQUIDATOR

Appendix 1**CSS Realisations 2017 Limited (In Liquidation)****Summary of Liquidator's Receipts and Payments for the period 12/09/2019 to 11/09/2020
and cumulative from 12/09/2017 (date of appointment) to 11/09/2020**

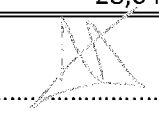
Receipts	From 12/09/2019 to 11/09/2020 £	From 12/09/2017 to 11/09/2020 £
Bank Interest Gross	312.12	4,215.48
Book Debts	NIL	1,192.85
Insurance Refund	NIL	3,731.62
Surplus from Administration	NIL	680,814.12
Trade Debtors	NIL	1,268.80
	<u>312.12</u>	<u>691,222.87</u>
Payments		
Accountants Fees	NIL	15,000.00
Administrator's Fees	NIL	25,815.50
Apportionment Payment	NIL	31,268.93
Corporation Tax	452.67	741.66
Legal Fees	NIL	6,820.00
Joint Liquidators' Fees	30,633.25	178,633.25
Professional Fees	NIL	151.00
The Stationery Office	108.25	108.25
	<u>(31,194.17)</u>	<u>(258,538.59)</u>
Preferential Creditors		
Employee Arrears/Hol Pay	154.54	3,147.15
HM Customs & Excise	38.40	888.29
	<u>(192.94)</u>	<u>(4,035.44)</u>
Unsecured Creditors		
Directors	3,782.14	3,782.14
Employees	2,856.41	2,856.41
HM Revenue & Customs	379,347.05	379,347.05
Trade & Expense Creditors	14,014.40	14,014.40
	<u>(400,000.00)</u>	<u>(400,000.00)</u>
Receipts less Payments	<u><u>(431,074.99)</u></u>	<u><u>28,648.84</u></u>

Represented by:

Bank 1 Current Interest Bearing	27,722.19
VAT Receivable	926.65

Total

 28,648.84



 Andreas Arakapiotis
 Joint Liquidator

APPENDIX 2 - SCHEDULE OF ACTIONS UNDERTAKEN

1. Administration & Planning

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Dealing with all routine correspondence and emails relating to the case.
- 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 an annual progress report to creditors and members.
- Filing returns at Companies House.

2. Financials

- Maintaining and managing the office holder's estate bank account.
- Maintaining and managing the office holder's cashbook-
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.
- Undertaking regular bank reconciliations of the bank account containing estate funds.

3. Creditors

- Corresponding with employees regarding their claims.
- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.
- Issuing a notice of intended dividend and placing an appropriate gazette notice.
- Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.
- Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend.
- Paying tax deducted from the dividends paid to employees.

Appendix 3

Analysis of Office Holder's time costs for the period 12/09/2017 To 11/09/2020

Classification of Work Content	Partner Hours	Senior Manager Hours	Manager Hours	Senior Hours	Support Hours	Tota Hours	Tota Cos (GBP)	Average Hourly Rat (GBP)
Administration & Planning	119.7	72.8	91.8	7.4	3.2	294.9	82,279.50	279.0
AD1.1 - Case planning and review	88.5	60.8	17.9	3.7	1.1	172.0	49,422.00	287.3
AD1.2 - Ongoing administration matters	18.5	1.0	45.0	3.7	1.3	69.5	17,993.50	258.9
AD1.3 - Statutory notices & reporting	12.7	11.0	28.9	0.0	0.8	53.4	14,864.00	278.3
Financials	16.6	2.6	1.8	4.1	34.8	59.9	11,191.50	186.8
AD2.1 - Completion and agreement of tax returns	11.2	0.0	0.0	0.0	3.9	15.1	4,468.00	295.8
AD2.2 - Banking and reconciliations	0.5	1.8	0.0	0.0	8.9	11.2	1,577.00	140.8
AD2.3 - Expense reviews and payments	4.9	0.8	1.8	4.1	22.0	33.6	5,146.50	153.1
Realisation of Assets	63.8	3.3	0.7	0.0	1.5	69.3	21,050.00	303.7
AD3.1 - Dealing with agents, asset and business sales	7.9	0.0	0.0	0.0	0.0	7.9	2,375.50	300.7
AD3.3 - Book debt collection	2.9	3.3	0.2	0.0	1.1	7.5	2,143.00	285.7
AD3.4 - Identifying assets and recovery	53.0	0.0	0.5	0.0	0.4	53.9	16,531.50	306.7
Investigations	0.2	0.0	2.9	0.4	0.0	3.5	777.5	222.1
AD4.1 - SIP 2 review & CDDA reports	0.0	0.0	2.5	0.4	0.0	2.9	612.5	211.2
AD4.3 - Investigations - antecedent transactions/misconduct	0.2	0.0	0.4	0.0	0.0	0.6	165.0	275.0
Creditors	54.3	116.0	36.0	1.0	3.3	210.6	60,646.00	287.9
AD5.1 - Communication with creditors	21.8	30.4	15.8	0.8	0.8	69.6	20,136.00	289.3
AD5.2 - Creditors' claims (including Employees' and other preferential creditors')	32.5	85.6	20.2	0.2	2.5	141.0	40,510.00	287.3
Trading	10.7	0.0	4.9	0.0	0.0	15.6	4,275.00	274.0
AD7.1 - Management of operations	0.0	0.0	1.1	0.0	0.0	1.1	247.5	225.0
AD7.3 - On-going employee issues	10.7	0.0	3.8	0.0	0.0	14.5	4,027.50	277.7
Total Hours	265.3	194.7	138.1	12.9	42.8	653.8		275.6
Total Fees (GBP)	86,768.50	55,363.50	32,075.00	1,618.50	4,394.00		180,219.50	

Analysis of Office Holder's time costs for the period 12/09/2019 To 11/09/2020

Classification of Work Content							Average	
	Partner Hours	Senior Manager Hours	Manager Hours	Senior Hours	Support Hours	Tota Hours	Tota Cos (GBP)	Hourly Rat (GBP)
Administration & Planning	4.7	7.0	6.2	3.2	0.4	21.5	5,781.50	268.9
AD1.1 - Case planning and review	2.6	1.5	0.2	3.2	0.0	7.5	1,844.00	245.8
AD1.2 - Ongoing administration matters	0.6	0.0	1.5	0.0	0.2	2.3	636.0	276.5
AD1.3 - Statutory notices & reporting	1.5	5.5	4.5	0.0	0.2	11.7	3,301.50	282.1
Financials	1.3	2.1	0.0	0.0	6.2	9.6	1,769.00	184.2
AD2.1 - Completion and agreement of tax returns	1.2	0.0	0.0	0.0	2.2	3.4	748.0	220.0
AD2.2 - Banking and reconciliations	0.0	1.3	0.0	0.0	4.0	5.3	797.0	150.3
AD2.3 - Expense reviews and payments	0.1	0.8	0.0	0.0	0.0	0.9	224.0	248.8
Realisation of Assets	3.0	0.0	0.0	0.0	0.0	3.0	930.0	310.0
AD3.1 - Dealing with agents, asset and business sales	1.0	0.0	0.0	0.0	0.0	1.0	340.0	340.0
AD3.4 - Identifying assets and recovery	2.0	0.0	0.0	0.0	0.0	2.0	590.0	295.0
Creditors	13.4	19.1	5.9	0.6	2.1	41.1	11,921.50	290.0
AD5.1 - Communication with creditors	7.1	0.8	2.0	0.4	0.5	10.8	3,294.50	305.0
AD5.2 - Creditors' claims (including Employees' and other preferential creditors')	6.3	18.3	3.9	0.2	1.6	30.3	8,627.00	284.7
Total Hours	22.4	28.2	12.1	3.8	8.7	75.2		271.3
Total Fees (GBP)	8,201.00	7,911.00	2,850.00	456.0	984.0		20,402.00	

APPENDIX 4 - COMPARISON OF THE ESTIMATED AND ACTUAL TIME COSTS
INCURRED

Description of categories	Estimated time (Hours)	Estimated value of the time costs £	Blended charge out rate £	Actual time (Hours)	Actual value of the time costs £	Actual blended charge out rate £
ADMINISTRATION (Including Financials)	618.00	133,527.50	216.06	752.00	185,147.50	246.21
REALISATION OF ASSETS	490.00	140,450.00	286.63	15.20	3,300.50	217.14
INVESTIGATIONS	35.00	8,110.00	231.71	347.30	97,511.00	280.77
CREDITORS	166.50	28,877.50	173.44	330.20	80,976.00	245.23
TRADING	474.25	118,483.75	249.83	243.60	67,761.50	278.17
GRAND TOTAL FOR ALL CATEGORIES OF WORK	1,783.75	429,448.75	240.76	1,688.30	434,696.50	257.48

PRACTICE FEE RECOVERY POLICY FOR KALLIS INSOLVENCY PRACTITIONERS

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/helpsheets/>. 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 <http://www.kallis.co.uk/downloads>. Alternatively a hard copy may be requested from Kallis Insolvency Practitioners, Mountview Court, 1148 High Road, London N20 0RA. Please note, that we have provided further details in this policy document.

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.

Grade of staff	Current charge-out rate per hour, effective from 01/10/2019	Previous charge-out rate per hour, effective from 01/10/2017	Previous charge-out rate per hour, effective from 01/10/2015
Senior Partner / appointment taker	£420		
Partner / appointment taker	£320-340	£295-375	£340-375
Senior Manager	£295	£285	£285
Manager	£240	£225	£225
Senior/Case Administrator	£110-150	£125-175	£150-175
Support Staff	£100-110	£85-100	£85-100

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

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 periodic basis 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; Financials; Investigations; Realisation of Assets; Creditors; Trading; Case specific 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 continue to seek time costs for the majority of our cases.

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 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.

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 Kallis Insolvency Practitioners; 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:

Room Hire	£50 per hour
Mileage	www.gov.uk/government/publications/rates-and-allowances-travel-mileage-and-fuel-allowances
Storage	£15 per box per annum
Destruction Costs	£5.50 per box

Appendix 6

Rule 14.4 The Insolvency (England and Wales) Rules 2016

Proof of Debt – General Form

Name of Company in Liquidation:	CSS Realisations 2017 Limited
Company Registration Number:	02795071
Date of Liquidation:	12 September, 2017
1 Name of creditor (If a company, please also provide the company registration number).	
2 Correspondence address of creditor (including any email address)	
3 Total amount of claim (£) (include any Value Added Tax)	
4 If amount in 3 above includes (£) outstanding uncapitalised interest, state amount.	
5 Details of how and when the debt was incurred. (If you need more space, attach a continuation sheet to this form)	
6 Details of any security held, the value of the security and the date it was given.	
7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.	
8 Details of any document by reference to which the debt can be substantiated	

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

10 Address of person signing if different from 2
above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

Admitted to vote for

Amount (£)

Date

Admitted for dividend for

Amount (£)

Date

Kikis Kallis FCCA FABRP
LIQUIDATOR

Kikis Kallis FCCA FABRP
LIQUIDATOR

Notes:

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

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