

# 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

03711806

Name of Company

Thierry's Wine Services Limited

I / We

Nedim Ailyan, 142-148 Main Road, Sidcup, Kent, DA14 6NZ

David Ingram, 30 Finsbury Square, London, EC2P 2YU

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 06/03/2014 to 05/03/2015

Signed \_\_\_\_\_

Date \_\_\_\_\_

17.4.15

Abbott Fielding Limited  
142-148 Main Road  
Sidcup  
Kent  
DA14 6NZ

Ref THIE002/NPA/RFD/RD

FRIDAY



A09 08/05/2015 #341  
COMPANIES HOUSE

**Thierry's Wine Services Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 06/03/2014 To 05/03/2015	From 06/03/2013 To 05/03/2015
	<b>HIRE PURCHASE</b>		
35,318 33	Book Debts	NIL	NIL
(119,869 15)	Aldermore Invoice Finance	NIL	NIL
		NIL	NIL
	<b>ASSET REALISATIONS</b>		
	Sale of Business	NIL	NIL
NIL	Intangible Assets	NIL	NIL
10,000 00	Furniture & Equipment	NIL	NIL
NIL	Inter Company Accounts	NIL	NIL
NIL	Trade Investments	NIL	NIL
NIL	Prepayments	NIL	NIL
	VAT Refund - Administration	NIL	3,532 94
NIL	VAT Refund	NIL	NIL
	Bank Interest Net of Tax	7 86	24 67
		7 86	3,557 61
	<b>COST OF REALISATIONS</b>		
	Petitioners Deposit	1,385 00	1,385 00
	Petitioners Costs	NIL	3,144 75
	Administrators Legal Fees	NIL	6,188 37
	Legal Fees (inc Disbs)	28,695 42	28,825 42
	Transcription Fees	481 25	481 25
	Statutory Advertising	NIL	84 60
		(30,561 67)	(40,109 39)
	<b>UNSECURED CREDITORS</b>		
(5,181,330 00)	Trade & Expense Creditors	NIL	NIL
(247,144 07)	G Welch - Share Sale Agreement	NIL	NIL
(122,338 37)	HM Revenue and Customs - PAYE an	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(8,667 00)	Ordinary Shareholders	NIL	NIL
	Transfer of funds from Administration	NIL	(52,755 72)
		NIL	52,755 72
<b>(5,634,030.26)</b>		<b>(30,553 81)</b>	<b>16,203.94</b>
	<b>REPRESENTED BY</b>		
	Interest Bearing Current Account		16,203 94
			<b>16,203.94</b>

**TO ALL KNOWN MEMBERS AND CREDITORS**

When telephoning please ask for Carol Hooper

5 May 2015

Our Ref npa/rfd/rd thie002 cvl 12  
Your Ref

Dear Sirs

**THIERRY'S WINE SERVICES LIMITED - IN LIQUIDATION**

I refer to my appointment as Liquidator on 6 March 2013. This is my report on the progress made in the liquidation for the period 6 March 2014 to 5 March 2015. It should be read in conjunction with my previous annual progress reports.

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 Liquidator's remuneration and expenses, within 21 days of 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 creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

Should you have any queries regarding this matter please do not hesitate to contact Carol Hooper who is dealing with this matter on my behalf.

Yours Faithfully

  
Nedim Ailyan  
Joint Liquidator

Nedim Ailyan and David Ingram are licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association

**:abbott:fielding:**

142/148 Main Road Sidcup Kent DA14 6NZ

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Insolvency Practitioners act as agents only and without personal liability

Abbott Fielding Limited registered in England No 05588036 Registered Office Lynwood House, Crofton Road, Orpington, BR6 8QE

## **THIERRY'S WINE SERVICES LIMITED- IN LIQUIDATION**

### **LIQUIDATOR'S PROGRESS REPORT TO MEMBERS AND CREDITORS**

I enclose for your information

- 1 A receipts and payments account for the period from 6 March 2013 to 5 March 2015 and for the period from 6 March 2014 to 5 March 2015,
- 2 A summary of Abbott Fielding Limited's time costs from 6 March 2013 to 5 March 2015 A summary of Abbott Fielding Limited's time costs for the period from 6 March 2014 to 5 March 2015 is also shown,
- 3 A summary of Grant Thornton UK LLP's time costs from 6 March 2013 to 5 March 2015,
- 4 Details of Abbott Fielding Limited's & Grant Thornton UK LLP's current and immediately previous charge out rates together with their disbursement policies

### **STATUTORY INFORMATION**

Company Name	Thierry's Wine Services Limited
Company Number	03711806
Current Registered Office	142/148 Main Road, Sidcup, Kent, DA14 6NZ
Former Registered Office	Highfield Court, Tollgate, Chandlers ford, Eastleigh, Hampshire, SO53 3TY
Trading address	Horsefair House, The Horsefair, Romsey, Hampshire, SO51 8EZ
Office Holder(s) / Numbers	Nedim Ailyan (9072) & David Ingram (8554) Tel (0)20 8302 4344 Tel (0)20 7383 5100
Liquidator's Date of Appointment	6 March 2013

### **ALLOCATION OF DUTIES BETWEEN THE JOINT LIQUIDATORS**

It is normal practice for Joint Liquidators to split the duties of the respective practices between office holders Therefore, as agreed, whilst retaining a joint and several responsibility for all actions of the Joint Liquidators, Abbott Fielding, ("AF"), have dealt with and continue where necessary with the following matters

- Asset realisations,
- Agreement of creditors claims,
- Accounting in the Liquidation, and
- Reporting to creditors

**:abbott:fielding:**

David Ingram of Grant Thornton UK LLP, ("GT"), has dealt with and continue to deal with the following matters

- Investigations into the affairs and prior dealings of the Company, its directors / de-facto directors and any associated Companies / persons
- Dealing with all aspects of the creditors' committee including reporting and meetings

## **RECEIPTS AND PAYMENTS ACCOUNT**

My Receipts and Payments Account for the period from 6 March 2014 to 5 March 2015 is attached

The balance of funds are held in an interest bearing estate bank account

## **ASSETS**

### Sale of Business

As previously advised the business and assets of the Company were sold upon the appointment of the Administrator for £60,006

### VAT Refund – Administration

As previously advised VAT paid on the costs of Administration of £3,532 94 was recovered and paid into the liquidation estate

### Transfer of funds from Administration

As previously advised a balance of £52,755 72 was transferred from the Administration bank account into the liquidation estate

## **CREDITOR CLAIMS & DIVIDEND PROSPECTS**

### Secured Creditors

The Company granted a fixed and floating charge in favour of Aldermore Invoice Finance, ("AIF") on 10 October 2012, following an assignment of the debts previously subject to a charge in favour of RBS Invoice Finance. At the date of Administration AIF were owed some £119,869, however, this liability has been assigned to the purchaser, Watermill Wines Limited. Therefore all asset realisations will be available for the remaining creditors.

### Prescribed Part

The provisions of section 176A of the Insolvency Act 1986 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 gave a 'qualifying 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 any preferential creditors, but before paying the lender who holds a floating charge. A liquidator is required to set aside

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

As advised above as the Company's debts were assigned to Watermill Wines Limited, there are no amounts outstanding to AIF and therefore any surplus will be available to the unsecured creditors

#### Unsecured Creditors

Unsecured creditors' claims in the directors Estimated Statement of Affairs totalled £5,462,137, of which £122,338 was attributable to HM Revenue & Customs. To date, we have received unsecured claims totalling £4,595,803.24, which includes a final claim of £194,354.00 from HM Revenue & Customs ("HMRC") in respect of VAT. This is lower than previously reported due to an amended claim from HMRC. To date we have not received claims from creditors with original estimated claims in the statement of affairs of £1,010,469.92. The majority of claims are similar to the amounts shown on the list of creditors supplied by the Company however, a claim of £188,327, has been received from the former landlords who did not appear as a creditor and one supplier whose claim is some £117,715, lower than that shown.

Based on realisations to date, together with estimated future realisations, and after taking into account the costs of the liquidation to date and estimated future costs of liquidation, we are unable at this time to estimate the size and timing of any distribution to the unsecured creditors.

#### **INVESTIGATION INTO THE AFFAIRS OF THE COMPANY**

Since my last report to creditors, David Ingram has continued his investigations into the Company's affairs including

- Corresponding with a firm of corporate finance advisers in relation to gathering further information in its dealings with the Company and requesting for any Company's records to be delivered
- Preparing and meeting with the corporate financial advisers
- Preparing and conducting interviews with further directors
- Forensic analysis of the Company's bank statements in order to identify any further avenues of investigation
- Corresponding and meeting with AIF and Wincanton, the Company's bonded warehouse. Reviewing additional documentation provided
- Corresponding with the Company's suppliers and reviewing the documentation provided

David Ingram has discussed his findings with his solicitors and instructed Counsel for advice on the potential claims identified. The nature of the potential claims are by their nature confidential. David Ingram anticipates being able to provide further information in relation to these potential claims in future reports but, to ensure these claims remain confidential, David Ingram is unable to do so at this time.

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## LIQUIDATOR'S REMUNERATION

At the meeting to approve the Administrator's Proposals held on 26 February 2013 a creditors' committee was formed, which carries over into the Liquidation. Therefore it is for the committee to approve the basis of the Joint Liquidators' remuneration.

The creditors committee approved that GT's remuneration be fixed by reference to time properly spent in attending to matters arising in the Liquidation and to be drawn on those time costs in accordance with Rule 4.127(2)(b) of the Insolvency Act 1986 on account from the assets of the Liquidation estate.

### Abbott Fielding Limited

AF's total costs to 5 March 2015, amount to £4,161 representing 18.10 hours at an average charge out rate of £229.89 per hour, of which £2,111, representing 9 hours work, has been incurred in the period since 6 March 2014 at an average charge rate of £234.56 per hour. AF have not drawn any remuneration in this matter.

### Grant Thornton UK LLP

GT's total costs to 5 March 2015, amount to £255,799 representing 808 hours at an average charge out rate of £316.54 per hour, of which £56,568, representing 172 hours work, has been incurred in the period since 6 March 2014 at an average charge rate of £328.88 per hour. GT have not drawn any remuneration in this matter.

Schedules of both AF's and GT's time costs incurred to date are attached.

A description of the routine work undertaken since our last progress report is as follows:

#### 1 Administration and Planning

- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on IPS
- Review and storage
- Case bordereau
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors

#### 3 Cashiering

- Maintaining and managing the liquidator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

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#### 4 Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on IPS
- Reviewing and adjudicating on proofs of debt received from creditors

#### 5 Investigations

- Review and storage of books and records
- Conduct investigations into suspicious transactions
- Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors

In addition to the routine work above, David Ingram of GT has spent additional time as follows

- Forensic analysis of the Company's bank statements in order to identify any further avenues of investigation
- Corresponding with a firm of corporate finance advisers in relation to gathering further information in its dealings with the Company and requesting for any Company's records to be delivered
- Preparing and conducting interviews with further directors of the Company and the corporate financial advisers
- Corresponding and meeting with AIF and Wincanton Reviewing additional documentation provided
- Completing creditors' committee reports dated 16 May, 9 September 2014 and 2 April 2015
- Meeting with the creditors' committee on 16 May 2014 and 2 April 2015
- Corresponding with the Company's suppliers and reviewing the documentation provided
- Corresponding with solicitors in relation to potential claims

A copy of creditors' guide to liquidators' fees can be obtained from Abbott Fielding Limited or from our website at [http //www.abbottfielding co uk](http://www.abbottfielding.co.uk)

#### **LIQUIDATOR'S EXPENSES**

AF have incurred expenses to 5 March 2015, of £229 89, of which £223 34 was incurred in the period since 6 March 2014 AF have not drawn any expenses in this matter

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GT have incurred expenses to 5 March 2015, of £95,326 22, of which £64,729 50 was incurred in the period since 6 March 2014

Details of these Category 1 Disbursements incurred and paid are shown below

Type of expense	This Period		Cumulatively	
	Incurred	Paid	Incurred	Paid
<b>Abbott Fielding Limited</b>				
Postage	223 34	0 00	229 89	0 00
<b>Total</b>	<b>223.34</b>	<b>0.00</b>	<b>229.89</b>	<b>0.00</b>
<b>Grant Thornton UK LLP</b>				
Bond and Insurance	0 00	0 00	100 00	0 00
Searches	0 00	0 00	178 82	0 00
Courier	0 00	0 00	110 70	0 00
Agents Fees	0 00	0 00	2,400 00	0 00
Legal Fees and Disbursements (excluding VAT)	61,229 50 *	0 00	86,328 25	26,465 42
Counsels Fees (excluding VAT)	3,500 00	0 00	5,730 00	2,230 00
Storage	79 68	0 00	478 45	0 00
<b>Total</b>				

\*David Ingram's solicitors are also instructed to act on a conditional fee basis on Edward Cavendish and Sons Limited – In Liquidation, the Company's subsidiary. The above legal costs relate to work undertaken on both companies. An apportionment of the legal costs incurred between the two companies will be undertaken as and when sufficient realisations have been made to enable the costs to be paid.

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### Petitioners Deposit & Petitioners Costs

As previously advised, on the appointment of the Administrator, the Court ordered that the costs of the petitioning creditor, Signe Vignerons be paid as a cost of the Administration. A claim was received from Aubrey David, Solicitors for £9,454.75, including VAT, against which £5,000, was paid from the Administration and subsequently a further £3,144.75. As detailed in the receipts and payments account a further payment was drawn in the period in regard to the petitioners deposit however, this cheque has been cancelled in the period subsequent to this report. GT are currently liaising with Aubrey David regarding the refund of the deposit.

### Agents' Fees

I have used the following agents or professional advisors in the reporting period

Professional Advisor	Nature of Work	Fee Arrangement
Moon Beaver	Solicitors	Time costs
Pinsent Masons LLP	Solicitors	CFA

As previously advised with the authority of the creditors' committee, David Ingram of GT instructed Moon Beaver Solicitors to act on his behalf in relation to the Company. This agreement was terminated due to a disagreement on the terms of instruction. Their fees of £28,695.42 including disbursements and counsel's fees plus VAT have been paid from the estate bank account in the period. David Ingram subsequently instructed Pinsent Masons LLP in relation to providing legal advice.

The choice of professionals was based on David Ingram's perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them. The fees charged have been reviewed and David Ingram is satisfied that they are reasonable in the circumstances of this case.

### **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 Liquidator's remuneration and expenses, within 21 days of 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 creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

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## SUMMARY

I am required to provide a further report on the progress of the liquidation within two months of the next anniversary unless I have concluded matters prior to this, in which case I will provide all creditors with my final progress report ahead of convening the final meetings of members and creditors

The liquidation will remain open until ongoing investigations have been fully resolved I estimate that this will take approximately 12 months and once resolved the Liquidation will be finalised and our files closed

Should you have any queries regarding this matter please do not hesitate to contact Carol Hooper who is dealing with this matter on my behalf



Nedim Ailyan  
Joint Liquidator

Nedim Ailyan and David Ingram are licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association

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**Thierry's Wine Services Limited**  
**(In Liquidation)**

**JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 06/03/2014 To 05/03/2015 £	From 06/03/2013 To 05/03/2015 £
<b>RECEIPTS</b>			
Book Debts	35,318 33	0 00	0 00
Intangible Assets	NIL	0 00	0 00
Furniture & Equipment	10,000 00	0 00	0 00
Inter Company Accounts	NIL	0 00	0 00
Trade Investments	NIL	0 00	0 00
Prepayments	NIL	0 00	0 00
VAT Refund - Administration		0 00	3,532 94
VAT Refund	NIL	0 00	0 00
Bank Interest Net of Tax		7 86	24 67
Transfer of funds from Administration		0 00	52,755 72
		<u>7 86</u>	<u>56,313 33</u>
<b>PAYMENTS</b>			
Aldermore Invoice Finance	(119,869 15)	0 00	0 00
Petitioners Deposit		1,385 00	1,385 00
Petitioners Costs		0 00	3,144 75
Administrators Legal Fees		0 00	6,188 37
Legal Fees (inc Disbs)		28,695 42	28,825 42
Transcription Fees		481 25	481 25
Statutory Advertising		0 00	84 60
Trade & Expense Creditors	(5,181,330 00)	0 00	0 00
G Welch - Share Sale Agreement	(247,144 07)	0 00	0 00
HM Revenue and Customs - PAYE and NI	(122,338 37)	0 00	0 00
Ordinary Shareholders	(8,667 00)	0 00	0 00
		<u>30,561 67</u>	<u>40,109 39</u>
Net Receipts/(Payments)		<u>(30,553 81)</u>	<u>16,203 94</u>
<b>MADE UP AS FOLLOWS</b>			
Vat Receivable		(2,590 59)	0 00
Interest Bearing Current Account		(27,963 22)	16,203 94
		<u>(30,553 81)</u>	<u>16,203 94</u>

**SIP 9 - Time & Cost Summary**

Period: 06/03/14 05/03/15

## Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	0 00	3 80	0 00	4 60	8 40	1,967 00	234 17
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisations of assets	0 00	0 30	0 00	0 00	0 30	75 00	250 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	0 00	0 00	0 30	0 30	69 00	230 00
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
<b>Total Hours</b>	<b>0 00</b>	<b>4 10</b>	<b>0 00</b>	<b>4 90</b>	<b>9 00</b>	<b>2,111 00</b>	<b>234 56</b>
<b>Total Fees Claimed</b>						<b>0 00</b>	

**SIP 9 - Time & Cost Summary**

Period 08/03/13 05/03/15

## Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	0 00	4 30	0 00	9 10	13 40	3,033 00	228 34
Investigations	0 00	3 10	0 00	0 00	3 10	744 00	240 00
Realisations of assets	0 00	0 60	0 00	0 00	0 60	147 00	245 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	0 70	0 00	0 30	1 00	237 00	237 00
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
<b>Total Hours</b>	<b>0 00</b>	<b>8 70</b>	<b>0 00</b>	<b>9 40</b>	<b>18 10</b>	<b>4,181 00</b>	<b>229 89</b>
<b>Total Fees Claimed</b>						<b>0 00</b>	

Thierry's Wine Services Limited - in Liquidation  
Grant Thornton UK LLP - SIP9 Analysis from 6 March 2013 to 5 March 2015

SIP 9 WIP ANALYSIS	Partner	Manager	Senior Professional	Admin / Support	Total	Average
	Hrs	Hrs	Hrs	Hrs	Hrs	Hourly Rate
	£	£	£	£	£	£
Administration and Planning	1 35	46 96	75 79	43 52	167 62	264 38
Legal	9 131 75	13 323 58	66 60	5 90	116 96	355 49
Investigations	31 95	53 924 63	212 65	47 15	415 05	331 23
Realisation of Assets	0 00	2 398 15	23 80	14 80	43 88	254 94
Creditors	5 15	7 484 42	34 70	7 40	64 60	328 83
Grand Total	53 65	93 877 21	413 54	118 77	808 11	316 54

Administration & Planning

Includes case planning, statutory obligations and general correspondence, general correspondence, case progression meetings, file reviews

Legal

Includes liaising with solicitors in relation to potential claims and correspondence with corporate financial advisers, Aldermore and the Company's directors, preparing notes on potential claims, discussing with claims with Counsel

Investigations

Includes investigating the Company's affairs, reviewing the bank statements, liaising with corporate financial advisers, the directors, former employees, Tesco, RSM Tenon, RBS Invoice Finance and Aldermore Invoice Finance, reviewing the management account information received, attending Watmull Wines Limited's offices and the storage facility, completing the D Return,

Realisation of Assets

Includes liaising with my agents in relation to valuing the Company's stock, corresponding with the bonded warehouses, Abbott Fielding in relation to asset realisations

Creditors

Includes reporting to the committee, correspondence with unsecured creditors

## **Abbott Fielding Limited & Grant Thornton UK LLP**

Time costs are calculated using 6 minute units. Time spent by support and secretarial staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead of the firm. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

### **Hourly Charge-out Rates of Abbott Fielding Limited**

	Period from 1 January 2014	Period from 1 February 2015
Partners	£335	£345
Managers	£250 - 285	£260 - 295
Administrators	£220	£230
Support Staff	£160	£170

### **Hourly Charge-out Rates for Grant Thornton UK LLP**

	Period from 6 March 2013	Period from 1 July 2014
Partners	£455 - 600	£515 - 615
Managers	£280 - 455	£330 - 470
Other Senior Professionals	£230 - 295	£280 - 330
Administrators	£155 - 220	£165 - 230
Support Staff	£145 - 170	£155 - 175

Insolvency practitioners are required to divide the expenses incurred in an insolvency assignment into two categories. These are described below, together with examples of the type of expenses relating to each category.

#### **CATEGORY 1**

Category 1 Disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. It will also include services specific to the case where these cannot practicably be provided internally, such as printing, room hire and document storage. Information relating to a specific Category 1 disbursements can be provided where reasonably requested.

#### **CATEGORY 2**

Category 2 Disbursements are those where costs are recovered which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs. These are identified and subject to approval by those approving the Insolvency Practitioner's remuneration. Such expenses should be of an incidental nature and directly incurred on the case. Where Category 2 disbursements are drawn there will be a reasonable method of calculation and allocation, for example a comparison with the cost of external provision of the expenses. The basis for charging Category 2 disbursements will be disclosed to creditors and authorised by those responsible for approving the Insolvency Practitioner's remuneration. Abbott Fielding will not be seeking to recover Category 2 disbursements in this case.