

The Insolvency Act 1986

Administrator's progress report

2.24B

Name of Company Cheval Property Developments Limited	Company number 04348496
In the High Court of Justice [full name of court]	Court case number 5009 of 2011

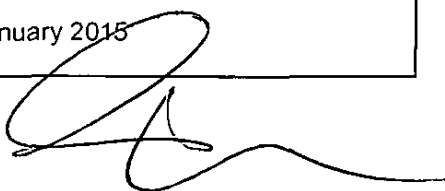
(a) Insert full name(s) and address(es) of administrator(s)

I (a) Malcolm Peter Fillmore of Arundel House, 1 Amberley Court, Whitworth Road, Crawley, RH11 7XL

administrator of the above company attach a progress report for the period

(b) Insert dates

from	to
(a) 17 January 2015	(b) 16 July 2015

Signed 
Administrator - M P Fillmore

Dated 29 July 2015

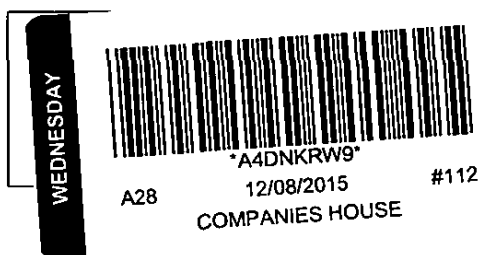
Contact Details

You do not have to give any contact information in the box opposite but if you do it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searches of the public record.

BM Advisory Arundel House, 1 Amberley Court Whitworth Road, Crawley	
RH11 7XL	Tel 01293 410333
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at
companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff



BM Advisory.

Corporate Advisory & Restructuring

TO ALL MEMBERS AND KNOWN CREDITORS

Arundel House
1 Amberley Court
Whitworth Road
Crawley RH11 7XL

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F +44 (0)1293 428 530

www.bm-advisory.com

Our ref. LAF/CHE001MPF

10 August 2015

Dear Sirs

Cheval Property Developments Limited - In Administration ("the Company")
Company Number: 04348496
High Court of Justice No. 5009 of 2011

Malcolm Fillmore and Ms Ranjit Bajjon formerly of Atherton Bailey of Arundel House, 1 Amberley Court, Whitworth Road, Crawley RH11 7XL were appointed Joint Administrators of the Company on 20 June 2011, following an application by Israel Discount Bank ("IDB") the secured creditor of the Company. The Notice of Appointment was filed in the High Court of Justice under reference number 5009 of 2011.

Ms Bajjon retired from office with effect from 10 December 2014. I remain in office as the sole administrator.

The purpose of this report is to provide creditors with an account of the progress of the Administration, for the period 17 January 2015 to 16 July 2015, in accordance with Rule 2.47 of the Insolvency Rules 1986. A copy of Form 2 24B is attached to this report.

This report should be read in conjunction with my earlier reports to creditors dated 5 August 2011, 10 January 2012, 13 July 2012, 30 January 2013, 30 July 2013, 31 January 2014, 1 August 2014 and 16 February 2015.

STATUTORY INFORMATION

Attached at **Appendix I**, is the statutory details of the Company as filed at Companies House.

PROGRESS OF THE ADMINISTRATION

There are, in essence, two outstanding matters. These are the realisation of personal guarantees in respect of the Seaton Heights lending and the realisation of a freehold property at Stelling Minnis.

Seaton Heights

Veronica Sikkand and Robert Ramcharan had personally guaranteed the lending by IDB in respect of Seaton Heights and in June 2014 I reached a settlement with them whereby they would pay the sum of £330,000. I have received the initial payments of £100,000 and £35,000 due under the settlement agreement. A further payment of £50,000 is due by December 2015 and £95,000 by September 2016.

Settlement agreements with guarantors of Seaton Heights

Settlement agreements were entered into with Ms Sikand, Mr Ramcharan, Ms Spyszyck and Mr and Mrs Gripton on 26 and 27 June respectively. In summary, the following payments are due from the guarantors

Date		Amount
26/09/2014	Ms Sikand	100,000
26/09/2014	Mr Ramcharan	35,000
30/12/2014	Ms Spyszyck & Mr & Mrs Gripton	16,667
30/06/2015	Ms Spyszyck & Mr & Mrs Gripton	16,667
27/12/2015	Mr Ramcharan	50,000
30/12/2015	Ms Spyszyck & Mr & Mrs Gripton	16,666
26/09/2016	Ms Sikand	95,000
Total		£330,000

I confirm that I have received the first payment of £135,000 due under the settlement agreement with Ms Sikand and Mr Ramcharan

I have not received the payments of £16,667 due on 30 December 2014 and 30 June 2015 from Ms Spyszyck and Mr and Mrs Gripton. Ms Spyszyck was declared bankrupt on 6 July 2015 and I am considering the next steps to take against Mr and Mrs Gripton who I understand do not reside in the UK and Mr Spyszyck who provided an indemnity and personal guarantee in respect of the settlement agreement with Ms Spyszyck and Mr and Mrs Gripton

Thorn Farm Cottage and Thorn Farm, Stelling Minnis

The sale of Thorn Farm Cottage completed on 24 July 2015 for £300,000 plus interest on late completion of £362

The purchaser of Thorn Farm has indicated that they should be able to exchange contracts for the purchase of Thorn Farm once they have completed all property searches. Completion should take place soon after

PII Claims

South Sands PII Claim

Prior to my appointment the Company had commenced a PII claim against the valuers of a property known as South Sands. The fruits of this action had however been assigned to Cheval Property Finance PLC and had subsequently been transferred to Checked Limited ("Checked") under the sale agreement with PWC. However the legal action was being continued in the name of the Company. I discussed and agreed with Checked a protocol which would allow me to realise funds from the action. A settlement figure of £145,000 was agreed and paid to me, this was shared equally between the Company and Checked

Eatons Farm PII Claim

Prior to my appointment the Company had made a PII claim for £144,000 against the solicitors who had acted in the purchase of Eatons Farm. The Company had at the time of the purchase taken out a Defective Title Insurance Policy. I instructed my solicitor to assist me in pursuing the claim and accepted £50,000 in full and final settlement of the Company's claims.

Monica Spyszczek and Mick and Ann Gipton had also personally guaranteed the lending by IDB in respect of Seaton Heights and in July 2014 I reached a settlement with them whereby they would pay the sum of £50,000 in three tranches of £16,667. I did not receive the initial payment of £16,667 which was due by 30 December 2014 and I instructed my solicitor to issue proceedings against Ms Spyszczek. Ms Spyszczek did not respond and was declared bankrupt on 6 July 2015. I am considering further action against Mr and Mrs Gipton to enforce the settlement and also against Mr N Spyszczek who provided an indemnity and personal guarantee in respect of the settlement agreement.

Thorn Farm, Stelling Minnis

In January 2015 the planning application for mixed commercial/residential planning was refused. The planning consultants were of the view that the property was a special case and should be looked at independently from the planning authority's current structure plan. On this basis I instructed the planning consultants to submit an appeal of the planning decision. In February 2015, as part of the appeal process, my planning consultants recommended that the commercial part of Thorn Farm should be marketed by a local firm of estate agents to establish whether there would be any interest in Thorn Farm with the existing planning permissions and at a level acceptable to IDB, the secured creditor.

During May 2015 I received several offers and I instructed the agent to ask for best and final offers from all interested parties by close of business on 21 May 2015. Best and final offers were received from five parties and following discussions with the agent, IDB and the planning consultant it was agreed that I should accept the offer received from a property developer local to where Thorn Farm is located and who was known to my agent. Adequate proof of funding was provided by the interested party and contracts were issued in early June 2015. The proposed purchaser has indicated that it expects to be in a position to exchange contracts as soon as the final searches are received from the Highways Agency. Full details of the sale of Thorn Farm will be included in my next report.

Thorn Farm Cottage was excluded from the proposed marketing and it was subsequently decided to split the Land Registry title and sell Thorn Farm Cottage separately. Thorn Farm cottage was entered into the June auction held by Clive Emson Auctioneers for the Kent and South East Region. Thorn Farm Cottage was sold for £300,000 and a 10% deposit was paid by the purchaser. The sale should have completed on 14 July 2015 but the purchaser did not have the funds available to complete. Completion instead took place on 24 July 2015. I have also received interest on late completion of £362.

ADMINISTRATOR'S RECEIPTS AND PAYMENTS ACCOUNT

Attached at **Appendix II**, is the Administrator's Receipts and Payments Account, for the period 17 January 2015 to 16 July 2015, detailing a balance on hand of £50,624.

I have subsequently completed the sale of Thorn Farm Cottage for £300,000.

ASSETS

Friar Street, Reading

The ground floor and basement of 35 – 38 Friar Street, Reading, had been sold to Land Investments Limited, prior to my appointment. Land Investments Limited acquired the upper floors and the freehold in April 2013 for £525,000.

Seaton Heights, Devon

Loca Seaton Heights Limited acquired the freehold of Seaton Heights in July 2013 for £675,000.

Thorn Farm PII Claim

I issued a PII claim against the valuers of Thorn Farm for £2.6 million. The insurers instructed a firm of solicitors to deal with the matter and I provided further information and documents to my solicitors in support of my claim. In August 2014 the solicitors acting for the insured made a without prejudice offer of mediation, on advice from my solicitors I accepted the offer of mediation which was held on 17 November 2014.

At the mediation a settlement of £1 million was agreed. This sum was paid on 28 November 2014.

LIABILITIES

Secured creditors

IDB took specific fixed charges over the security held by the Company in relation to specific customers. The Company also granted a fixed and floating charge to IDB on 27 January 2011. At the date of the Administrators' appointment, the Company's indebtedness to IDB was £7.9 million, based on current information available; IDB will suffer a shortfall in respect of this security.

Preferential creditors

There are no preferential creditors of the Company.

Unsecured creditors

I have received claims from two creditors totalling £23,166.

The holding company Cheval Property Finance PLC is owed £3.3 million and Cheval Finance Limited is owed £3,000.

Unsecured creditors – Crown creditors

There are no amounts owed to HMRC by the Company.

DIVIDEND PROSPECTS

A dividend payment to unsecured creditors is unlikely in this matter due to insufficient asset realisations. However, a Proof of Debt form is attached at **Appendix IV** for the purpose of lodging your claim (if not already provided), should a dividend become available.

PRESCRIBED PART

The Prescribed Part Fund is created out of the Company's net floating charge property pursuant to Section 176A of the Act, as long as the floating charge was registered later than 15 September 2003.

As previously advised, the Company gave a fixed and floating charge to IDB on 27 January 2011, the Company's net property is likely to be less than £10k and the Act does not require me to distribute the prescribed part of the net property to creditors if I think that the costs of a distribution would be disproportionate to the benefit to creditors. I am of the view that the costs would be disproportionate and as such will not be making a distribution of the prescribed part.

ADMINISTRATOR'S INVESTIGATIONS

Under the insolvency legislation, the Administrator has a duty to consider the conduct of those persons who have been directors of the Company, shadow directors or de facto directors at any time within three years preceding the Administration and consider whether any civil proceedings should be taken.

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I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking into account public interest and the potential recoveries and costs involved. I concluded that there were no matters that justified further investigation.

Within six months of my appointment as Administrator, I was required to submit a confidential report to the Secretary of State to include any matters which came to my attention during the course of my work, which may have indicated that the conduct of any past or present director would make them unfit to be concerned with the management of the Company. I confirm that my report was submitted

PRE-ADMINISTRATION COSTS

On 17 October 2011, the secured creditor, IDB, approved my pre-Administration costs.

To date, pre-Administration fees of £10,101 and disbursements of £111 20, plus VAT, have been paid.

ADMINISTRATOR'S REMUNERATION

It was agreed by the secured creditor on 17 October 2011, that the Administrator be remunerated by reference to time properly spent by him and his staff in attending to matters arising from the Administration of the Company pursuant to rule 2 106(2)(b) of the Rules.

Since the Administration commenced, a total of 1,525 hours have been spent during the period 20 June 2011 to 16 July 2015 at a cost of £360,231, resulting in an average hourly charge out rate of £236.17. During the period 17 January 2015 to 16 July 2015 a total of 128 hours have been spent at a cost of £31,711 resulting in an average hourly charge out rate of £246.37. Attached at **Appendix III**, is a schedule of my time costs to date and for the period of the report together with BM Advisory's policy on fees.

The sum of £215,000 plus VAT has been drawn against these time costs to date

A description of the routine work undertaken in the Administration to date is as follows

Administration and Planning

- Dealing with the formalities of appointment and preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on IPS case management software.
- Case bordereau
- Case planning and Administration
- Preparing reports to members and creditors

Cashiering

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

Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on IPS case management software, including proof of debts received from creditors.

Realisation of Assets

- Litigation preparation and mediation in respect of PII Claim against the valuers of Thorn Farm.
- Corresponding with guarantors of Seaton Heights lending and their solicitors.
- Liaising with the planning consultants in respect of planning application for mixed commercial/residential application for Thorn Farm

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A copy of 'A Guide to Administrators' Fees' can be located on the following website which provides information relating to Administrators' remuneration www.r3.org.uk/index.cfm?page=1591. A hard copy is available on request

During the reporting period, I have not incurred any category 1 and 2 disbursements

During the Administration, I have instructed professional advisors and/or agents to assist with the PII claim against the valuers of Thorn Farm, the settlement with the guarantors of the lending against Seaton Heights, the planning applications in respect of Thorn Farm, the VAT position of the Company and whether the Company could be VAT registered and the sale of Thorn Farm and Cottage. The fees paid as detailed in my receipts and payments account are as follows,

	£
AS Planning Ltd	5,700
BDJ VAT Consultancy	3,000
Fletcher Day Solicitors	4,066
Rohan Solicitors	1,966

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

Under rule 2.48 of the Rules any secured creditor, or unsecured creditor with concurrence of at least 5% in value of the total unsecured creditors, may request further information in respect of the Administrators' remuneration and expenses. This must be sent in writing to the Administrators within 21 days of receipt of this progress report

Any secured creditor, or unsecured creditor with at least 10% in value of the total unsecured creditors, is entitled to challenge the remuneration and expenses under rule 2.109 of the Rules. Any challenge must be brought within 8 weeks of receipt of this progress report

COMPLETION OF THE ADMINISTRATION

The Administration has been extended by order of the Court to 18 December 2015 to complete the sale of Thorn Farm and collect the sums due under the settlement agreements with the guarantors of the lending on Seaton Heights. Once completed the Administrator shall conclude the Administration pursuant to Paragraph 84 of Schedule B1 of The Insolvency Act 1986, by moving from Administration to dissolution in the event that there is no distribution to creditors.

However if there is a dividend to creditors, as agreed in the Proposals, the Administrator will be permitted to place the Company into Creditors' Voluntary Liquidation, in order to conclude any further asset realisations and make a distribution to the unsecured creditors. In accordance with Paragraph 83(1) of Schedule B1 of The Insolvency Act 1986 it has been proposed that Malcolm Fillmore is appointed Liquidator.

The Administrator will be discharged from liability in respect of any act of theirs immediately after they cease to be Administrators of the Company

COMPLAINTS PROCEDURE

BM Advisory strives to provide a first class service to all of its clients and we are committed to a process of continuous improvement. As such should you have any comments or complaints regarding this matter you should contact me in the first place at the address on the front of this letter

BM Advisory.

If you do not receive a satisfactory response then you may be able to make a complaint to my regulatory body, via the complaints Gateway operated by The Insolvency Service. The contact details for the Gateway are by email ip.complaints@insolvency.gov.uk, by phone 0845 602 9848 (call charges apply) or by post: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA. To make an online submission or for further information please visit <https://www.gov.uk/complain-about-insolvency-practitioner>

FURTHER INFORMATION

Should you require any further information, please do not hesitate to contact Cindy Field on 01293 410334.

Yours faithfully

For and on behalf of
Cheval Property Developments Limited



Malcolm Fillmore
Administrator

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CHEVAL PROPERTY DEVELOPMENTS LIMITED – IN ADMINISTRATION

STATUTORY INFORMATION

Company information

Company Number	04348496				
Previous name(s)	None				
Date of Incorporation	7 January 2002				
Principal trading activity	Bridging Finance				
Trading name(s)	None				
Trading Address	Suite 1, Second Floor, Meridien House, 69 – 71 Clarendon Road, Watford, WD17 1DS				
Registered Office	c/o BM Advisory Arundel House, 1 Amberley Court, Whitworth Road, Crawley RH11 7XL				
Former Registered Office	Suite 1, Second Floor, Meridien House, 69 – 71 Clarendon Road, Watford WD17 1DS				
Directors	The directors of the Company over the last 3 years are detailed below: <table><tr><td>Allan Kay</td><td>07/01/2002 to date</td></tr><tr><td>Colin Halpern</td><td>01/06/2006 to date</td></tr></table>	Allan Kay	07/01/2002 to date	Colin Halpern	01/06/2006 to date
Allan Kay	07/01/2002 to date				
Colin Halpern	01/06/2006 to date				
Company Secretary	Gavin Diamond 29/01/2010 to date				
Related entities	Cheval Property Finance PLC – in Liquidation (holding company)				

Share Capital

The Company's authorised share capital consists of 100 ordinary shares with a nominal value of £1 each.

Cheval Property Finance PLC	100 Ordinary Shares
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Registered charges

Israel Discount Bank Limited

Fixed and floating charge over the undertaking and all property

Created. 27 January 2011

Registered 01 February 2011

Appointment details

Date of appointment	20 June 2011
Appointment made by	High Court
Court name	High Court of Justice, Chancery Division, Companies Court
Court reference	5009 of 2011
Administrator	Malcolm Fillmore

Cheval Property Developments Ltd - In Administration

Joint Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 17/01/2015 To 16/07/2015	From 20/06/2011 To 16/07/2015
	ASSET REALISATIONS	
2,000,000 00	Freehold - Seaton Heights/Thorn Farm	NIL 675,000 00
	Interest on Late Completion	NIL 1,424 63
	Insurance Rent Friar Street	NIL 28,400 93
500,000 00	Freehold - Friar Street	NIL 525,000 00
	PII Claim - Thorn Farm	NIL 1,000,000 00
	PII Claim - South Sands	NIL 145,000 00
	PII Claim - Wallace/Eatons Farm	NIL 50,000 00
	Guarantors Settlement - Seaton Heigh	NIL 135,000 00
49,085 00	Cash at Bank	NIL 22,338 82
	Rent	NIL 38,092 70
	Bank Interest Gross	250 15 1,017 49
		<u>250 15 2,621,274 57</u>
	COST OF REALISATIONS	
	Specific Bond	NIL 1,560 00
	PII Claim - South Sands	NIL 72,500 00
	Pre Administration Fees	NIL 12,121 59
	Office Holders Fees	122,552 00 362,552 00
	Proper Agents Management Fees	NIL 5,031 36
	Data Recovery	NIL 896 40
	VAT Consultancy	3,000 00 4,500 00
	Valuers Fees - Thorn Farm	NIL 7,014 00
	Valuers Fees - Friar Street	NIL 2,400 00
	Legal Fees	7,831 00 161,182 60
	Legal fees - Third Party	NIL 3,576 00
	Corporation Tax	NIL 7 21
	Land Registry Fees	NIL 98 80
	Expert Valuers Fee Thorn Farm	27,305 49 45,451 94
	Estate Agents Commission	366 00 9,150 00
	Travel & Subsistence	345 20 2,998 38
	Stationery & Postage	56 39 268 05
	Auctioneers Costs - Thorn Farm	350 00 350 00
	Storage Costs	45 76 84 48
	Company Searches	2 00 430 40
	Statutory Advertising	83 92 175 72
	Courier Charges	NIL 570 30
	Insurance Works - Friar Street	NIL 976 80
	Insurance Works - Seaton Heights	NIL 20,199 60
	Insurance of Assets	2,713 60 85,996 35
	Planning Consultancy Costs - Thorn Fa	5,700 00 74,559 31
	Legal Costs - Sale of Assets	763 50 15,397 50
	Bank Charges	NIL 99 00
	Site Visits,Maintenance Costs - Thorn	5,502 74 5,502 74
		<u>-176,617 60 -895,650 53</u>

FLOATING CHARGE CREDITORS

Secured Creditor	NIL	1,675,000 00
	NIL	-1,675,000 00
2,549,085.00	-176,367.45	50,624.04

REPRESENTED BY

Estate bank account - interest bearing	50,624 04
	50,624.04

		Hours by Staff Grade										
Classification of Work	Work Analysis	Partner	Senior Administrator	Junior	Cashier	Administrator 1	Administrator 2	Grand Total	Classification of Work	Work Analysis	Total Cost £	Average Hourly Rate £
Administration and Planning	Admin & Planning	10.10	137.45	0.00	1.65	0.71	0.00	149.91	Administration and Planning	Admin & Planning	37,474.55	249.98
	Bill	0.00	0.00	0.00	0.20	0.00	0.00	0.20		Bill	23.00	115.00
	Case Accounting	0.90	0.00	0.30	20.40	0.10	1.72	23.42		Case Accounting	2,815.40	121.07
	Meetings	0.80	0.00	0.00	0.00	0.00	0.00	0.80		Meetings	304.00	380.00
	Partner Review	6.20	0.00	0.00	0.00	0.00	0.00	6.20		Partner Review	2,271.00	366.29
Asset Realisation	Asset Realisation	46.37	120.02	0.00	0.00	0.00	0.00	166.39	Asset Realisation	Asset Realisation	46,960.45	282.23
	Freehold/Leasehold Property	0.00	0.40	0.00	0.00	0.50	0.00	0.90		Freehold/Leasehold Property		216.00
Creditors	Unsecured Creditors		0.00	0.00	0.00	0.00	0.08	0.08	Creditors	Unsecured Creditors	10.80	135.00
	Secured Creditors	12.67	67.45	0.00	0.00	0.00	0.00	80.12		Secured Creditors	21,906.15	273.42
Investigation	Investigatory Work	0.00	1.30	0.00	0.00	0.00	0.00	1.30	Investigation	Investigatory Work	312.00	240.00
Legal and Litigation	Legal / Litigation	8.30	158.52	0.00	0.00	0.00	0.00	166.82	Legal and Litigation	Legal / Litigation	42,562.20	255.14
Statutory Compliance	Tax & VAT	0.50	0.00	0.00	0.00	0.00	0.00	0.50	Statutory Compliance	Tax & VAT	190.00	380.00
Contributable	Billing & WIP Reviews	0.10	0.00	0.00	0.10	0.00	0.00	0.20	Contributable	Billing & WIP Reviews	38.50	192.50
Grand Total		85.94	485.14	0.30	22.35	1.31	1.80	596.84			153,104.05	259.88

Atherton Bailey**TIME & CHARGEOUT SUMMARIES**Cheval Property Developments Limited
Administration**HOURS**

Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	28 98	0 00	325 08	172 15	526 22	103,991 10	197 62
Investigations	11 17	0 00	2 32	0 22	13 70	3,852 82	281 23
Realisation of Assets	121 85	0 00	128 37	0 60	250 82	65,707 96	261 97
Trading	0 42	0 00	0 00	0 92	1 33	235 43	176 56
Creditors	32 92	0 00	46 15	3 73	82 80	21,037 60	254 08
Litigation	7 67	0 00	25 92	0 00	33 58	8,434 31	251 14
Rec & Pay	0 00	0 00	0 00	20 65	20 65	1,868 64	90 50
Total Fees Claimed £	59,453 64	0 00	123,163 85	22,510 37		205,127 86	
Total Hours	203 00	0 00	527 83	198 26	929 10		
Average Rate	292 87	0 00	233 34	113 54			

[Company] - In [Administration/Liquidation]
 Joint [Administrators'/Liquidators'] time costs
 For the period
 XXXX to XXXX

		Hours by Staff Grade										
Classification of Work	Work Analysis	Partner	Senior Administrator	Cashier	Administrator 1	Administrator 2	Grand Total	Classification of Work	Work Analysis	Total Cost £	Average Hry Rate £	
Administration and Planning	Admin & Planning	1.10	34.60	0.10	0.40	0.00	36.50	Administration and Planning	Admin & Planning	8 864.00	242.85	
	Bill	0.00	0.00	0.20	0.00	0.00	0.20		Bill	23.00	115.00	
	Case Accounting	0.60	0.00	5.70	0.00	0.30	6.60		Case Accounting	910.00	140.91	
	Meetings	0.80	0.00	0.00	0.00	0.00	0.80		Meetings	304.00	380.00	
	Partner Review	1.00	0.00	0.00	0.00	0.00	1.00		Partner Review	380.00	380.00	
Asset Realisation	Asset Realisation	6.40	68.80	0.00	0.00	0.00	75.20	Asset Realisation	Asset Realisation	18 944.00	251.91	
	Freehold/Leasehold Property	0.00	0.00	0.00	0.50	0.00	0.50		Freehold/Leasehold Property	120.00	240.00	
Creditors	Secured Creditors	1.80	3.90	0.00	0.00	0.00	5.70	Creditors	Secured Creditors	1,620.00	284.21	
	Legal / Litigation	0.20	1.40	0.00	0.00	0.00	1.60		Legal / Litigation	412.00	257.50	
Statutory Compliance	Tax & VAT	0.30	0.00	0.00	0.00	0.00	0.30	Statutory Compliance	Tax & VAT	114.00	380.00	
Grand Total		12.20	108.70	6.30	0.90	0.30	128.40			31,711.00	246.97	

BM ADVISORY

STATEMENT OF POLICY ON FEES IN INSOLVENCY PROCEEDINGS

Introduction

This statement has been prepared in accordance with guidelines set out in Statement of Insolvency Practice 9 issued by the Association of Business Recovery Professionals (R3)

The following information applies to all appointments of partners, directors, consultants or staff of BM Advisory, to act as any of the following -

Liquidator, Receiver, Administrator or Administrative Receiver of a Limited Company or Limited Liability Partnership
Trustee in Bankruptcy
Supervisor of an Individual, Company or Partnership Voluntary Arrangement
Administrator under the Insolvent Estates Order

When acting as Nominee, the provisions of the Insolvency Act 1986 require that the amount of the fees payable to the Office Holder be specified within the Debtor's proposals. Such fees will nevertheless be fixed to take account of the Office Holder's expected time costs arising as referred to below

Policy on fees

Unless otherwise fixed in accordance with the Insolvency Act 1986, an Office Holder's fees are charged by reference to time costs, as incurred, charged at the firm's usual rates applicable at the time the work is carried out. Rates may be varied from time to time, at the sole discretion of BM Advisory, and such changes will be notified in retrospect with each report to Creditors. It is the policy of BM Advisory to use as junior grade of staff as compatible with the efficient conduct of the matter in order to ensure costs are kept to a minimum. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

As at 1st March 2014 the rates applicable are

Grade	£
Partner 1	430
Partner 2	380
Associate Director	360
Senior Manager	340
Manager	310
Assistant Manager	285
Senior Administrator	240
Administrator 1	185
Administrator 2	155
Junior Administrator	125
Cashier	115
Support staff	85

Rates vary between individuals, reflecting experience and qualification. For certain more complex tasks, BM Advisory may seek to apply a higher rate in respect of work undertaken, but subject to prior authorisation in accordance with the Act.

For further information on the manner in which an Office Holder's fees may be fixed, please refer to the guidance notes in relation to fees at www.r3.org.uk/index.cfm?page=1591

Disbursements

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 case or BM Advisory, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the case. These disbursements are recoverable in full from the case without the prior approval of creditors either by a direct payment from the case or, where BM Advisory has made payment on behalf of the case, 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 and specific bond insurance.

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

It is proposed that the following Category 2 disbursements are recovered by BM Advisory

Meeting room hire	Up to £200
Creditor portal (operated within BM Advisory website)	£10 (per report)
Postage	£0.51 - £2.25
Mileage (per mile)	£0.45
Photocopies (per sheet)	£0.15
Storage (per box per month)	£0.35

The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.