

Liquidator's Progress Report**Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986****S.192**

To the Registrar of Companies

Company Number

04430414

Name of Company

(a) Insert full name of
company

(a) KEARLINE GRAPHIC IMAGES

Limited

(b) Insert full name(s)
and address(es)I/We (b) MICHELLE VILLIAMS OF BAILLAMS & CO,
TY ANSUR, NAVIGATION PARK, ABERCYNON CF45 4SNthe liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986The Progress Report covers the period from 9/4/2015
to 8/4/2016

Signed

Date 2/6/2016

Presenter's name,
address and
reference
(if any)BAILLAMS & CO
TY ANSUR
NAVIGATION PARK
ABERCYNON
CF45 4SN

WEDNESDAY



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08/06/2016

#55

COMPANIES HOUSE

Kearline Graphic Images Limited t/a Kearline Design & Print
(In Creditors Voluntary Liquidation)

**Liquidators Progress Report pursuant to
Section 104A of the Insolvency Act 1986 and Rule 4.49C of the
Insolvency Rules 1986**

Period of Report from 9th April 2015 to 8th April 2016

Notice:

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company and on the progress of the Liquidation. This report should not be relied upon by any individual or entity, or used for any other purpose, referred to, reproduced, or quoted from in whole or in part by creditors and/or members for any other purpose.

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Interpretation

"The Company"	Kearline Graphic Images Limited (In Creditors' Voluntary Liquidation)
"The Liquidator"	Michelle Williams, Bailams & Co Insolvency Practitioners, Ty Antur, Navigation Park, Abercynon, CF45 4SN
"Secured creditor"	Secured creditor means a creditor of the company who holds security over property of the company in accordance with Section 248 of the Insolvency Act 1986
"Preferential creditor"	A creditor of the company whose claim is preferential in accordance with Sections 386, 387 and Schedule 6 of the Insolvency Act 1986

1. Introduction

On the 9th April 2015 a resolution was passed by the members of the company to place the company into Liquidation and appoint Michelle Williams as Liquidator

2. Company Information

Company Name	Kearline Graphic Images Limited
Company Number	04430414
Registered Office	c/o Ty Antur, Navigation Park, Abercynon, CF45 4SN
Trading Addresses	Fairoak House, Church Road, Newport, NP19 7EJ

3. Appointment of Liquidator

The Liquidator was appointed by members and creditors on the 9th April 2015
There has not been any change in Liquidator since appointment

4. Liquidator's Receipts and Payments

I attach at Appendix 1 to this report my receipts and payments from the 9th April 2015 to the 8th April 2016

5. Liquidator's Remuneration & Disbursements

At the creditors meeting held on the 9th April 2015, the Liquidator's remuneration had been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Insolvency Act 1986 by reference to time properly spent by her and her staff at the appropriate charge out rates attached, in attending to matters arising in the liquidation. All remuneration shall be payable at the discretion of the Liquidator.

A resolution was also passed to authorise the Liquidator to draw disbursements (including category 2 disbursements in accordance with Statement of Insolvency Practice 9)

The time costs for the period from the 9th April 2015 to the 8th April 2016 amount to £9,441 50 which represents 50 8 hours at an average rate of £185 86 per hour. To date, fees of £8,900 have been paid.

Category one disbursements of £144 relating to bonding have been paid during the period covered by this report. Further category one disbursements of £338 40, £8 and £167 in relation to advertising, Companies House searches and online creditor report filing and mail redirection respectively have been paid to the date of this report.

Category two disbursements in relation to postage and photocopying in the sum of £293 86 have been paid during the period of the report. A further sum of £36 52 has been incurred and not paid in the period covered by this report, along with a further £0 37 in the period after this report.

In accordance with Statement of Insolvency Practice 9, I attach a time cost summary at Appendix 2 to this report. A creditor's guide to liquidator's fees is attached at Appendix 3. A summary of charge out rates is attached at Appendix 4.

6. Progress of the Liquidation during the period

Asset Realisations:

6.1 Debtors

The director's Statement of Affairs included debtors with an estimated to realise value of £12,921 20

To date the sum of £11,281 41 has been realised Debtors totalling approximately £600 remain, which I am continuing to pursue, however, their realisation appears doubtful as one debtor is dissolved from the register at Companies House and the remaining debtor is likely to be uncommercial to pursue further I am continuing to pursue and monitor the position with these debtors whilst the liquidation continues and creditors' claims are agreed, as detailed below

6.2 Cash at bank

The director's Statement of Affairs included cash at bank of £26,239 47

Following my appointment the bank account was closed and following final bank charges, the sum of £26,239 47 was realised

6.3 Sundry refunds

Sundry refunds totalling £137 55 in relation to the Company's pre liquidation insurance policy and business rates have been received

6.4 Bank interest

The sum of £6 78 has been realised in bank interest

7. Assets remaining to be realised

The liquidation remains on-going to pursue potential recoveries as detailed in paragraph 6 1 and also to agree creditors' claims for dividend purposes, details below

8. Statement of expenses

- 8.1** No expenses have been incurred during the period, other than those detailed in paragraph 5 above

9. Outcome for creditors

Fixed charge holder

- 9.1** There are no known fixed charge holders

Preferential creditors

- 9.2** A preferential claim totalling £869 99 has been received from The Insolvency Service in the sum of £869 99 and a preferential dividend has been paid in this respect, during the period following the dates included on the attached receipts and payments account

The Prescribed Part

- 9.3** Section 176A of the Insolvency Act 1986 provides that, where the Company has created a floating charge on or after the 15th September 2003, the Liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale of 50% of the first £10,000 of net property and 20% of net property thereafter up to a maximum amount to be made available of £600,000

The prescribed part does not apply as there are no bank charges or liabilities

Floating charge holder

- 9.4** There are no charges registered

Unsecured creditors

- 9.5** A dividend is payable to unsecured creditors and a request under Rule 11.2 of the Insolvency Rules 1986 is attached to the letter that accompanies this report requesting creditors' claims

10 Creditors' rights

Pursuant to Rule 4.49E of the Insolvency Rules 1986, a secured creditor, or unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question) or any unsecured creditor with less than 5% in value of unsecured creditors, but with permission of the court, may within 21 days of receipt of this report, request in writing that I provide further information about our remuneration or expenses which have been detailed in this progress report

Pursuant to Rule 4.131 of the Insolvency Rules 1986, any secured creditor, or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court, may within 8 weeks of receipt of this report make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or inappropriate


11. Investigation

I confirm that I undertook a review into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that required further investigation. As part of my investigations I am required to submit a confidential report to the Secretary of State on any matters that came to my attention during the course of my work regarding the conduct of any past or present director. I can confirm that my report has been submitted.

12. Conclusion

The Liquidation is continuing at this time to continue with the matters raised in paragraph 7 above.

I will report again in approximately 12 months or at the conclusion of this Liquidation, whichever is sooner.


Michelle Williams
F.C.C.A., F.A.B.R.P.
Liquidator

Dated: 31st May 2016

Kearline Graphic Images Limited - In Liquidation
Liquidator's Receipts and Payments Account for the period
9th April 2015 to 8th April 2016

Appendix 1

	09/04/2015	
	Statement of	
	affairs	
	08/04/2016	
	£	£
Receipts		
Debtors	12,921 20	11,281 41
Cash at bank	26,500 70	26,239.47
Sundry refunds		137 55
Bank interest		6 78
VAT payable		1,966 45
	<u>39,421 90</u>	<u>39,631 66</u>
 Payments		
Statutory advertising		338 40
Statement of affairs fee		4,000 00
Liquidator's fee		8,900 00
Companies House search fees and online creditor report filing fee		8 00
Mail redirection		167 00
Liquidator's disbursements - category 2		293 86
Bonding		144 00
VAT receivable		2,706 45
		<u>16,557 71</u>
 Cash at bank		<u>23,073 95</u>
		<u>39,631 66</u>

Time Entry - SIP9 Time & Cost Summary

Appendix 2

Kearline Graphic Images Limited - In Liquidation
09/04/2015 to 08/04/2016

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants and Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin and planning	1 70	8 00	0 00	0 00	9 70	1,877 50	193 56
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 90	14 50	0 00	0 00	15 40	2,835 00	184 09
Investigations	0 50	8 00	0 00	0 00	8 50	1,565 00	250 00
Realisation of assets	0 40	16 80	0 00	0 00	17 20	3,164 00	183 95
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total hours	3 50	47 30	0 00	0 00	50 80	9,441 50	185 86
Total fees claimed						8,900 00	

A CREDITORS' GUIDE TO LIQUIDATORS' FEES

ENGLAND AND WALES

1 Introduction

- 1 1 When a company goes into liquidation the costs of the proceedings are paid out of its assets. The creditors, who hope to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as liquidator. The insolvency legislation recognises this interest by providing mechanisms for creditors to fix the basis of the liquidator's fees. This guide is intended to help creditors be aware of their rights to approve and monitor fees, explains the basis on which fees are fixed and how creditors can seek information about expenses incurred by the liquidator and challenge those they consider to be excessive.

2 Liquidation procedure

- 2 1 Liquidation (or 'winding up') is the most common type of corporate insolvency procedure. Liquidation is the formal winding up of a company's affairs entailing the realisation of its assets and the distribution of the proceeds in a prescribed order of priority. Liquidation may be either voluntary, when it is instituted by resolution of the shareholders, or compulsory, when it is instituted by order of the court.
- 2 2 Voluntary liquidation is the more common of the two. An insolvent voluntary liquidation is called a creditors' voluntary liquidation (often abbreviated to 'CVL'). In this type of liquidation an insolvency practitioner acts as liquidator throughout and the creditors can vote on the appointment of the liquidator at the first meeting of creditors.
- 2 3 In a compulsory liquidation on the other hand, the function of liquidator is, in most cases, initially performed not by an insolvency practitioner but by an official called the official receiver. The official receiver is an officer of the court and an official belonging to The Insolvency Service. In most compulsory liquidations, the official receiver becomes liquidator immediately on the making of the winding-up order. Where there are significant assets an insolvency practitioner will usually be appointed to act as liquidator in place of the official receiver, either at a meeting of creditors convened for the purpose or directly by The Insolvency Service on behalf of the Secretary of State. Where an insolvency practitioner is not appointed the official receiver remains liquidator.
- 2 4 Where a compulsory liquidation follows immediately on an administration the court may appoint the former administrator to act as liquidator. In such cases the official receiver does not become liquidator. An administrator may also subsequently act as liquidator in a CVL.

3 The liquidation committee

- 3 1 In a liquidation (whether voluntary or compulsory) the creditors have the right to appoint a committee called the liquidation committee, with a minimum of 3 and a maximum of 5 members, to monitor the conduct of the liquidation and approve the liquidator's fees. The committee is usually established at the creditors' meeting which appoints the liquidator, but in cases where a liquidation follows immediately on an administration any committee established for the purposes of the administration will continue in being as the liquidation committee.
- 3 2 The liquidator must call the first meeting of the committee within 6 weeks of its establishment (or his appointment if that is later), and subsequent meetings must be held either at specified dates agreed by the committee, or when requested by a member of the committee, or when the liquidator decides he needs to hold one. The liquidator is required to report to the committee at least every 6 months on the

progress of the liquidation, unless the committee directs otherwise. This provides an opportunity for the committee to monitor and discuss the progress of the insolvency and the level of the liquidator's fees.

4 Fixing the liquidator's remuneration

4.1 The basis for fixing the liquidator's remuneration is set out in Rules 4.127 – 4.127B of the Insolvency Rules 1986. The Rules state that the remuneration shall be fixed

- as a percentage of the value of the assets which are realised or distributed or both,
- by reference to the time properly given by the liquidator and his staff in attending to matters arising in the liquidation, or
- as a set amount.

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the liquidator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the liquidator.

It is for the liquidation committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the committee to determine the percentage or percentages to be applied. Rule 4.127 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case,
- any responsibility of an exceptional kind or degree which falls on the liquidator in connection with the insolvency,
- the effectiveness with which the liquidator appears to be carrying out, or to have carried out, his duties,
- the value and nature of the assets which the liquidator has to deal with.

4.2 If there is no liquidation committee, or the committee does not make the requisite determination, the liquidator's remuneration may be fixed by a resolution of a meeting of creditors. The creditors take account of the same matters as apply in the case of the committee. A resolution specifying the terms on which the liquidator is to be remunerated may be taken at the meeting which appoints the liquidator.

4.3 If the remuneration is not fixed as above, it will be fixed in one of the following ways. In a CVL, it will be fixed by the court on application by the liquidator, but the liquidator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 18 months after his appointment. In a compulsory liquidation, it will be in accordance with a scale set out in the Rules.

4.4 Where the liquidation follows directly on from an administration in which the liquidator had acted as administrator, the basis of remuneration fixed in the administration continues to apply in the liquidation (subject to paragraph 8 below).

5 Review of remuneration

Where there has been a material and substantial change in circumstances since the basis of the liquidator's remuneration was fixed, the liquidator may request that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6 What information should be provided by the liquidator?

6 1 When fixing bases of remuneration

- 6 1 1 When seeking agreement for the basis or bases of remuneration, the liquidator should provide sufficient supporting information to enable the committee or the creditors to make an informed judgement as to whether the basis sought is appropriate having regard to all the circumstances of the case. The nature and extent of the information provided will depend on the stage during the conduct of the case at which approval is being sought. The appendix to this guide sets out a suggested format for the provision of information.
- 6 1 2 If any part of the remuneration is sought on a time costs basis, the liquidator should provide details of the minimum time units used and current charge-out rates, split by grades of staff, of those people who have been or who are likely to be involved in the time costs aspects of the case.
- 6 1 3 The liquidator should also provide details and the cost of any work that has been or is intended to be sub-contracted out that could otherwise be carried out by the liquidator or his or her staff.
- 6 1 4 If work has already been carried out, the liquidator should state the proposed charge for the period to date and provide an explanation of what has been achieved in the period and how it was achieved, sufficient to enable the progress of the case to be assessed and whether the proposed charge is reasonable in the circumstances of the case. Where the proposed charge is calculated on a time costs basis, the liquidator should disclose the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. The liquidator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the liquidator or his or her staff.

6 2 After the bases of remuneration have been fixed

The liquidator is required to send progress reports to creditors at specified intervals (see paragraph 7 1 below). When reporting periodically to creditors, in addition to the matters specified in paragraph 7 1, the liquidator should provide an explanation of what has been achieved in the period under review and how it was achieved, sufficient to enable the progress of the case to be assessed. Creditors should be able to understand whether the remuneration charged is reasonable in the circumstances of the case (whilst recognising that the liquidator must fulfil certain statutory obligations and regulatory requirements that might be perceived as bringing no added value for the estate). Where any remuneration is on a time costs basis, the liquidator should disclose the charge in respect of the period, the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. If there have been any changes to the charge-out rates during the period under review, rates should be disclosed by grades of staff, split by the periods applicable. The liquidator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the liquidator or his or her staff.

6 3 Disbursements and other expenses

- 6 3 1 Costs met by and reimbursed to the liquidator in connection with the liquidation should be appropriate and reasonable. Such costs will fall into two categories:
- **Category 1 disbursements** These are costs where there is specific expenditure directly referable both to the liquidation and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the liquidator or his or her staff.

- **Category 2 disbursements** These are costs that are directly referable to the liquidation but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the liquidation on a proper and reasonable basis, for example, business mileage.

Category 1 disbursements can be drawn without prior approval, although the liquidator should be prepared to disclose information about them in the same way as any other expenses. Category 2 disbursements may be drawn if they have been approved in the same manner as the liquidator's remuneration. When seeking approval, the liquidator should explain, for each category of expense, the basis on which the charge is being made.

6.3.2 The following are not permissible

- a charge calculated as a percentage of remuneration,
- an administration fee or charge additional to the liquidator's remuneration,
- recovery of basic overhead costs such as office and equipment rental, depreciation and finance charges.

6.4 Realisations for secured creditors

Where the liquidator realises an asset on behalf of a secured creditor and receives remuneration out of the proceeds (see paragraph 11.1 below), he should disclose the amount of that remuneration to the committee (if there is one), to any meeting of creditors convened for the purpose of determining his fees, and in any reports he sends to creditors.

7 Progress reports and requests for further information

7.1 The liquidator is required to send annual progress reports to creditors. The reports must include

- details of the basis fixed for the remuneration of the liquidator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it),
- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report),
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report,
- a statement of the expenses incurred by the liquidator during the period of the report, irrespective of whether payment was actually made during that period,
- a statement of the creditors' rights to request further information, as explained in paragraph 7.2, and their right to challenge the liquidator's remuneration and expenses.

7.2 Within 21 days of receipt of a progress report (or 7 business days where the report has been prepared for the purposes of a meeting to receive the liquidator's resignation) a creditor may request the liquidator to provide further information about the remuneration and expenses set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

7.3 The liquidator must provide the requested information within 14 days, unless he considers that

- the time and cost involved in preparing the information would be excessive, or

- disclosure would be prejudicial to the conduct of the liquidation or might be expected to lead to violence against any person, or
- the liquidator is subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing the information

Any creditor may apply to the court within 21 days of the liquidator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information

8 Provision of information – additional requirements

The liquidator must provide certain information about the time spent on the case, free of charge, upon request by any creditor, director or shareholder of the company

The information which must be provided is –

- the total number of hours spent on the case by the liquidator or staff assigned to the case,
- for each grade of staff, the average hourly rate at which they are charged out,
- the number of hours spent by each grade of staff in the relevant period

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the liquidator's appointment, or where he has vacated office, the date that he vacated office

The information must be provided within 28 days of receipt of the request by the liquidator, and requests must be made within two years from vacation of office

9 What if a creditor is dissatisfied?

- 9 1 Except in cases where there is a liquidation committee it is the creditors as a body who have authority to approve the liquidator's fees. To enable them to carry out this function they may require the liquidator to call a creditors' meeting. In order to do this at least ten per cent in value of the creditors must concur with the request, which must be made to the liquidator in writing
- 9 2 If a creditor believes that the liquidator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the liquidator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court
- 9 3 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the liquidator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 7 1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the liquidator a copy of the application and supporting evidence at least 14 days before the hearing
- 9 4 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not out of the assets of the insolvent company

10 What if the liquidator is dissatisfied?

If the liquidator considers that the remuneration fixed by the liquidation committee, or in the preceding administration, is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the liquidation committee, the creditors, in the preceding administration or in accordance with the statutory scale is insufficient, or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court he must give at least 14 days' notice to the members of the committee and the committee may nominate one or more of its members to appear or be represented at the court hearing. If there is no committee, the liquidator's notice of his application must be sent to such of the creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid out of the assets.

11 Other matters relating to remuneration

- 11.1 Where the liquidator realises assets on behalf of a secured creditor he is entitled to be remunerated out of the proceeds of sale in accordance with a scale set out in the Rules. Usually, however, the liquidator will agree the basis of his fee for dealing with charged assets with the secured creditor concerned.
- 11.2 Where two (or more) joint liquidators are appointed it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute between them may be referred to the court, the committee or a meeting of creditors.
- 11.3 If the appointed liquidator is a solicitor and employs his own firm to act in the insolvency, profit costs may not be paid unless authorised by the committee, the creditors or the court.
- 11.4 If a new liquidator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new liquidator until a further determination, resolution or court order is made.
- 11.5 Where the basis of the remuneration is a set amount, and the liquidator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing liquidator. The application must be made to the same body as approved the remuneration. Where the outgoing liquidator and the incoming liquidator are from the same firm, they will usually agree the apportionment between them.
- 11.6 There may also be occasions when creditors will agree to make funds available themselves to pay for the liquidator to carry out tasks which cannot be paid for out of the assets, either because they are deficient or because it is uncertain whether the work undertaken will result in any benefit to creditors. Arrangements of this kind are sometimes made to fund litigation or investigations into the affairs of the insolvent company. Any arrangements of this nature will be a matter for agreement between the liquidator and the creditors concerned and will not be subject to the statutory rules relating to remuneration.

12 Effective date

This guide applies where a company goes into liquidation on or after 1 November 2011.

Appendix

Suggested format for the provision of information

Professional guidance issued to insolvency practitioners sets out the following suggested format for the provision of information when seeking approval of remuneration. However, the level of disclosure suggested below may not be appropriate in all cases, and will be subject to considerations of proportionality. In larger or more complex cases the circumstances of each case may dictate the information provided and its format.

Narrative overview of the case

In all cases, reports on remuneration should provide a narrative overview of the case. Matters relevant to an overview are:

- the complexity of the case,
- any exceptional responsibility falling on the liquidator,
- the liquidator's effectiveness,
- the value and nature of the property in question.

The information provided will depend upon the basis or bases being sought or reported upon, and the stage at which it is being provided. An overview might include:

- an explanation of the nature, and the liquidator's own initial assessment, of the assignment (including the anticipated return to creditors) and the outcome (if known),
- initial views on how the assignment was to be handled, including decisions on staffing or subcontracting and the appointment of advisers,
- any significant aspects of the case, particularly those that affect the remuneration and cost expended,
- the reasons for subsequent changes in strategy,
- the steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, and fee drawing,
- any existing agreement about remuneration,
- details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees,
- in a larger case, particularly if it involved trading, considerations about staffing and managing the assignment and how strategy was set and reviewed,
- details of work undertaken during the period,
- any additional value brought to the estate during the period, for which the liquidator wishes to claim increased remuneration.

Time cost basis

Where any part of the remuneration is or is proposed to be calculated on a time costs basis, requests for and reports on remuneration should provide:

- An explanation of the liquidator's time charging policy, clearly stating the units of time that have been used, the grades of staff and rates that have been charged to the assignment, and the policy for recovering the cost of support staff. There is an expectation that time will be recorded in units of not greater than 6 minutes.
- A description of work carried out, which might include:
 - details of work undertaken during the period, related to the table of time spent for the period,
 - an explanation of the grades of staff used to undertake the different tasks carried out and the reasons why it was appropriate for those grades to be used,
 - any comments on any figures in the summary of time spent accompanying the request the liquidator wishes to make.
- Time spent and charge-out summaries, in an appropriate format.

It is useful to provide time spent and charge-out value information in a tabular form for each of the time periods reported upon, with work classified (and sub-divided) in a way relevant to the circumstances of the case

The following areas of activity are suggested as a basis for the analysis of time spent

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The level of disclosure suggested above will not be appropriate in all cases, and considerations of proportionality will apply

- where cumulative time costs are, and are expected to be, less than £10,000 the liquidator should, as a minimum, state the number of hours and average rate per hour and explain any unusual features of the case,
- where cumulative time costs are, or are expected to be, between £10,000 and £50,000, a time and charge-out summary similar to that shown above will usually provide the appropriate level of detail (subject to the explanation of any unusual features),
- where cumulative time costs exceed, or are expected to exceed, £50,000, further and more detailed analysis or explanation will be warranted

BAILAMS & CO INSOLVENCY PRACTITIONERS LIMITED

BAILAMS & CO CHARGE OUT RATES

POSITION	HOURLY CHARGE OUT RATE (£)
Director & Licensed Insolvency Practitioner	250 - 280
Manager	160-215
Case Administrator	110-205
Assistant	75 -140
Secretarial and cashiering	50 - 75

BAILAMS & CO DISBURSEMENT CHARGES

Category 2 disbursement rates:

Photocopying/Printing	15p per sheet
Fax	40p per sheet
Postage	Per current postal charges
IPS charge	£25 per quarter
Mileage	40p mile
Registered office fee	£125 pa
Storage of boxes internally	£4 per box per quarter
Destruction of boxes	£8 50 per box
Meeting Room Hire	£60 per meeting where held at Bailams & Co offices

Standard Activity

Example of Work

<i>Administration and Planning</i>	Statutory reporting and compliance Compliance with other regulatory requirements Case planning Administrative set up Appointment notification Maintenance of records and progress reviews
<i>Investigation</i>	SIP 2 review CDDA report Review of questionnaires Investigation of antecedence transactions Liaising with committee
<i>Realisation of Assets</i>	Identification, secure and insure assets Retention of property Debt collection Property, business and asset sales
<i>Trading</i>	Management of operation Accounting for trading On-going employee issues
<i>Creditors</i>	Communication with creditors Creditors' claim and queries Reservation of title claims Employee claims an Redundancy Payments claims Preferential Claims Reviewing and evaluating claims

All rates are subject to review annually. There may be a number of promotions throughout the various grades during the administration of cases. Should you require clarification on any of the above, do not hesitate to contact Bailams & Co on 01443 749 768