

WU07

Notice of progress report in a winding-up by the court



Companies House

WEDNESDAY



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20/11/2019

#60

COMPANIES HOUSE

1 Company details

Company number 0 4 5 8 9 9 7 0

Company name in full FMH PROPERTIES LIMITED

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

2 Liquidator's name

Full forename(s) Dominic

Surname Dumville

3 Liquidator's address

Building name/number Haslers

Street Old Station Road

Post town Loughton

County/Region Essex

Postcode I G 1 0 4 P L

Country

4 Liquidator's name ①

Full forename(s) Nicholas W

Surname Nicholson

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

5 Liquidator's address ②

Building name/number Haslers

Street Old Station Road

Post town Loughton

County/Region Essex


Postcode I G 1 0 4 P L

Country

② Other liquidator
Use this section to tell us about
another liquidator.

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6	Period of progress report																
From date	d	2	d	1	m	0	m	8	y	2	y	0	y	1	y	8	
To date	d	2	d	0	m	0	m	8	y	2	y	0	y	1	y	9	
7	Progress report																
<input checked="" type="checkbox"/> The progress report is attached																	
8	Sign and date																
Liquidator's signature	Signature X  X																
Signature date	d	0	d	7	m	1	m	1	y	2	y	0	y	1	y	9	

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Presenter information

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

Contact name **Dominic Dumville**

Company name **Haslers**

Address **Old Station Road**
Loughton

Post town **Essex**

County/Region

Postcode **I G 1 0 4 P L**

Country

DX

Telephone **020 8418 3333**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



Where to send

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

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



Further information

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

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

FMH PROPERTIES LIMITED
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 21/08/2018 To 20/08/2019 £	From 21/08/2014 To 20/08/2019 £
	ASSET REALISATIONS		
Uncertain	Freehold Land & Property - Ring Road	NIL	NIL
Uncertain	Loan - FMH Spanish Properties Ltd	NIL	NIL
		NIL	NIL
	COST OF REALISATIONS		
	Bank Charges	88.00	440.00
	OR Debit Balance	NIL	1,070.00
		(88.00)	(1,510.00)
	UNSECURED CREDITORS		
(665,054.69)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
(665,054.69)		(88.00)	(1,510.00)
	REPRESENTED BY		
	ISA NIB		(1,510.00)
			(1,510.00)

Note:

Dominic Dumville
Joint Liquidator

**FMH PROPERTIES LIMITED ("THE COMPANY") – IN COMPULSORY LIQUIDATION
IN THE COUNTY COURT AT BARNSLEY NUMBER 118 OF 2012**

**LIQUIDATORS' PROGRESS REPORT TO CREDITORS
FOR THE YEAR ENDING 20 AUGUST 2019**

EXECUTIVE SUMMARY

A petition was issued by HM Revenue & Customs ("HMRC") on 17 February 2012 and a winding up order was made against the Company on 18 June 2012 at the High Court of Justice. The case was subsequently transferred to the County Court at Barnsley.

Nicholas Nicholson and Stratford Hamilton were appointed Joint Liquidators on 21 August 2014. Pursuant to a court order, dated 13 October 2017, I replaced Stratford Hamilton as Joint Liquidator.

Following the initial investigation, it was established that there was an overdrawn director's loan account ("DLA") of £38,649 as well as an outstanding loan of £416,000, provided to an associated company, FMH Spanish Properties Limited ("FMH Spanish").

Enquires have been made with the Company director, Mr Huby, who has confirmed that the loan to FMH Spanish was utilised to purchase numerous properties in Spain. Subsequently, the properties have been repossessed by Spanish banks and sold at a shortfall. The Director has also demonstrated that he is not in position to repay the DLA.

Due to the lack of possible realisations, no further enquiries are deemed necessary and the winding up of the Company is now for all practical purposes complete.

STATUTORY INFORMATION

Company name:	FMH Properties Limited
Company number:	04589970
Trading address:	Ring Road, Lower Wortley, Leeds, LS12 6AB
Registered office:	Old Station Road, Loughton, Essex, IG10 4PL
Former registered office:	214 College House, Huddersfield Road, Barnsley, South Yorkshire, S75 1DS
Principal trading activity:	Buy and selling of own real estate
Liquidators' names:	Nicholas Nicholson and Dominic Dumville
Dates of appointments	21 August 2014 & 13 October 2017
Former Liquidator name:	Stratford Hamilton
Details of appointment:	21 August 2014 to 13 October 2017
Liquidators' address	Old Station Road, Loughton, Essex, IG10 4PL
Court name and reference	High Court of Justice No.1594 of 2012
Transfer court name	In the County Court at Barnsley, Number 118 of 2012
Actions of Joint Liquidators'	Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both Liquidators acting jointly or alone.

LIQUIDATORS' ACTIONS SINCE APPOINTMENT

Upon appointment, the Official Receiver's handover papers have been reviewed and a director's questionnaire has been sent out to collect information regarding the Company's financial position.

The Director was traced and a telephone interview held to ascertain the reason for the Company's failure and to discuss his conduct whilst running the Company.

Land Registry has been searched and antecedent transactions have been scrutinised to assess whether there had previously been an unlawful diversion of any Company assets.

Company bank statements have been analysed, as well as the review of company books and records, to calculate the DLA and assess whether any further funds were misappropriated by the Debtor and associated third parties.

Enquiries were made regarding the loan to the Spanish Investment Company and the connected debenture, reviewing the viability of the potential claims identified and the likelihood of any recoveries.

An agent was instructed to determine whether the Company was due a business rates refund. There is certain work that I am required by the insolvency legislation to undertake work in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my appointment as Liquidator is contained in Appendix A.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 21 August 2018 to 20 August 2019, 21 August 2014 to 20 August 2019, 21 August 2019 to 16 October 2019, and for the whole of the Liquidation, 21 August 2014 to 16 October 2019 are enclosed.

As no realisations have been made there is a debit balance of funds in the Insolvency Services Account operated by the Insolvency Service.

ASSETS

FREEHOLD PROPERTY

The property was located at an Industrial Complex, Land & Buildings on the North Side of Ring Road, Lower Wortley, Leeds, LS12 6AB ("The Property"). At the date of liquidation, the Property was valued at £520,000.00, with £518,898.28 owed to secured Chargeholder, Yorkshire Bank.

Prior to the winding up of the Company, to protect their security, Yorkshire Bank appointed Anthony Spencer and Richard Keith Roe of Eddisons as Joint Receivers of the Property on 10 April 2012.

The Property was sold for £400,000 in late October 2013 and after costs, there was a resulting shortfall owed to Yorkshire Bank of £154,798.07. The Receivers' appointment ended on 8 November 2013 and Yorkshire Bank has submitted a claim in the Liquidation for the shortfall.

DIRECTORS LOAN ACCOUNT

At the date of liquidation, it was established that the Director owed the Company £38,649, as a result of an overdrawn loan account.

Enquiries were made with the Director for repayment to no avail. The Director's asset position was also assessed and it was determined that the Director had no means to repay the loan back. I therefore decided to take no further action as no realisations can be made from this source.

INTERCOMPANY LOAN

A loan of £416,000 was made to a connected company called FMH Spanish Properties Ltd, which was registered in Spain. Yorkshire Bank held first priority to any repayment of the loan, as they held a debenture over the book debts. Moreover, it has been reported that Company was insolvent and the likelihood of recovery is nil.

BUSINESS RATES

In the Official Receiver's handover, the Director had intimated that £5,000 a month business rates was paid to Leeds City Council during a period of unoccupancy between April 2008 and April 2012.

Enquires have been made via an agent and it has been confirmed that no refund is due to the Company.

LIABILITIES

SECURED CREDITORS

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company had granted the following charges in favour of Yorkshire Bank Plc:

- A debenture dated 12 November 2003 by way of fixed and floating charges over the undertaking and all property and assets present and future including goodwill book debts uncalled capital buildings fixtures fixed plant and machinery; and
- A legal mortgage dated 23 August 2004 by way of fixed charge the equipment and goods (if any) and all other fixtures fittings plant and machinery and by way of floating charge on other moveable plant machinery furniture equipment goods and other effects which from time to time on the property.

As reported above, Yorkshire Bank appointed a LPA Receiver to realise the company property subject to their Charge and also submitted a proof of debt, claiming for a shortfall of £154,798.07.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case the floating charge was created prior to 15 September 2003 such that the prescribed part provisions do not apply).

PREFERENTIAL CREDITORS

Based on the information received on the Official Receiver's handover there are no preferential creditors. Accordingly, I can confirm that none have been received.

CROWN CREDITORS

The Official Receiver's handover included £49,682.42 owed to HMRC. HMRC's final claim of £19,436.84 has been received.

UNSECURED CREDITORS

The Official Receiver's handover included five unsecured creditors with an estimated total liability of £145,054.69. I have received claims from four unsecured claims from creditors at a total of £270,089.60, which includes a claim from Yorkshire Bank for £154,798.07.

I have not received claims from three unsecured creditors with original estimated claims in the Official Receiver's handover of £49,200, £39,000 of which derived from a purported liability owed to the Director.

DIVIDENDS

A dividend will not be declared to unsecured creditors as no assets have been realised.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

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

account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

Specifically, copy bank statements for the twelve months prior to the Company ceasing to trade have been provided by the Company's former banking provider. These have been reviewed and compared with the information in the Company's last set of accounts along with the information provided in the Official Receiver's handover.

The Director has been interviewed in order to detail the reasons for failure as well as to discuss his DLA and to provide information regarding the intercompany loan. Other than the claims already detailed above there were no matters that required further investigation.

LIQUIDATORS' REMUNERATION

A meeting of creditors was summoned to agree my fees on 6 January 2016. As no proxies were received, fees will be based on the Official Receivers time cost scale.

My time costs to 20 August 2019 amount to £24,428.50, representing 96.80 hours of work at a blended charge out rate of £252.36 per hour, of which £4,140.50 representing 17.10 hours of work at a blended charge out rate £242.13 was incurred in the annual period between 21 August 2018 to 20 August 2019.

My total time costs for the whole of the Liquidation to 16 October 2019 amount to £24,428.50, representing 96.80 hours of work at a blended charge our rate of £252.36, of which no time costs have been incurred from 21 August 2019.

There have been no realisations and I have not been able to draw any remuneration in this matter.

Detailed schedules of my time costs incurred for the periods stated above, together with a comparison with my original fees estimate are enclosed.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, is available at the link <https://www.haslers.com/services/insolvency/> and under the tab 'Tools and Resources'. An explanatory note which shows Haslers' fee policy is enclosed with this report. Please note that there are different versions of the Guidance Notes and in this case, you should refer to the April 2017 version.

LIQUIDATORS' EXPENSES

The expenses incurred for the whole of the Liquidation amount to, £953.60, of which a £3 Land Registry charge was incurred in the period between 21 August 2018 and 20 August 2019.

Due to the lack of realisations, I have not been able to draw any expenses in this matter.

The total expenses incurred, are as follows:

Type of expense	Amount incurred in the reporting period
Land Registry Fees	£37.00
Bonding Fees	£12.00
Statutory Advertising Costs	£84.60
Tracing agent fees	£820.00

Land Registry fees – this represents fees paid to HM Land Registry in order to search the Land Register.

Bonding fees – this represents a fee paid to the Bordereau in order to bond the potential case assets.

Statutory advertising costs – this represents the fee paid to Courts Advertising in order to lodge an appointment notice in the London Gazette.

Tracing agent fees – this represents fees paid Quo Vadis to trace the director and an associated party.

I can confirm that above expenses have been borne by my firm, Haslers and will be written off upon closure of the Liquidation.

I have used the following professional advisor in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Hilco Profit Recovery	Business rates refund	% of realisations

Hilco Profit Recovery acted as advisors to enquire whether the Company was eligible for a business rates refund. No fees were charged, as remuneration was on a no win, no fee basis.

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

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 Liquidators' remuneration and expenses within 21 days of their receipt of this final account. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidators as being excessive, and/or the basis of the Liquidators' remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this final account. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Haslers can be found in the attached summary sheet.

SUMMARY

The winding up of the Company is now for all practical purposes complete and I am seeking the release of myself and Nicholas W Nicholson as Joint Liquidators of the Company. Creditors should note that provided no objections to our release are received we shall obtain our release as Joint Liquidators following the delivery of the final notice to the Court, following which our case files will be placed in storage.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Daniel Robin by email at Daniel.Robin@Haslers.com, or by phone on 020 8418 3432 before my release.



DOMINIC DUMVILLE
JOINT LIQUIDATOR

Appendix A

Administration

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up electronic case files.
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing an annual progress report to creditors and members.
- Filing returns at Companies House.

Creditors

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.

**FMH PROPERTIES LIMITED ("THE COMPANY") - IN COMPULSORY LIQUIDATION
IN THE COUNTY COURT AT BARNSELY NO 118 OF 2012**

(Company Number 04589970)

NOTICE IS GIVEN by the Joint Liquidators, Dominic Dumville and Nicholas W Nicholson, under rule 7.71 of The Insolvency (England and Wales) Rules 2016 and section 146 of The Insolvency Act 1986, that the company's affairs have been fully wound up.

1. Creditors have the right under rule 18.9 of The Insolvency (England and Wales) Rules 2016 to request further details of the Liquidators' remuneration and expenses. That request must be made to the Liquidators within 21 days of receipt of the final account, and with either the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question). Secured creditors may also request further details.
2. Creditors have the right under rule 18.34 of The Insolvency (England and Wales) Rules 2016 to apply to Court to challenge the amount and/or basis of the Liquidators' fees, and/or the amount of any expenses incurred. That application must be made within 8 weeks of receipt of the final account, and with either the permission of the Court, or with the concurrence of 10% in value of the creditors (including the creditor in question). Secured creditors may also make an application.
3. Creditors may object to the release of the Liquidators by giving notice in writing to the Liquidators at the address given below before the end of the prescribed period. The prescribed period will end at the later of: 8 weeks after delivery of this notice; or, if any request for information regarding the Liquidators' remuneration and/or expenses is made under rule 18.9, or if any application is made to Court to challenge the Liquidators' fees and/or expenses under rules 18.34 or 18.35, when that request or application is finally determined.
4. The Liquidators will vacate office under section 172(8) of the Insolvency Act 1986 when, upon expiry of the prescribed period that creditors have to object to their release, they file in Court, and deliver to the Registrar of Companies the final account and a notice containing the statement required by section 146(4)(b) as to whether any creditor has objected to their release.
5. The Liquidators will be released under section 174(4)(d)(ii) of the Insolvency Act 1986 at the same time as vacating office, unless any creditors objected to their release.

Creditors requiring further information regarding the above, should either contact me at Old Station Road, Loughton, Essex, IG10 4PL, or contact Daniel Robin by telephone on 020 8418 3333, or by email at Daniel.Robin@Haslers.com

DATED THIS 16TH DAY OF OCTOBER 2019



**DOMINIC DUMVILLE
JOINT LIQUIDATOR**

NOTICE ABOUT FINAL DIVIDEND POSITION

**FMH PROPERTIES LIMITED ("THE COMPANY") – IN COMPULSORY LIQUIDATION
IN THE COUNTY COURT AT BARNSELY NO 118 OF 2012**

Company registered number: 04589970

Notice is given under rule 14.36 of The Insolvency (England and Wales) Rules 2016, by Dominic Dumville, the Joint Liquidator to the creditors of FMH Properties Limited, that no dividend will be declared to unsecured creditors.

A dividend will not be declared to unsecured creditors as no assets were realised.

Creditors requiring further information regarding the above, should either contact me at Old Station Road, Loughton, Essex, IG10 4PL, or contact Daniel Robin by telephone on 020 8418 3333, or by email at Daniel.Robin@Haslers.com.

DATED THIS 16TH DAY OF OCTOBER 2019

A handwritten signature in black ink, appearing to be 'DD' followed by a stylized flourish.

**DOMINIC DUMVILLE
JOINT LIQUIDATOR**

PROVISION OF SERVICES REGULATIONS SUMMARY SHEET FOR HASLERS

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

Licensing Body

Nicholas Nicholson and Dominic Dumville are licensed to act as Insolvency Practitioners in the United Kingdom by the Institute of Chartered Accountants in England and Wales.

Nicholas Nicholson is a Member of the Insolvency Practitioners Association. Dominic Dumville is a Member of the Association of Chartered Certified Accountants.

Haslers is also a member of the ICAEW, Institute of Chartered Accountants in England and Wales.

Rules Governing Actions

All IPs are bound by the rules of their professional body, including any that relate specifically to insolvency. The rules of the professional body that licences Haslers can be found at <http://www.icaew.com/en/membership/regulations-standards-and-guidance/insolvency/insolvency-regulations-and-guidance>. In addition, IPs are bound by the Statements of Insolvency Practice (SIPs), details of which can be found at <https://www.r3.org.uk/what-we-do/publications/professional/statements-of-insolvency-practice>.

Ethics

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

Complaints

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

If you consider that the IP has not dealt with your comments or complaint appropriately you should then put details of your concerns in writing to our complaints officer Jon O'Shea, Haslers, Old Station Road, Loughton, Essex IG10 4PL. This will then formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner; or you can email insolvency.enquiryline@insolvency.gsi.gov.uk; or you may phone 0300 678 0015. Information on the call charges that apply is available at <https://www.gov.uk/call-charges>.

Professional Indemnity Insurance

Haslers' Professional Indemnity Insurance is provided by Axis Speciality SE, of Willis Limited, 51 Lime Street, London EC3M 7DQ. This professional indemnity insurance provides worldwide coverage.

VAT

Haslers is registered for VAT under registration no. 978 0506 90.

Bribery Act 2010

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

Haslers take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate.

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

Haslers prohibits anyone acting on its behalf from:

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

Haslers will:

- avoid doing business with others who do not accept our values and who may harm our reputation;
- maintain processes, procedures and records that limit the risk of direct or indirect bribery;
- promote awareness of this policy amongst its staff, those acting on its behalf and entities with which it has any commercial dealings;
- investigate all instances of alleged bribery, and will assist the police, and other authorities when appropriate, in any resultant prosecutions. In addition, disciplinary action will be considered against individual members of staff;
- review this policy regularly and update it when necessary.

PRACTICE FEE RECOVERY POLICY FOR HASLERS

Introduction

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

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <http://www.haslers.com/services/insolvency/>. Alternatively a hard copy may be requested from Haslers, Old Station Road, Loughton, Essex IG10 4PL. Please note that we have provided further details in this policy document.

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

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

Time cost basis

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

Chargeout Rates

Grade of staff	Current charge-out rate per hour, effective from 1 January 2019	Previous charge-out rate per hour, effective from 1 January 2018
	£	£
Partner – appointment taker	375-510	375-510
Manager	285-320	285-320
Senior Administrator	195-250	195-250
Case Administrator	95-165	95-165
Cashier	100	100

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

These charge-out rates charged are reviewed on 1 January each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Administration and Planning.
- Maintenance of records
- Investigations.
- Realisation of Assets.
- Creditors.
- Case specific matters.
- Statutory reporting.

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

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

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

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

Members' voluntary liquidations and Voluntary Arrangements

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

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Agent's Costs

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

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

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

Disbursements

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

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

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. It is not Haslers' policy to charge for such costs.

FMH PROPERTIES LIMITED
(In Liquidation)

JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 21/08/2018 To 20/08/2019 £	From 21/08/2014 To 20/08/2019 £
RECEIPTS			
Freehold Land & Property - Ring Road	Uncertain	0.00	0.00
Loan - FMH Spanish Properties Ltd	Uncertain	0.00	0.00
		0.00	0.00
PAYMENTS			
OR Debit Balance		0.00	1,070.00
Bank Charges		88.00	440.00
Trade & Expense Creditors	(665,054.69)	0.00	0.00
		88.00	1,510.00
BALANCE - 20 August 2019			(1,510.00)

Note:

FMH PROPERTIES LIMITED
(In Liquidation)

JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 21/08/2018 To 16/10/2019 £	From 21/08/2014 To 16/10/2019 £
RECEIPTS			
Freehold Land & Property - Ring Road	Uncertain	0.00	0.00
Loan - FMH Spanish Properties Ltd	Uncertain	0.00	0.00
		<u>0.00</u>	<u>0.00</u>
PAYMENTS			
OR Debit Balance		0.00	1,070.00
Bank Charges		110.00	462.00
Trade & Expense Creditors	(665,054.69)	0.00	0.00
		<u>110.00</u>	<u>1,532.00</u>
BALANCE - 16 October 2019			<u><u>(1,532.00)</u></u>

Note:

FMH PROPERTIES LIMITED
(In Liquidation)

JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 21/08/2014 To 16/10/2019 £	From 21/08/2014 To 16/10/2019 £
RECEIPTS			
Freehold Land & Property - Ring Road	Uncertain	0.00	0.00
Loan - FMH Spanish Properties Ltd	Uncertain	0.00	0.00
		<u>0.00</u>	<u>0.00</u>
PAYMENTS			
OR Debit Balance		1,070.00	1,070.00
Bank Charges		462.00	462.00
Trade & Expense Creditors	(665,054.69)	0.00	0.00
		<u>1,532.00</u>	<u>1,532.00</u>
BALANCE - 16 October 2019			<u><u>(1,532.00)</u></u>

Note:

FMH Properties Limited

HASLERS

Company Report 2018/19

Analysis of time costs from 21/08/18 to 20/08/19

Categories	Time recorded (Hours)						Total Sum of Charge	Average Hourly Rate
	Partner	Manager	Senior Administrator	Administrator	Junior	Total Time		
GENERAL CASE ADMINISTRATION								
Case Planning		1.00		0.90		1.90	413.00	217.37
Maintenance of Records				1.30		1.30	234.00	180.00
Statutory Reporting	0.50	1.70		7.10		9.30	2,301.50	247.47
Non-formal app Work		0.90				0.90	274.50	305.00
INS Cashiering					0.10	0.10	10.00	100.00
Total	0.50	3.60		9.30	0.10	13.50	3,233.00	239.48
REALISATION OF ASSETS								
Total								
INVESTIGATIONS								
Investigating Antecedent Transactions		2.40				2.40	732.00	305.00
Total		2.40				2.40	732.00	305.00
CREDITORS								
Communications With Creditors		0.10		0.10		0.20	55.50	277.50
Total		0.10		0.10		0.20	55.50	277.50
CASE SPECIFIC MATTERS								
Case Specific Matters				1.00		1.00	120.00	120.00
Total				1.00		1.00	120.00	120.00
	0.50	6.10		10.40	0.10	17.10	4,140.50	242.13

Analysis of time costs from 21/08/14 to 20/08/19

Categories	Time recorded (Hours)						Total Sum of Charge	Average Hourly Rate
	Partner	Manager	Senior Administrator	Administrator	Junior	Total Time		
GENERAL CASE ADMINISTRATION								
Case Planning	1.70	2.20	1.80	3.70	3.30	12.70	2,626.00	206.77
Administrative Set-up				0.10	0.50	0.60	57.00	95.00
Appointment Notification		0.30			3.10	3.40	361.50	106.32
Maintenance of Records		3.80	0.70	2.20		6.70	1,630.50	243.36
Statutory Reporting	1.00	13.70	5.10	14.70	0.50	35.00	8,144.00	232.69
Non-formal app Work		0.90				0.90	274.50	305.00
INS Cashiering				2.00	0.10	2.10	208.00	99.05
Total	2.70	20.90	7.60	22.70	7.50	61.40	13,301.50	216.64
REALISATION OF ASSETS								
Property, Business and Asset Sales	0.10	0.20				0.30	112.00	373.33
Total	0.10	0.20				0.30	112.00	373.33
INVESTIGATIONS								
Investigating Antecedent Transactions	5.00	22.90				27.90	9,052.50	324.46
Total	5.00	22.90				27.90	9,052.50	324.46
CREDITORS								
Communications With Creditors		0.30		0.10		0.40	116.50	291.25
Creditors' Claims (inc. Employees and Preferential				0.20		0.20	24.00	120.00
Total		0.30		0.30		0.60	140.50	234.17
CASE SPECIFIC MATTERS								
Case Specific Matters		5.60		1.00		6.60	1,822.00	276.06
Total		5.60		1.00		6.60	1,822.00	276.06
	7.80	49.90	7.60	24.00	7.50	96.80	24,428.50	252.36