In accordance with Rule 3.61(1) of the Insolvency (England & Wales) Rules 2016 & Paragraph 84(8) of Schedule B1 of the Insolvency Act 1986.

AM23
Notice of move from administration to dissolution

Companies House

TUESDAY

A7G7ES2G
A09 09/10/2018 #124
COMPANIES HOUSE

1 Company details

Company number	0 5 3 1 4 7 9 6
Company name in full	Owen Pugh Holdings Limited

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

2 Court details

Court name	High Court of Justice, Business and Property Court
Court number	9 0 6 2 0 1 7

3 Administrator's name

Full forename(s)	Christopher J
Surname	Petts

4 Administrator's address

Building name/number	Rotterdam House
Street	116 Quayside
Post town	Newcastle-Upon-Tyne
County/Region	
Postcode	N E 1 3 D Y
Country	

AM23
Notice of move from administration to dissolution

5	Administrator's name ❶	
Full forename(s)	David J	❶ **Other administrator** Use this section to tell us about another administrator.
Surname	Dunckley	

6	Administrator's address ❷	
Building name/number	30 Finsbury Square	❷ **Other administrator** Use this section to tell us about another administrator.
Street		
Post town	London	
County/Region		
Postcode	E C 2 P 2 Y U	
Country		

7 Final progress report

☑ I have attached a copy of the final progress report

8 Sign and date

Administrator's signature	Signature X [signature] X	
Signature date	d0 d8 m1 m0 y2 y0 y1 y8	

AM23
Notice of move from administration to dissolution

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	Suzanne Blakey
Company name	Grant Thornton UK LLP
Address	Rotterdam House
	116 Quayside
Post town	Newcastle-Upon-Tyne
County/Region	
Postcode	N E 1 3 D Y
Country	
DX	
Telephone	Tel/Fax

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

Grant Thornton

Our ref: CJP/ZLC/BLA/EZF/O20597005/PF7

To the creditors

Recovery and Reorganisation
Grant Thornton UK LLP
Rotterdam House
116 Quayside
Newcastle-Upon-Tyne
NE1 3DY

T +44 (0)191 261 2631

8 October 2018

Dear Sirs

Owen Pugh Holdings Limited - In Administration (the Company)

High Court of Justice, Business and Property Court
No 906 of 2017

1 Introduction

1.1 Following the appointment of David J Dunckley and myself, as Joint Administrators of the Company by the directors on 9 October 2017, I am now in a position to conclude the Administration. This is my final progress report, including:

- Appendix A : an account of our receipts and payments for the period ended **8 October 2018**
- Appendix B : Statement of Insolvency Practice 9 disclosure: payments, remuneration and expenses to the Administrators or their associates

1.2 In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the Administrators are to be exercised by any or all of them.

2 Statutory information

2.1 The Company's registered number is 05314796

3 Receipts and payments account

3.1 I attach our receipts and payments account at Appendix A. You will note that no amounts have been paid to the unsecured creditors by virtue of the application of section 176A of the Insolvency Act 1986 (prescribed part).

4 Pre-Administration costs

4.1 As advised in my progress report dated 4 May 2018, solicitors' costs incurred for the pre-Administration work in relation to the drafting of legal documents to place the Company into Administration amount to £2,272.

4.2 I can advise that approval for payment of these pre-appointment expenses has been obtained from the secured and preferential creditors. The cost of the expenses, however, will not be settled, with agreement with the solicitor, given the lack of available funds.

5 Report and outcome of Administration

5.1 As previously detailed in both my proposals and the last progress report to creditors, the Company was a holding company with no realisable assets (its only asset of note was the shareholdings in the now insolvent Owen Pugh Group companies). The Company's employees were, unfortunately, all made redundant either shortly after appointment or in the period to 20 December 2017, following the vacation of the head office.

5.2 As noted in my May 2018 progress report a sum of £4,900 was being held on trust subject to the outcome of an insurance claim. I can advise that the claim, which was in relation to damage to an excavator, has now been settled and the £4,900 has been paid to the claimant.

5.3 Due to a lack of funds at the start of the Administration certain costs were borne by Owen Pugh & Company Limited – in Administration (OP&Co) and I can advise that an overall sum of £4,887 has now been paid to OP&Co in respect of:

- Re-direction of Mail : £490
- Professional Fees with regard to the collection and secure wiping of IT equipment : £499
- Property Expenses with regard to the site clearance of Head Office, including collection and secure disposal of confidential paperwork : £3,898

Employment Tribunal claims

5.4 The employment tribunal claims referred to in my previous report remain ongoing. However, a number of claims have been withdrawn leaving an employment tribunal claim in respect of Protective Award (PA) the only claim on which a judgment is to be made. The Employment Tribunal (ET) has convened a Hearing for Monday 1 October 2018 to deal with both liability and remedy. It should be noted that the Hearing also includes PA claims against other Owen Pugh Group companies. I have not received the outcome of this hearing at the time of writing.

5.5 Should the ET have awarded in favour of the employees, the Redundancy Payments Service will pay the statutory limit of the PA. The remaining balance of the PA is an unsecured claim against the Company in Administration and, as advised in my previous report, there are no funds in the Administration to enable payment to unsecured creditors.

5.6 With the exception of the above ET claims, there are no remaining matters in respect of the Administration to be dealt with by the Administrators. There are no assets to realise and, as noted above, there are no funds to enable any form of distribution. The Administrators are unable to advise which of the statutory objectives of an Administration would be pursued if the Administration were to be extended.

5.7 The Administrators have, therefore, notified the Employment Tribunal Service, the claimants and the Redundancy Payments Service of their intention to cease to act and to file Form AM23 Notice of Move to Dissolution with the Registrar of Companies. No objections or concerns have been received from any party following this communication being sent.

6 Outcome for creditors

Secured, preferential and unsecured creditors

6.1 As commented on in paragraphs 5.5 and 5.6 above, there are no funds available to enable any form of distribution of any of the above classes of creditors.

7 Joint Administrators' remuneration and expenses

7.1 Please see Appendix B for details of our remuneration, expenses and payments made to associates in accordance with Statement of Insolvency Practice 9.

8 Data Protection

8.1 Any personal information held by the company will continue to be processed in accordance with completing the administration of the company and in accordance with meeting our requirements under applicable Data Protection Legislation/law in the United Kingdom.

9 Closure

9.1 As all matters have been finalised I am now in a position to progress the Company to dissolution.

9.2 I trust that the above report is self-explanatory, but if you require any further explanation please contact James Bulloss on 0113 200 1516 or by email at james.bulloss@uk.gt.com.

Yours faithfully
for and on behalf of Owen Pugh Holdings Limited

CJPetts

Christopher J Petts
Joint Administrator

The affairs, business and property of Owen Pugh Holdings Limited are being managed by Christopher J Petts and David J Dunckley, appointed as Joint Administrators on 9 October 2017.

Enc

A Abstract of the Administrators' receipts and payments

Owen Pugh Holdings Limited - in administration
Joint Administrators' receipts and payments account

from 9 April 2018 to 8 October 2018

Receipts	Statement of Affairs (£)	Period 09/10/17 to 08/04/18 £	Period 09/04/18 to 08/10/18 £	Period 09/10/17 to 08/10/18 £
Miscellaneous Income re Insurance Claim		4,900.00	(4,900.00)	-
Stock		-	285.31	285.31
Misc Float Receipts		18.37	0.51	18.88
Vehicle Licence Refunds		420.00	-	420.00
Misc Refunds		3,568.34	982.16	4,550.50
		8,906.71	(3,632.02)	5,274.69
Payments				
Lease/HP Payments		169.12	-	169.12
Statutory Advertising		68.70	-	68.70
Redirection of Mail		0.00	490.00	490.00
Professional Fees		0.00	498.78	498.78
Property Expenses		0.00	3,898.00	3,898.00
Bank Charges		53.62	96.47	150.09
VAT on Purchases		13.74	(13.74)	-
		305.18	4,969.51	5,274.69
		8,601.53	(8,601.53)	-
Balance at 8 October 2018				-

B Statement of Insolvency Practice 9 disclosure: payments, remuneration and expenses to the administrators or their associates

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Insolvency (England & Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9). In summary, it covers:

- pre-appointment costs
- fee basis
- work done by the Joint Administrators and their team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-appointment administration costs are fees charged and expenses incurred by Administrators or other qualified insolvency practitioners, before the Company entered Administration but with a view to it doing so. To the extent they remain unpaid when the Company enters Administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

In the period prior to the appointment, my firm held meetings to consider the logistical arrangements following appointment. The Company instructed DLA Piper UK LLP (DLA) to draft the legal documents to place the Group into Administration.

Costs incurred by DLA amount to £2,272, however, it has not submitted an invoice in respect of these fees due to the lack of funds in the Administration.

I can confirm that my firm has not charged any of its time or expenses incurred in the period immediately prior to appointment and we are not seeking to recover these costs.

Post-appointment costs

Fee basis of the Joint Administrators

On 22 June 2018 HSBC Bank plc and HSBC Equipment Finance (UK) Ltd, the secured creditors, resolved that:

- The Joint Administrators' remuneration be calculated according to the time properly given by the Administrators and their staff
- The Joint Administrators will charge out of pocket expenses at cost and are authorised to charge mileage at 45p per mile, VAT to be added to disbursement charges as necessary

Approval was received from Merino Industries Ltd (acting as Security Agent) on Monday 2 July 2018.

During the period from 9 April 2018 to 4 October 2018 (the Period) time costs, in line with the above resolution, totalled £10,072.35 represented by 40.18hrs at an average of £250.68hr (as shown in the 'Work done' section below). Details of the work done are provided in the respective section below.

As at Period end recorded time costs will be approximately the same as the time costs in the fees estimate and expenses will be the same as the expense estimate given to the creditors prior to the determination of our fee basis.

Work done by the Joint Administrators and their team during the Period

As this is the first report after the fee basis was approved by the secured creditors we are required to detail costs of actual work done in the periods covered by the previous report, including any expenses incurred in connection with it, as against any fees estimate provided. Our fees estimate was included within our letter to creditors dated 11 June 2018. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information. Where applicable, we include explanation of the impact and implications of any variances from the fees estimate and a numerical fees estimate variance analysis.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees and expenses incurred
Trading				**11.00 hrs £3,823 £/hr £347.55**
Trading general	• Attendance on site at Head Office in Cramlington • Liaising with retained employees re wind down of business • Dealing with calls and emails received to Owen Pugh Administration inbox • Supervision of destruction of books and records	• The work was necessary in order to effect an orderly wind down of the business and to be able to effect a speedy vacation of the Head Office premises at Cramlington	• Whilst it had no direct financial benefit to the creditors of the Company it has allowed the Joint Administrators to fulfil their duties	• Mileage and other travel expenses £123.84
Assets				**19 hrs £3,979 £/hr £209.42**
Sale of business	• Interested parties	• We received enquiries from parties looking to potentially acquire some of the Company's subsidiaries	• Whilst there was no direct financial benefits to the creditors of the Company it was necessary for the Administrators' to deal with any enquiries received	
Plant, Machinery, Fixtures & Vehicles **Hire Purchase, leasing agreements & third party** **Other assets**	• Liaising with IT company regarding leased equipment • Liaising with companies regarding collection of hire vehicles • Liaising with numerous leasing companies eg, Hitachi, Dell & Siemens regarding return of equipment	• The work was necessary to ensure that all leased or hired equipment/vehicles were returned to the relevant companies to minimise potential claims against the Company in Administration • In order to comply with data protection regulations , and Grant Thornton UK LLP's internal procedures, all computer equipment must be securely wiped before it is either destroyed or returned to the leasing company	• To minimise potential claims being submitted in the Administration	

	• Liaising with the Administrators approved firm for secure wiping of computer equipment					
Insurance	• Liaising with Jardine Lloyd Thompson Speciality Limited (JLT) (the Administrators' approved insurance broker). • Collating information for JLT such as pre-appointment brokers, existing claims etc.	• This is statutory work to ensure the Administrators' comply with insurance regulations	• No direct financial benefit to the creditors			
Investigations				**3.50 hrs**	**£1,217.50**	**£/hr £347.86**
Debtor/director/ senior employees	• Collating information required to assist with the submission of the Directors Conduct Report • Online submission of Directors Conduct Report • Liaising with Directors regarding Statement of Affairs	• Necessary work to fulfil statutory requirements	• No direct financial benefit to the creditors			
Creditors				**52.37 hrs**	**£16,549.90**	**£/hr £316.02**
Secured	• Updates, reports, discussions and meetings with the secured creditors	• The work was necessary as the Administrators' have an obligation to recognise and report to the secured creditors				
Employees & pensions	• Submission of HR 1 forms to The Insolvency Service • Staff meetings and addresses • Statutory paperwork in respect of redundancies • Assisting employees with online completion of RP1 forms • Dealing with queries raised by employees (both retained and dismissed) • Liaising with ERA Solutions regarding employee queries, submission of RP14	• A large proportion of the work carried out was a statutory requirement, such as submission of forms to The Insolvency Service, etc. However, assisting the employees submit their claims for loss of wages, redundancy, etc was to ensure the employees received the monies owing to them as speedily as possible. • As the Company operated a pension scheme all of the pension work undertaken was necessary due to legal requirements	• As noted, the benefit to the employees, as creditors of the Company in Administration, was to ensure monies owing to them, within the statutory limits, were paid as speedily as possible			

	and RP14a forms to the Insolvency Service • Liaising with and submitting responses to the Employment Tribunal regarding claims submitted by employees • Reviewing pension data provided by the Company regarding unpaid contributions • RP15 claim – preparation of data and submission • Correspondence with Scottish Widows • Correspondence with Peoples' Pension					
Unsecured	• Dealing with calls, emails, correspondence and queries raised by creditors following the Company being placed into Administration • Compiling creditor information, ie names, addresses, amounts, etc to upload onto the Administrators' systems	• All necessary work to ensure creditors are kept informed of the Administration	• No direct financial benefit to the creditors			
Administration				**168.95 hrs**	**£41,167.75**	**£/hr £243.67**
Take-on	• Completion of checklists • Search reports	• Necessary work to ensure there are no conflicts or material reasons why the Administrators' cannot accept the appointment	• No financial benefit to the creditors	• Bond £20.00		
Appointment formalities	• Reviewing and signing documents of appointment	• Necessary work to effect the appointment	• No financial benefit to the creditors			
Case set-up	• Internal checklists • Information to and corresponding with Appian to ensure case set up on internal systems	• Internal procedures which must be complied with for any new statutory appointments	• No financial benefit to the creditors			
Case management	• Statutory Advertising • Correspondence with utility companies • Letter to directors • File reviews • Maintenance of records	• Statutory requirements	• No financial benefits to the creditors			

	• Administrators' bonding • Letters advising of Administrators' appointment		
Reports, circulars notices & decisions	• Letters to creditors advising of: – Administration – Proposals – Deemed approval – Fee estimate – Progress report	• Statutory requirements	• No financial benefit to the creditors
Statement of affairs	• Letters and forms to the Directors • Review of Statement of Affairs • Filing Statement of Affairs at Companies House	• Statutory requirements	• No financial benefit to the creditors
Treasury, billing & funding	• Liaising with bank regarding opening of accounts, pre-appointment bank accounts, set up of online banking facility • Administrators' bonding • Inputting receipts • BACS payments, cheques, Fastpay • Banking cheques • Bank reconciliations	• All necessary work to ensure the Administrators and their staff are able to carry out their duties. • The bonding is a statutory requirement	• No direct financial benefit to the creditors
Tax	• Information to and liaising with Grant Thornton's VAT department • Information to and liaising with Grant Thornton's Tax department • Submission of post appointment PAYE liabilities • Work carried out in respect of Option to Tax, Aggregate Levy, RDCO including corresponding with HMRC	• All necessary work to ensure the Administrators' comply with legal and reporting requirements	• No direct financial benefit to the creditors
Pensions	• Reviewing pension database and update of records • Construction of pension schedule from payroll information	• As noted above all of the pension work undertaken was necessary to ensure the Administrators' complied with legal requirements	• No direct financial benefit to the creditors

	• S120 report and covering letters • S22 ceasing to act notices and update of register • Correspondence with Zurich • Correspondence with AXA PPP • Correspondence with Scottish Widows • Review of Death in Service scheme		
Closure	• Preparing final letters, reports and forms to Registrar of Companies, Court and Creditors • Closure checklist • Notifying JLT, DLA and internal departments of intention of ceasing to act	• Statutory requirements	• No direct financial benefit to the creditors

Detailed SIP9 time cost analysis for the period and fee estimate variance analaysis as at period end

Period from 09/04/2018 to 08/10/2018

Area of work	Partner		Manager		Executive		Administrator		Period total			Cumulative total as at period end			Fees estimate			Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Trading:									-	-	-	11.00	3,823.00	347.55	11.00	3,823.00	347.55	-	-
Trading (general)	-	-	-	-	-	-	-	-	-	-	-	11.00	3,823.00	347.55	-	-	-	-	-
Retention of title	-	-	-	-	-	-	-	-	-	-	-				-	-	-	-	-
General	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Realisation of assets:									1.25	306.25	245.00	19.00	3,979.00	209.42	17.65	3,648.25	207.00	1.35	330.75
Sale of business	-	-	-	-	-	-	-	-	-	-	-	1.10	44.00	40.00	-	-	-	-	-
Hive down	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Books & other debts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Plant, machinery, fixtures & vehicles	-	-	-	-	-	-	-	-	-	-	-	0.50	122.50	245.00	-	-	-	-	-
Stock & work-in-progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hire purchase, leasing agreements & third party	-	-	-	-	-	-	-	-	-	-	-	8.40	2,058.00	245.00	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	-	4.40	647.50	147.16	-	-	-	-	-
Insurance	-	-	-	-	1.25	306.25	-	-	1.25	306.25	245.00	4.50	1,082.50	240.56	-	-	-	-	-
General	-	-	-	-	-	-	-	-	-	-	-	0.10	24.50	245.00	-	-	-	-	-
Investigations:									-	-	-	3.50	1,217.50	347.86	3.50	1,217.50	348.00	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debtor / director / senior employees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General	-	-	-	-	-	-	-	-	-	-	-	3.50	1,217.50	347.86	-	-	-	-	-
Creditors:									1.95	575.25	295.00	52.37	16,549.90	316.02	57.42	18,074.65	317.00	(5.05)	(1,524.75)
Secured	-	-	-	-	-	-	-	-	-	-	-	4.25	1,941.25	456.76	-	-	-	-	-
Employees & pensions	0.50	242.50	-	-	0.75	183.75	-	-	1.25	426.25	341.00	35.27	11,878.15	336.78	-	-	-	-	-
Unsecured	-	-	-	-	0.70	149.00	-	-	0.70	149.00	212.86	12.85	2,730.50	212.49	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administration:									36.98	9,190.85	248.54	168.95	41,167.75	243.67	169.67	44,404.25	261.71	(0.72)	(3,236.50)
Statement of affairs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury, billing & funding	-	-	-	-	3.10	658.75	2.90	472.00	6.00	1,130.75	188.46	17.92	3,585.65	200.09	-	-	-	-	-
Tax	-	-	0.60	246.00	1.00	245.00	3.25	422.00	4.85	913.00	188.25	36.40	4,524.00	124.29	-	-	-	-	-
Pensions	-	-	1.60	769.00	-	-	-	-	1.60	769.00	480.63	13.90	6,727.00	483.96	-	-	-	-	-
General	2.00	970.00	0.75	255.00	20.43	4,928.85	1.35	224.25	24.53	6,378.10	260.01	100.73	26,331.10	261.40	-	-	-	-	-
Other IPs & OR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reports to creditors, notices & decisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	2.50	1,212.50	2.95	1,270.00	27.23	6,471.60	7.50	1,118.25	40.18	10,072.35	250.68	254.82	66,737.15	261.90	259.24	71,167.65	274.52	(4.42)	(4,430.50)

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Due to enhancements to our SIP9 reporting systems, allocation of time against areas of work may differ to previous periods, however this does not affect overall total time costs
- Adverse variances are presented in brackets

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied during the Period are as follows:

Grade	From 9 October 2017 to current	
	Insolvency & pensions £/hr	Tax £/hr
Partner	510	510 – 745
Director	485	485 – 595
Associate director	445	445 – 485
Manager	340	340 – 410
Assistant manager	300	300 – 340
Executive	245 – 260	260 – 315
Administrator	165 – 200	165 - 235
Treasury	180	
Support	150	

The current charge out rates apply for the 12 month period commencing 1 October 2017. We reserve the right to amend our charge out rates at the end of this period. Any amendments will be detailed within the next report following such an amendment.

Disbursements and expenses

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

As with professional fees, expenses are not to be taken from the estate due to a lack of funds.

Sub-contracted out work

We confirm that, in the Period, we have not sub-contracted out any work that could otherwise have been carried out by us or our team.

Payments to associates

Where we have enlisted the services of others we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship:

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	• Tax work/advice (narrative is included within the above narrative of work done) • Pensions work/advice (narrative is included within the above narrative of work done)	• Costs are included within the above SIP9 time cost analysis

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the Joint Administrators' fee basis, or who provide services to us as Joint Administrators, which may give rise to a potential conflict.

Information for creditors

Provided below is information to help creditors to understand their rights in insolvency and regarding officeholders' fees, and the roles and functions of committees.

R3 is the trade association for the UK's insolvency, restructuring, advisory and turnaround professionals. Amongst other things, R3 has made available written guidance for stakeholders affected by insolvency, in particular creditors, for some of which the web links are provided below.

Where web links are provided for the information, we will supply this information by post, free of charge on request.

'Office holder' means, for example, the appointed administrator(s), liquidator(s) or trustee(s) in bankruptcy.

R3 creditor guides

- Rights of creditors during an insolvency process guides: https://www.r3.org.uk/what-we-do/publications/professional/creditors-guides
- Background information regarding the fees of officeholders: https://www.r3.org.uk/what-we-do/publications/professional/fees
- Liquidation/Creditors' committees and commissioners: https://www.r3.org.uk/media/documents/publications/professional/R3-Guide-to-Creditors-Committees.pdf

Creditors' and members' rights to request information about remuneration or expenses under r18.9 of the Rules

(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14:

(a) a secured creditor;

(b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);

(c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;

(d) any unsecured creditor with the permission of the court; or

(e) any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by:

(a) providing all of the information requested;

(b) providing some of the information requested; or

(c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if:

(a) the time or cost of preparation of the information would be excessive; or

(b) disclosure of the information would be prejudicial to the conduct of the proceedings;

(c) disclosure of the information might reasonably be expected to lead to violence against any person; or

(d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of:

(a) the office-holder giving reasons for not providing all of the information requested; or

(b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

Creditors' and members' rights to challenge the office-holder's remuneration and expenses under r18.34 of the Rules

(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that:

(a) the remuneration charged by the office-holder is in all the circumstances excessive;

(b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or

(c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable:

(a) a secured creditor,

(b) an unsecured creditor with either:

(i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or

(ii) the permission of the court, or

(c) in a members' voluntary winding up:

(i)members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or

(ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").