

CVA3

Notice of supervisor's progress report in voluntary arrangement



Companies House

MONDAY



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27/07/2020

#136

COMPANIES HOUSE

1 Company details

Company number 05669709

Company name in full Ferrari Developments Limited

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

2 Supervisor's name

Full forename(s) Ruth Elizabeth

Surname Harris

3 Supervisor's address

Building name/number Abbey Taylor Limited, Unit 6, Twelve O'Clock Court

Street 21 Attercliffe Road

Post town Sheffield

County/Region South Yorkshire

Postcode S47WW

Country England

4 Supervisor's name^①

Full forename(s) Nicola Jane

Surname Kirk

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

5 Supervisor's address^②

Building name/number Abbey Taylor Limited, Unit 6, Twelve O'Clock Court

Street 21 Attercliffe Road

Post town Sheffield

County/Region South Yorkshire

Postcode S47WW

Country England

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

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6 Date of voluntary arrangement

Date

d	0	d	2	m	0	m	6	y	2	y	0	y	1	y	7
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

7 Period of progress report

Date from

d	0	d	2	m	0	m	6	y	2	y	0	y	1	y	9
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Date to

d	0	d	1	m	0	m	6	y	2	y	0	y	2	y	0
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

8 Progress report

☒ I attach a copy of the progress report

9 Sign and date

Supervisor's signature

Signature

X 

X

Signature date

d	2	d	7	m	0	m	7	y	2	y	0	y	2	y	0
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

CVA3

Notice of supervisor's progress report in voluntary arrangement



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 **Matt Thompson**

Company name **Abbey Taylor Ltd**

Address **Unit 6, Twelve O'Clock Court**

21 Attercliffe Road

Post town **Sheffield**

County/Region **South Yorkshire**

Postcode **S 4 7 W W**

Country **England**

DX

Telephone **0114 331 0000**



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 and dated 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

IN THE MATTER OF THE INSOLVENCY ACT 1986

**FERRARI DEVELOPMENTS LIMITED ("THE COMPANY")
COMPANY NUMBER 05669709
COMPANY VOLUNTARY ARRANGEMENT (CVA)**

**SUPERVISORS' REPORT TO CREDITORS AND MEMBERS ON THE PROGRESS
OF THE VOLUNTARY ARRANGEMENT UNDER RULE 2.41 OF THE
INSOLVENCY (ENGLAND AND WALES) RULES 1986**

1. Introduction

The voluntary arrangement was approved on 2 June 2017 and Nicola Jane Kirk and Philip David Nunney were appointed Joint Supervisors.

Following an Order (No 539 of 2018) made in the High Court of Justice, Business and Property Courts in Leeds on 18 June 2018, Philip David Nunney, formerly of Abbey Taylor Limited, was removed as Joint Supervisor of the arrangement to be replaced by Ruth Elizabeth Harris of Abbey Taylor Limited.

2. Comments on receipts and payments

Attached is our receipts and payments account for the 12 months ended 1 June 2020, together with a summary which gives details of all transactions for the 36 months since the commencement of the Voluntary Arrangement on 2 June 2017.

a) Voluntary contributions

Under the terms of the Arrangement the Company is scheduled to make 60 consecutive monthly contributions of £1,000 amounting to £60,000, rising as reviews allow.

To the date of the anniversary the company should have made 36 monthly payments of £1,000 totalling £36,000. We can confirm that total payments received to the anniversary amount to £34,000. Following several missed payments, the company accrued arrears of £2,000 during a previous period and all contributions due during the period under review have been received. The position will continue to be monitored carefully.

The terms of the proposals require us to conduct a trading review annually to ascertain whether any additional payments have become due as a result of the company receiving additional income. A trading review was carried out for the period of 2 June 2017 to 1 June 2018. As a result of this reviews no further payments were due. Despite requests the company failed to provide the necessary information for the period due to 1 June 2019 and as a result a Notice of Breach was issued against the company on 24 July 2019. The company rectified this breach accordingly and as a result of our review no further payments were due.

Unfortunately, despite repeated requests the company has once again failed to provide the necessary information for the period due to 1 June 2020. As a result, a Notice of Breach was issued to the company on 21 July 2020. Should the breach fail to be rectified by the company we will call a virtual meeting of creditors for creditors to decide whether to terminate the arrangement by reason of the breach and whether to issue a Winding Up petition against the company. If the company provides the relevant information, we will complete the trading review and report the outcome to creditors in the next annual progress report. Creditors should contact us directly if they wish to receive a copy of the completed review documents.

The company has not confirmed whether it has received any windfalls in the period under review.

b) Other receipts

Bank interest gross of tax totalling £16.80 to the anniversary has been received of which £9.60 was received during the period under review. The balance of funds are held in an interest bearing estate bank account.

c) *Nominees' fees*

The nominees' fee of £5,000 has been paid in accordance with the terms of the proposals during a previous period.

3. **Creditor claims**

	As per Proposal £	Agreed Claims £
Unsecured (including contingent claims)	756,567.51	753,629.84
Unsecured (excluding contingent claims)	90,007.51	753,629.84

Unsecured creditor claims have been received and agreed for dividend purposes. It is anticipated that total creditor claims will be in line with the amount disclosed by the company in the statement of affairs.

Dividends totalling 1.02p in the £ have been distributed to unsecured creditors with agreed claims as detailed below:

Distribution to unsecured creditors

Date Paid	p in the £	Amount Paid £
01/07/19	0.02	150.76
27/07/20	1	7,537.56

Future dividends will continue to be paid annually.

4. **Office holders' remuneration**

Under the terms of the proposal our remuneration as Nominees is to be a fixed fee of £5,000. This fee was discharged during a previous period.

In addition, a fee of £1,000 plus VAT has been paid to UHY Hacker Young LLP for the provision of information as noted within the proposal. This fee was discharged during a previous period.

Under the terms of the proposal, our remuneration as Supervisors is to be calculated on a time cost basis estimated at £12,000. We have yet to draw any remuneration in this matter.

Our total time costs to 1 June 2020 amount to £27,079, representing 104.40 hours work at a blended charge out rate of £259.38 per hour, of which £5,287.25, representing 22.35 hours work, was charged in the period since 2 June 2019, at a blended charge out rate of £236.57 per hour.

We would advise that on 1 April 2019, the Supervisors changed their time recording software. As such, enclosed as appendix 2 are schedules of time costs to 31 March 2019, from 1 April 2019 to 1 June 2020 and from 2 June 2019 to 1 June 2020.

In our last annual report, it was estimated that the total supervisors' fees for the duration of the arrangement would be £50,000. As at the anniversary, we do not believe that our time costs will exceed this amount, but the position will continue to be monitored. The Supervisors' time costs incurred have exceeded the original estimate as a result of increased senior staff time being spent on the case, numerous Notices of Breach being issued, numerous conversations and meetings with the Director chasing for outstanding information and payment of the contributions, undertaking trading reviews and calling a decision procedure shortly after the approval of the arrangement. The Supervisors' time costs exceed the original estimate considerably. As a result, we will voluntarily cap our remuneration to enable distributions to be made to unsecured creditors.

During the course of the Arrangement we have taken the necessary steps to discharge our duties as Supervisors in accordance with the terms of the Arrangement. A description of the routine work undertaken since our last progress report is as follows:

1. Administration and Planning

- Preparing documentation required.
 - Dealing with all routine correspondence.
 - Maintaining physical case files and electronic case details on the case management system.
 - Review
 - Case bordereau.
 - Case administration.
 - Preparing reports to members and creditors.
 - Monitoring compliance with the terms of the Arrangement
2. Cashiering
- Maintaining and managing the Supervisors' cashbook and bank account.
 - Ensuring statutory lodgements and tax lodgement obligations are met.
3. Creditors
- Dealing with creditor correspondence and telephone conversations.
 - Maintaining creditor information on the case management system.
 - Reviewing and adjudicating on proofs of debt received from creditors.
 - Paying dividends to creditors
4. Realisation of Assets
- Corresponding with directors and collecting payments.
 - Reviewing the Company's trading and statutory accounts

In addition to the routine work above in the period under review, we have spent additional time to discharge our duties as supervisors in accordance with the terms of the arrangement. This includes monitoring for receipt of the debtor's contributions, chasing the directors with regard to outstanding requested information and issuing two Notices of Breach.

This work was necessary to administer the voluntary arrangement. Some of the work was required by statute and regulatory guidance, but it contributed to the payment of the agreed dividends to creditors and the conclusion of this arrangement. We think that this shows that the fee paid to the Supervisors is a fair and reasonable reflection of the work carried out.

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 Voluntary Arrangement Fees' also published by R3, together with an explanatory note which shows Abbey Taylor Limited's fee policy are available at the link <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>. Please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2017 version. A hard copy of both documents can be obtained on request.

5. Office holders' expenses

We have incurred category 1 disbursements to 1 June 2020 of £630.26 of which £22.57 was incurred in the period since 2 June 2018.

	Nominees £	From 02/06/17 to 01/06/19 £	From 02/06/19 to 01/06/20 £	Total £	Drawn £	Outstanding £
Specific Bonding	-	340.00	-	340.00	272.00	68.00
Postage	54.80	72.89	22.57	150.26	104.47	45.79
Court Fees	50.00	90.00	-	140.00	140.00	-
	104.80	502.89	22.57	630.26	516.47	113.79

The specific bond represents the cost of obtaining a specific penalty bond which is an insurance required by statute that every insolvency office holder has to obtain for protection of the estate. As a result of the cessation of Philip Nunney acting as Joint Supervisor and Ruth Harris being appointed on 18 June 2018, an additional bond was incurred and is included above.

The court fees incurred following the approval of the arrangement represent the cost of arranging representation at a Winding Up hearing.

We have drawn category 1 expenses £516.47 to date all of which were drawn during a previous period.

We have incurred the following category 2 disbursements in the period since our appointment as Supervisors:

	Nominees	From	From	Total	Drawn	Outstanding
	£	02/06/17	02/06/19	£	£	£
		to	to			
		01/06/19	01/06/20			
		£	£			
Photocopying	-	11.35	8.10	19.45	-	19.45
	-	11.35	8.10	19.45	-	19.45

We have yet to draw any category 2 disbursements in this matter.

We have not used any agents or professional advisors in the reporting period and for details of agents we have utilised during previous periods, please refer to our previous annual reports.

6. Progress and prospects for the full implementation of the Arrangement

The original proposal envisaged a total dividend of 5p in the £ to unsecured creditors including contingent claims. The latest dividend was for 1p in the £ and is distributed with this report. Total distributions to date amount to 1.02p in the £. The next distribution will be made in June 2021.

It is expected that the Arrangement will be fully implemented and that the total dividend to creditors will be 4p in the £.

7. Matters outstanding

- Arrears – The company has accrued arrears of £2,000. However, the company has made all contributions due during the period under review. The company is not currently in breach of the arrangement and the position will be monitored closely.
- Payments to Secured Lender - The company is required to ensure that interest payments totalling £40,000 per annum are paid to West Street Leisure Limited. It was agreed that payments of £3,333.33 per month would be made in this regard. Paragraph 29 to the Proposal states that should these payments not be paid on time, this will constitute a default of the arrangement. The secured lender has advised that there are 13 months arrears outstanding, however they have confirmed that the company is making regular payments. West Street Leisure Limited have yet to confirm whether a breach should be issued with a view to terminating the arrangement.

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

Abbey Taylor Limited uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how Abbey Taylor Limited uses your personal information on our website at www.abbeytaylor.co.uk/privacy-policy.

If creditors or members have any queries regarding the conduct of the Voluntary Arrangement, or if they want hard copies of any of the documents made available on-line, they should contact me at Abbey Taylor Limited, Unit 6, Twelve O'Clock Court, 21 Attercliffe Road, Sheffield S4 7WW or by email at info@abbeytaylor.co.uk, or by phone on 0114 331 0000.



Ruth Elizabeth Harris
Joint Supervisor

Ferrari Developments Limited
(Under a Voluntary Arrangement)
Joint Supervisors' Summary of Receipts and Payments

RECEIPTS	Statement of Affairs (£)	From 02/06/2017 To 01/06/2019 (£)	From 02/06/2019 To 01/06/2020 (£)	Total (£)
Voluntary Contributions	60,000.00	22,000.00	12,000.00	34,000.00
Bank Interest Gross		7.20	9.60	16.80
		22,007.20	12,009.60	34,016.80
PAYMENTS				
Specific Bond		272.00	0.00	272.00
Provision of Information Fee		1,000.00	0.00	1,000.00
Court Fee		140.00	0.00	140.00
Nominees Fees		5,000.00	0.00	5,000.00
Legal Fees		750.00	0.00	750.00
Legal Disbursements		23.90	0.00	23.90
VAT Paid		354.78	0.00	354.78
Petitioning Creditor Costs		920.00	0.00	920.00
Postage		104.47	0.00	104.47
Dividends to Unsecured Creditors	(756,567.51)	0.00	148.05	148.05
		8,565.15	148.05	8,713.20
Net Receipts/(Payments)		13,442.05	11,861.55	25,303.60
MADE UP AS FOLLOWS				
Estate Bank a/c – Interest-Bearing		13,442.05	11,861.55	25,303.60
		13,442.05	11,861.55	25,303.60

Note:

VAT is not recoverable

Agreed Claims: £753,755.29

Dividends Paid to Date

01/07/19 - 0.02p in £

29/07/20 – 1p in the £

PROOF OF DEBT
under rule 14.4 of The Insolvency (England and Wales) Rules 2016

Ferrari Developments Limited ("the Company") - In Company Voluntary Arrangement

Arrangement approved on: 2 June 2017

1	Name of creditor:	
2	Address of creditor:	
3	<p>Claim, including VAT, as at date of Liquidation:</p> <p>Less: any payments made after that date in relation to the claim; any deduction for discounts (except a discount for immediate or early settlement) which would have been available but for the insolvency proceedings; and any adjustment as a result of set-off</p> <p>Total claim, including VAT</p>	<p>£</p> <p>£</p> <p>£</p>
4	The amount of any uncapitalised interest that is include in the claim, if any.	£
5	Particulars of how and when the debt was incurred	
6	<p>Please provide details of any documents by which debt can be substantiated:</p> <p><i>(Notes - copies need not be supplied unless specifically requested by the office holder)</i></p>	
7	Particulars and value of any security held and the date it was given:	
8	<p>Signature of creditor or authorised person:</p> <p>NAME, IN BLOCK LETTERS:</p> <p>Creditor's reference:</p>	
9	<p>Position or relationship with creditor:</p> <p><i>(eg, director, accountant, credit controller etc)</i></p>	

Guidance notes re preferential debts:

For claims arising in insolvencies commencing on or after 15 September 2003 the categories of preferential debts under section 386(1) of the Insolvency Act 1986, are as follows:

- (a) pension scheme contributions;
- (b) remuneration etc of employees;
- (c) levies on coal and steel production.

VAT bad debt relief

The provisions of the Finance Act 1990, came into effect on 26 July 1990, and introduced changes in the way that VAT on bad debts is recovered.

Your claim overleaf must be quoted inclusive of VAT. You may claim relief on your VAT return when the debt is at least six months old and has been written off. This system can also be applied to debts for any supplies made between 1 April 1989, and 25 July 1990, and such debts must be claimed gross overleaf. Any dividend you receive in respect of this claim will include payment in respect of the VAT element of your debt and you will be responsible for declaring such VAT to HM Customs & Excise.

Time Entry - SIP9 Time & Cost Summary

1704 - Ferratt Development's Limited
All Post Appointment Project Codes
From: 02/06/2019 To: 01/06/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	3.80	0.00	6.90	8.30	18.80	4,452.25	236.82
Case Specific Matters	0.30	0.00	0.00	0.00	0.30	135.00	450.00
Creditors	0.75	0.00	0.00	2.50	3.25	700.00	215.36
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Statutory Compliance	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	4.85	0.00	6.90	10.80	22.35	5,287.25	236.57
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Time Entry - SIP9 Time & Cost Summary

1704 - Ferrari Developments Limited
All Post Appointment Project Codes
From: 01/04/2019 To: 01/06/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	3.60	0.00	6.90	9.20	19.70	4,589.75	232.98
Case Specific Matters	0.30	0.00	0.00	0.00	0.30	135.00	450.00
Creditors	1.75	0.00	0.00	6.70	8.45	1,737.00	205.56
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Statutory Compliance	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	5.65	0.00	6.90	15.90	28.45	6,461.75	227.13
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Abbey Taylor Ltd**TIME & CHARGEOUT SUMMARIES**

Ferrari Developments Ltd (post)

To 31 Mar 2019

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	12.15	17.00	0.00	20.25	49.40	13,442.25	272.11
Realisation of Assets	0.00	0.00	0.00	0.50	0.50	87.50	175.00
Creditors	0.80	13.65	2.10	9.50	26.05	7,087.50	272.07
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fees Claimed £	4,532.50	10,727.50	367.50	4,989.75		20,617.25	
Total Hours	12.95	30.65	2.10	30.25	75.95		
Average Rate	350.00	350.00	175.00	164.95			

Authority to communicate electronically

**FERRARI DEVELOPMENTS LIMITED ("the Company") –
IN COMPANY VOLUNTARY ARRANGEMENT**

Company Number 05669709

We *(note 1)*

Of *(note 2)*

a creditor of the above named Company, hereby authorise the Joint Supervisors, Ruth Elizabeth Harris and Nicola Jane Kirk, to communicate with us electronically in respect of all matters in relation to the liquidation by sending an email to:

(note 3)

Email Address:

Signed:

Name (Block letters):

Position held:

Dated:

Notes for creditors:

1: Insert name

2: Insert address

3: Insert email address

Information to creditors on opting out

Ferrari Developments Limited

(Company Number 05669709)

In the Sheffield County Court No. 51 of 2017

Notice is given by Ruth Elizabeth Harris and Nicola Jane Kirk to the creditors of the above named company that creditors have the right to elect to opt out of receiving further communication about the insolvency procedure under rule 1.39 of The Insolvency (England and Wales) Rules 2016.

Any creditor may elect to become an opted-out creditor at any time, by delivering a dated notice of the request, in writing to me.

A creditor becomes an opted-out creditor when the notice is delivered to me.

Any creditor who elects to opt-out remains as such for the duration of the proceedings unless the opt out is revoked by a further notice in writing, dated and delivered to me.

A creditor ceases to be an opted-out creditor when the notice is received by me.

The opt out will not apply to the following:

- (i) a notice which the Insolvency Act 1986 requires to be delivered to all creditors without expressly excluding opted-out creditors;
- (ii) a notice of a change in the office-holder or a notice of a change in my contact details, or
- (iii) a notice of a dividend or proposed dividend or a notice which the court orders to be sent to all creditors or all creditors of a particular category to which the creditor belongs;

Opting-out will not affect a creditor's entitlement to receive dividends should any be paid to creditors

Opting-out will not affect creditors' rights to vote in a decision procedure or to participate in a deemed consent procedure, although any creditor who opts-out will not receive notice of it.

Any creditor who opts out will be treated as having opted out in respect of consecutive insolvency proceedings of a different kind in respect of the same company.

Creditors requiring further information regarding the above, should either contact me at Abbey Taylor Limited, Unit 6, Twelve O'Clock Court, 21 Attercliffe Road, Sheffield S4 7WW, or contact Matt Thompson by telephone on 0114 331 0000, or by email at info@abbeytaylor.co.uk.

Signed


Ruth Elizabeth Harris, Joint Supervisor

Dated

27/7/20

Notice to office holder to opt out of further correspondence

Name of creditor:

I, the above named, give notice that I elect to become an opted-out creditor and no longer wish to receive communication relating to the insolvency proceedings of Ferrari Developments Ltd

Signature of creditor:

Date:

Notice to office holder to revoke opt out

Name of creditor:

I, the above named, give notice that I wish to revoke the notice of opt out and require receipt of future communication relating to the insolvency proceedings of Ferrari Developments Ltd

Signature of creditor:

Date:

Provision of Services Regulations Summary Sheet for Abbey Taylor Limited

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

Company Name: Abbey Taylor Limited

Company Type: Private Limited Company

Company Number: 04992674

Registered Office: Unit 6 Twelve O'clock Court
21 Attercliffe Road
Sheffield
England
S4 7WW

Telephone Number: 0114 331 0000

Fax Number: 0114 331 0260

Email: info@abbeytaylor.co.uk

VAT Number: 836 3500 38

Insolvency Practitioners

Tracy Ann Taylor, Nicola Jane Kirk and Ruth Elizabeth Harris are licensed in the United Kingdom to act as Insolvency Practitioners by The Institute of Chartered Accountants in England and Wales (ICAEW). Copies of the relevant insolvency license certificates and bond schedules as proof of the security required under Section 390(3) of the Insolvency Act 1986 are available for inspection at our offices.

Tracy Ann Taylor, Nicola Jane Kirk and Ruth Elizabeth Harris are also members of the Insolvency Practitioners Association.

Rules Governing Actions

All Insolvency Practitioners are bound by the rules of their professional body, including any that relate specifically to insolvency. The rules of the professional body that licences Abbey Taylor Limited can be found at:

www.icaew.com/en/technical/insolvency/sips-regulations-and-guidance/insolvency-licensing-regulations-and-guidance-notes

In addition, IPs are bound by the Statements of Insolvency Practice (SIPs), details of which can be found at www.r3.org.uk/technical-library/england-wales/sips

Ethics

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

Bribery

Our Practice is committed to carrying on its business fairly, openly and honestly. Our business culture is one where bribery is never acceptable.

We are dedicated to upholding the principles and provisions of The Bribery Act 2010. The Act details offences include bribes paid anywhere in the world by UK citizens or residents, including bribes paid by legal persons as well as individuals. Some of the Act's provisions are relevant to UK businesses (companies and partnerships) operating overseas, and also to foreign businesses operating in the UK.

Governing Law and Jurisdiction

Abbey Taylor Limited undertakes its activities as an Insolvency Practitioner in accordance with the laws of England and Wales. Any disputes will be governed by and construed in accordance with the laws of England and Wales.

Professional Indemnity Insurance

Travelers Insurance Company Limited
Exchequer Court
33 St Mary Axe
London
EC3A 8AG

Tel: +44 (0) 020 3207 6000

This professional indemnity insurance provides worldwide coverage, excluding professional business undertaken within the United States of America, Canada and any country, territory or jurisdiction in which American or Canadian law (Federal, State or Provincial) is applicable or in which a judgment based upon such law may be enforceable in connection with such work.

Complaints

Abbey Taylor Limited always strives 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 Insolvency Practitioner acting as office holder.

If you consider that the Insolvency Practitioner has not dealt with your comments or complaint appropriately, you should then put details of your concerns in writing to the Complaints Officer at Abbey Taylor Ltd, Unit 6 12 O'clock Court, Attercliffe Road, Sheffield, S4 7WW. This will 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.

It is our belief that 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:

- In writing to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA
- Using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner
- By emailing insolvency.enquiryline@insolvency.gov.uk
- By calling the Insolvency Service Enquiry Line on 0300 678 0015 (details of call charges can be found at www.gov.uk/call-charges)

PRACTICE FEE RECOVERY POLICY FOR ABBEY TAYLOR LIMITED

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 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 (SIP9) and can be accessed at www.icaew.com/en/technical/insolvency/creditors-guides. Alternatively a hard copy may be requested from Abbey Taylor Limited, Unit 6 Twelve O'Clock Court, Attercliffe Rod, Sheffield, S4 7WW free of charge. 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.

Charge-out Rates

Grade of staff	Charge-out rates per hour, effective 01/04/09-09/10/16 (£)	Charge-out rates per hour, effective 10/10/16 – 07/07/19 (£)	Charge-out rates per hour, effective from 08/07/19 (£)
Partner – appointment taker	325	350	450-650
Senior Manager	250	n/a	n/a
Manager	200	250	350-400
Case Administrator	130-160	175-200	200-250
Cashier/Support Staff	100	135	150-200

These charge-out rates charged are reviewed on an annual basis 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 – which includes work such as planning how the case will be administered and progressed; the administrative set up of the case; notifying creditors and others of the appointment; keeping the records relating to the case up to date; and reporting on progress of the case to creditors and others.
- Investigations – which includes work such as undertaking an initial review of the financial affairs of the company and bankrupt; undertaking a detailed investigation with a view to making recoveries for the benefit of creditors where matters such as preferences or wrongful trading come to light as a result of the initial review; and reporting to the Insolvency Service on the conduct of the directors.
- Realisation of Assets – which includes work such as identifying, securing and insuring assets; dealing with retention of title claims; collecting debts owed; and selling assets.

- Creditors – which includes work such as communicating with creditors; dealing with creditors' claims; dealing with employees and liaising with the redundancy payments office; and where funds realised allow, paying dividends to creditors.
- Trading – which includes work such as managing and controlling all aspects of the business; and preparing financial records and information relating to that trading.

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.

Percentage Basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and / or distributions). Different percentages can be used for different assets or types of assets. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

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 the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances, then an increase can only be approved by the Court.

Fixed Fee

The legislation allows fees to be charged at a set amount and different set amounts can be used for different tasks. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

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 the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then, an increase can only be approved by the Court.

Members' Voluntary Liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to Members' Voluntary Liquidations (MVLs), Company Voluntary Arrangements (CVAs) or Individual Voluntary Arrangements (IVAs). 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

Where applicable, 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 Statement of Insolvency Practice 9 (SIP9) 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 Abbey Taylor Limited; 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. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements are recovered:

Room Hire	£75
Mileage	45p per mile
Storage	£2.50 per box per quarter
Photocopying	5p per sheet