

The Insolvency Act 1986

Administrator's progress report

Name of Company

Amsol Finance Limited

Company number

06290461

In the
High Court Manchester District Registry
(full name of court)Court case number
4050 of 2013(a) Insert full
name(s) and
address(es) of
administrator(s)I (a)
David E M Mond FCA FCCA
Hodgsons
Nelson House
Park Road
Timperley
WA14 5BZ

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

From


To

(b) Insert date

(b) 5 September 2014

(b) 4 March 2015

Signed


 Administrator

Dated

18 March 2015

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give

will be visible to searchers of the public

David E M Mond FCA FCCA
Hodgsons
Nelson House
Park Road
Timperley
WA14 5BZ

DX Number 26356 Timperley

Tel 0161 969 2023

When you have completed and signed this form, please send it to the registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

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Administrator's Progress Report for the period

5 September 2014 to 4 March 2015

Amsol Finance Limited - In Administration

18 March 2015

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THE ADMINISTRATOR'S PROGRESS REPORT

1 Statutory information

- 1 1 David Emanuel Merton Mond FCA FCCA was appointed Administrator of the Company on 7 October 2013. The appointment of an Administrator was made by the sole director of the company and sealed by the Court on the same date.
- 1 2 This Administration is being handled by the Administrators practice Hodgsons at Nelson House, Park Road, Timperley, WA14 5BZ. The Administration is registered in the High Court Manchester District Registry, reference number 4050 of 2013.
- 1 3 The trading and registered office address of the Company is Nelson House, Park Road, Timperley, WA14 5BZ. Registered Number 06290461.

2 Administrator's Proposals

- 2 1 As previously advised, the Administrator must perform his functions with the purpose of achieving one of the following objectives:
- rescuing the Company as a going concern
 - achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), or
 - realising property in order to make a distribution to one or more secured or preferential creditors

The Administrator believes the purpose of the Administration is the pursuit of objective two (second bullet point above), being that the Administration will achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration). The strategy for achieving this objective was to continue working down the existing work-in-progress and more information can be found on this at Paragraph 3.2.

3 Progress of the Administration

- 3 1 Attached at Appendix A is my Receipts and Payments Account for the period from 5 September 2014 to 4 March 2015 as well as all preceding periods.

- 3.2 The Administrator made an application to Court for an extension to the period of the Administration by 24 months. The Administrator's instructed Counsel, Mr Lewis Bretts of 18 St John Streets Chambers to prepare the skeleton argument and attend at Court to obtain the Order for an Extension. On 12 September 2014, the Judge granted an Order extending the period of Administration by 24 months to 6 October 2016.
- 3.3 The Administrator has continued to work down the existing work-in-progress using the Administrator's own staff at Hodgsons, in order to save on costs. As shown in the Administrator's Trading Account at Appendix A, since the last progress report, turnover of £12,622.97 has been achieved. The other associated costs of completing the work-in-progress is outlined in the Trading Account attached to this report. There is presently a trading surplus of £15,205.47. The Administrator has renewed the Ministry of Justice license for a further year and will continue to complete the existing work-in-progress.
- 3.4 The Administrator is currently dealing with 324 live PPI mis-selling claims ("PPI"), although 108 of these have been finalised and the Administrator is chasing invoices that have been issued. Of the remaining 216 live PPI claims, there are 77 cases with the Financial Ombudsman Service ("FOS") and/or Financial Services Compensation Scheme. The Administrator will continue to process all live PPI claims until an outcome has been reached in all matters and this is expected to take at least 18 months, given the delays presently being experienced with FOS. A further update will be provided in the next six monthly progress report.

Administrator's Progress Report

- 3.5 The Trade Debtors at Appendix A relate to the pre-appointment invoices which had been raised for work carried out in collecting PPI mis-selling compensation for clients. The Administrator and his staff have had sole conduct of chasing these debtors, rather than the post-appointment invoices where the Arch Hall staff had initially been responsible for chasing payment. All outstanding invoices are now being pursued by the Administrator's own staff. £23,110.88 has been collected in trade debtors to date (with £1,101.85 being collected during the period of this report) and the pursuit of the remaining debtors is continuing. The Administrator has written to all debtors on three separate occasions, plus a J H Lyons Solicitor Office letter has been sent to all debtors who have failed to respond. Where debtors have failed to respond and the individual debt owed is less than £100, the Administrator has written off this debt as it is not commercially viable to pursue it. In the case of 13 debtors where the individual debt is in excess of £750 (whose debts total £21,807.83) and no response has been received, statutory demands were issued. One debtor based in Scotland who owed £5,796.41 has now been made the subject of a sequestration order. With regards to these remaining 12 debtors, the Administrator has taken the decision that it is not economically viable to pursue these debts as the costs of petitioning for an individual's bankruptcy is on average approximately £2,000 and the debts are all below this figure, other than one at £2,138.23. Without knowing the asset position of any of these debtors, the Administrator believes this is the only option available. There were 17 such debtors where the individual debt is between £100 and £750 and the Administrator has issued money claims against these individuals. The Administrator has received payment from five of these debtors and is enforcing Judgements against the remaining debtors. There have been 8 additional debtors since the issue of the last report whose debts total £3,852.38 and the Administrator is attempting to recover payment from these individuals. A further update will be provided in the next six monthly report.
- 3.6 As disclosed previously, in accordance with Statement of Insolvency Practice No 13 (SIP13), the following assets were sold to a director of the Company:

Date of transaction	Asset involved and nature of transaction	Consideration Paid and Date	Sold to	Relationship
16 October 2013	Printer & 7 Monitors	£1,175.00 plus VAT	Christopher Holmes	Director

As outlined in the Administrator's Proposals at Paragraph 3.2, this transaction took place post appointment and further details can be found in the Proposal.

4 Assets still to be realised

- 4.1 The work-in progress and ongoing PPI claims will continue to be completed by the Administrator's staff at Hodgsons to reduce the costs to the Administration estate. Furthermore, the Administrator will continue to chase the outstanding debtors as outlined in Paragraph 3.5.

Administrator's Progress Report

- 4 2 The Administrator is still making enquiries in respect of Other Debtors totalling £74,186 00. This is in respect of two payments made just prior to the Company entering into Administration and the Administrator has instructed J H Lyons Solicitors Office. A claim has been issued against one of the debtors for £50,000 and a repayment plan is being agreed with the other debtor for the balance.

5 Investigations

- 5 1 In accordance with the Company Directors Disqualification Act 1986 the Administrator has submitted a report on the conduct of the sole director of the Company to the Department for Business Innovation & Skills (BIS). As this is a confidential report, the Administrator is not able to disclose the contents of same.
- 5 2 As reported in the previous progress reports, the Administrator issued a Section 236 application against the Company's former solicitors, Abacus Solicitors and was successfully awarded costs of £4,726 12 after it was established that the alleged information that Mr Underhill of Abacus Solicitors purported to have never existed in the first place.

6 Pre-administration Costs

- 6 1 On 16 December 2013 the following amounts in respect of pre-administration costs were approved and these costs have now been drawn in full.

Name of recipient	Brief description of services provided	Total amount approved
Hodgsons	Initial Advice, Meetings and Appointment Docs	£4,255 plus VAT
J H Lyons Solicitor	Legal costs relating to appointment	£2,500 plus VAT
Louis Doyle	Legal costs relating to appointment	£5,000 plus VAT

7 Administrator's Remuneration

- 7 1 The creditors approved that the basis of the Administrator's remuneration be fixed by reference to the time properly spent by the Administrator and his staff in attending to matters arising in the Administration.
- 7 2 The standard time costs for the period from 5 September 2014 to 4 March 2015 are £21,146 00. This represents 75 00 hours at an average standard rate of £281 95 per hour. Attached at Appendix B is a Time Analysis which provides details of the activity time incurred by staff grade during this period in respect of the standard charge-out rate fixed by reference to time properly spent in managing the Administration.

7.3 Since the Administrator's appointment on 7 October 2013 to 4 March 2015, the cumulative time costs are £110,387.50. This represents 353.50 hours at an average standard rate of £312.27 per hour. Attached at Appendix C is a Cumulative Time Analysis which provides details of the activity time incurred by staff grade during this appointment.

7.4 To date £26,500 plus VAT has been drawn on account of Administrator's fees (of which £9,000 plus VAT has been drawn during the period of this report) in addition to the approved pre-Administration fees outlined at Paragraph 6.1. Disbursements of £1,752.50 have been drawn to date as outlined on the Receipts & Payments Account at Appendix A in addition to the approved pre-Administration costs outlined at Paragraph 6.1.

The work carried out by the Administrator and his staff has been categorised into the following task headings and sub categories:

- **Administration and planning** includes case planning, case set-up, notification of appointment, maintenance of our case file and insolvency case record, statutory reporting, compliance, cashing, accounting, tax matters and all other statutory requirements.
- **Trading** includes the ongoing trading of the Company during the Administration, including sending out the PPI claims packs to the prospective clients.
- **Investigations** includes investigating the Company's affairs and in particular any antecedent transactions which includes performing a review of the bank statements and accounting records and also reporting on the conduct of the sole director.
- **Correspondence** includes all correspondence between the Administrator and his staff between all interest parties, including creditors and debtors.
- **Realisation of assets** includes collection of all debts.
- **Creditors** includes set-up of creditor records, creditor communications, dealing with all creditor claims including their adjudication.
- **Meeting of creditors** includes preparing the necessary paperwork for the first meeting of creditors held on the 16 December 2013, including preparing the Proposals and also dealing with all proxies in advance of that meeting. Furthermore, it includes the preparation with drafting the progress report to creditors.

7.5 A copy of 'A Creditor's Guide to Administrators' Fees' (for cases post November 2011) is available on request or can be downloaded from www.hodgsons.co.uk on the 'Free Guides' page.

7.6 Attached at Appendix E is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of Hodgsons current charge-out rates by staff grade and considerations in respect of any up-lift attributable.

Amsol Finance Limited - In Administration
Administrator's Progress Report

7.7 Since the 5 September 2014, Category 2 disbursements have been charged as outlined in Appendix E

8 Administrator's Expenses

The following expenses have been incurred since the appointment

Supplier/ Service Provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount Outstanding £
J H Lyons Solicitors	Legal costs relating to advice on debtor collection and validity of appointment	12,500 plus VAT	0 00	12,500 plus VAT
Robson Kay & Co	Valuation of company's assets	500 plus VAT	500 plus VAT	0 00
Louis Doyle Barrister	Legal costs relating to debtor collection and creditor correspondence	17,500 plus VAT	0 00	17,500 plus VAT
Other Statutory Costs	Statutory advertising, bonding, court fee, mail redirection, company searches	684 50	684 50	0 00
Balfour & Manson LLP	Issuing sequestration proceedings against Scottish debtor	1,286 72 plus VAT	1,286 72	0 00
Mr Lewis Bretts	Dealing with the extension application	350 plus VAT	350 plus VAT	0 00
Clarke Wilmott LLP	Advice surrounding the Administration	3,126 36 plus VAT	3,126 36 plus VAT	0 00

9 Estimated outcome for creditors

9.1 An Estimated Outcome Statement as at 4 March 2015 is attached at Appendix D

Secured Creditors

9.2 There are no secured creditors in this case

Preferential Creditors

9.3 A summary of preferential claims is detailed below

Preferential claim	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p/in the £1
Employee claims (Total number of claims = unknown)	unknown	11,828 00	0 00
Department for Business Innovation & Skills (BIS)	unknown	unknown	0 00

9.4 No dividend has been paid to preferential creditors to date

Unsecured Creditors

- 9 5 Claims totalling £638,399 78 have been received from 12 creditors. The Administrator has yet to receive claims from 6 creditors whose claims total £18,396 38 as per the Company's statement of affairs.
- 9 6 The Administrator has requested the final claim from the Redundancy Payments Office, if applicable, but they have still yet to provide their claim in this matter. A further update will be provided to creditors in the next report issued.
- 9 7 Antag Holding Limited submitted an unsecured claim of £279,646 77 for voting purposes at the first meeting of creditors. However, this claim has been rejected by the Administrator as Antag Holding Limited is not a creditor of the Company.
- 9 8 Furthermore, the Administrator received information following his appointment that Mr Stuart Solomons had paid off the debt owed to one creditor and has yet to submit a claim totalling £9,500. In addition, Mr Mike Seward paid off debts owed to two creditors and has yet to submit a claim totalling £289 38. The Administrator has not as yet seen any formal assignment of these debts to the respective individuals.
- 9 9 It is unknown at this stage whether there will be any dividend payable to any class of creditor. The Administrator will continue to work down the work-in-progress and it is unknown whether these claims will be successful, however, at Appendix D an Estimated Outcome Statement is provided.

10 Ending the Administration

- 10 1 The Administration has been extended until 6 October 2016.
- 10 2 The Administrator will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon his appointment as Administrator ceasing to have effect.

11 Creditors' rights

- 11 1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Administrator provide further information about his remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.

Amsol Finance Limited - In Administration

Administrator's Progress Report

- 11 2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Administrator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrator, as set out in this progress report, are excessive

12 Next Report

- 12 1 The Administrator is required to provide a progress report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised or he wishes to extend it

For and on behalf of Amsol Finance Limited (In Administration)

David Emanuel Merton Mond FCA FCCA
Administrator

18 March 2015

Amsol Finance Limited
(In Administration)
Administrator's Trading Account

Statement of Affairs	From 05/09/2014 To 04/03/2015	From 07/10/2013 To 04/03/2015
POST APPOINTMENT SALES		
Sales	12,622 97	57,888 48
	<u>12,622 97</u>	<u>57,888 48</u>
COST OF SALES		
Staff Costs	NIL	20,360 72
	<u>NIL</u>	<u>(20,360 72)</u>
TRADING EXPENSES		
Debt Collection Expenses	NIL	4,835 39
Solicitors Costs Re Debtors	NIL	188 72
Postage	NIL	2,013 00
Enquiry Agents	1,055 00	2,060 00
Scanner	NIL	324 17
Motor Expenses	NIL	165 24
Stationery and Printing	NIL	272 96
PPI Software	600 00	1,850 00
Referral Fees	434 40	7,950 71
Sundry Expenses	NIL	365 00
Bank Charges and Interest	NIL	960 37
Ministry of Justice Annual Fee	NIL	1,336 73
	<u>(2,089 40)</u>	<u>(22,322 29)</u>
TRADING SURPLUS/(DEFICIT)	<u>10,533.57</u>	<u>15,205.47</u>

Amsol Finance Limited
(In Administration)
Administrator's Abstract of Receipts & Payments

Statement of Affairs		From 05/09/2014 To 04/03/2015	From 07/10/2013 To 04/03/2015
	ASSET REALISATIONS		
94,702 00	Work in Progress	NIL	NIL
48,004 00	Trade Debtors not subj to Fx Ch	1,101 85	23,110 88
74,186 00	Other Debtors	NIL	NIL
2,000 00	Office Equipment	NIL	1,175 00
20,259 00	Cash at Bank	NIL	21,512 50
	Interest Gross	38 77	45 46
	Trading Surplus/(Deficit)	10,533 57	15,205 47
	Sundry Refunds	250 10	1,750 10
	Contribution towards to Legal Costs	153 66	153 66
		<u>12,077 95</u>	<u>62,953 07</u>
	COST OF REALISATIONS		
	Court Fee	835 00	940 00
	Company Searches	NIL	3 00
	Specific Bond	233 00	466 00
	Pre Admin Administrators Fees	NIL	4,255 00
	Administrator Fees	9,000 00	26,500 00
	Agents Costs	NIL	500 00
	Solicitors Charges	4,763 08	4,763 08
	Pre Admin Counsels Fees	NIL	5,000 00
	Pre Admin Solicitors Fees	NIL	2,500 00
	Mail Redirect	NIL	195 00
	Statutory Advertising	NIL	148 50
		<u>(14,831 08)</u>	<u>(45,270 58)</u>
	PREFERENTIAL CREDITORS		
(11,828 00)	Wages Employees	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(598,147 54)	Unsecured Creditors	NIL	NIL
(44,921 00)	HMRC - PAYE/NIC	NIL	NIL
(18,920 00)	HMRC - VAT	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
100 00	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(434,565.54)</u>		<u>(2,753 13)</u>	<u>17,682 49</u>
	REPRESENTED BY		
	Trade Debtors		13,639 76
	VAT Receivable		2,097 60
	General Bank C/A		2,654 45
	VAT Payable		(709 32)
			<u>17,682 49</u>

Z2040 - Amsol Finance Limited - in Administration

Appendix B

Administrator's Time and Standard Charge-out Summary
For the period 5 September 2014 to 4 March 2014

CLASSIFICATION OF WORK FUNCTION	PARTNER		MANAGER		OTHER SENIOR PROFESSIONALS		ASSISTANT & SUPPORT STAFF		TOTAL		AVERAGE HOURLY VALUE (£)
	Time (Hrs)		Time (Hrs)		Time (Hrs)		Time (Hrs)		Time (Hrs)	Costs (£)	
Trading	0.00		0.00		0.00		0.00		0.00	0.00	0.00
Tax - Company	0.00		0.00		0.00		0.00		0.00	0.00	0.00
Statutory	0.00		0.00		0.00		0.00		0.00	0.00	0.00
VAT	0.00		0.00		0.00		0.00		0.00	0.00	0.00
Correspondence	0.00		0.00		0.00		0.00		0.00	0.00	0.00
Dividends	0.00		0.00		0.00		0.00		0.00	0.00	0.00
Investigation	0.00		0.00		0.00		0.00		0.00	0.00	0.00
Pensions	0.00		0.00		0.00		0.00		0.00	0.00	0.00
General Administration	0.00		0.00		4.90		0.00		4.90	1,592.50	325.00
Insurance Matters	0.00		0.00		0.00		0.00		0.00	0.00	0.00
Meeting of Directors	0.00		0.00		0.00		0.00		0.00	0.00	0.00
Meeting of Creditors	0.00		0.00		0.00		0.00		0.00	0.00	0.00
Creditors Queries	0.00		0.00		0.00		0.40		0.40	58.50	146.25
Travel	0.00		0.00		0.00		0.00		0.00	0.00	0.00
Wages / Employees claims	0.00		5.00		0.00		23.50		28.50	6,732.50	236.23
Legal Matters	0.60		9.70		0.00		0.00		10.30	2,847.50	276.46
Closures	0.00		0.00		0.00		0.00		0.00	0.00	0.00
Sale of Assets	1.50		2.10		0.50		0.00		4.10	1,625.00	396.34
Debtor Collection	3.80		22.80		0.00		0.00		26.60	8,260.00	310.53
Liquidation Committee	0.00		0.00		0.00		0.00		0.00	0.00	0.00
Filing	0.00		0.00		0.00		0.20		0.20	30.00	150.00
Fee Discussion	0.00		0.00		0.00		0.00		0.00	0.00	0.00
Reading Over	0.00		0.00		0.00		0.00		0.00	0.00	0.00
Total	5.90		39.60		5.40		24.10		75.00	21,146.00	281.95

Z2040 - Amsol Finance Limited - in Administration

Appendix C

Administrator's Cumulative Time and Standard Charge-out Summary
For the period 7 October 2013 to 4 March 2014

CLASSIFICATION OF WORK FUNCTION	PARTNER		MANAGER		OTHER SENIOR PROFESSIONALS		ASSISTANT & SUPPORT STAFF		TOTAL		AVERAGE HOURLY VALUE (£)
	Time (Hrs)		Time (Hrs)		Time (Hrs)		Time (Hrs)		Time (Hrs)	Costs (£)	
Trading	4 70		36 40		0 00		0 00		41 10	12,445 00	302 80
Tax - Company	0 00		0 70		0 00		0 00		0 70	192 50	275 00
Statutory	0 00		14 80		0 90		21 40		37 10	7,076 00	190 73
VAT	0 00		1 10		0 00		0 00		1 10	302 50	275 00
Correspondence	9 40		16 70		0 00		1 00		27 10	10,494 50	387 25
Dividends	0 00		0 00		0 00		0 00		0 00	0 00	0 00
Investigation	13 00		5 80		0 00		0 00		18 80	9,900 00	526 60
Pensions	0 00		0 00		0 00		0 50		0 50	125 00	250 00
General Administration	12 40		41 50		18 80		27 10		99 80	28,389 00	284 46
Insurance Matters	0 00		0 00		0 00		0 00		0 00	0 00	0 00
Meeting of Directors	0 00		0 00		0 00		0 00		0 00	0 00	0 00
Meeting of Creditors	6 50		29 20		0 00		0 00		35 70	11,555 00	323 67
Creditors Queries	9 50		3 90		0 00		3 60		17 00	7,653 00	450 18
Travel	0 00		0 60		0 00		0 00		0 60	165 00	275 00
Wages / Employees claims	0 00		5 50		0 00		23 50		29 00	6,857 50	236 47
Legal Matters	4 40		9 70		0 00		0 00		14 10	5,317 50	377 13
Closures	0 00		0 00		0 00		0 00		0 00	0 00	0 00
Sale of Assets	1 50		2 10		0 50		0 00		4 10	1,625 00	396 34
Debtor Collection	3 80		22 80		0 00		0 00		26 60	8,260 00	310 53
Liquidation Committee	0 00		0 00		0 00		0 00		0 00	0 00	0 00
Filing	0 00		0 00		0 00		0 20		0 20	30 00	150 00
Fee Discussion	0 00		0 00		0 00		0 00		0 00	0 00	0 00
Reading Over	0 00		0 00		0 00		0 00		0 00	0 00	0 00
Total	65 20		190 80		20 20		77 30		353 50	110,387 50	312 27

Appendix D

Estimated Outcome Statement as at 4 March 2015			
	Per R&P	Anticipated Additional Realisations	Total
		£	
Work In Progress/Trading Surplus	15,205 47	30,000 00	45,205 47
Trade Debtors – Post Administration	23,110 88	7,500 00	30,610 88
Other Debtors	-	74,186 00	74,186 00
Office Equipment	1,175 00	-	1,175 00
Cash at Bank	21,512 50	-	21,512 50
Interest Gross (est)	45 46	5 00	50 46
Contribution towards Legal Costs	153 66	-	
Sundry Refunds	1,929 32	-	1,929 32
	63,132 29	111,691 00	174,669 63
Less			
Pre-Administration Costs	11,755 00	-	11,755 00
Administrator's Remuneration (est)	26,500 00	100,000 00	126,500 00
Legal Costs	-	30,000 00	30,000 00
Other Associated Costs (est)	7,015 58	2,500 00	9 515 58
	45,270 58	132,500 00	177,770 58
Surplus/Deficit for preferential creditors		-	3,100 95
Preferential creditors			11,828 00

Appendix E

Additional Information in Relation to Administrator's Fees Pursuant to Statement of Insolvency Practice 9

1 Policy

Detailed below is this firm's policy in relation to

- staff allocation and the use of sub-contractors,
- professional advisors, and
- disbursements

1.1 Staff Allocation and the use of Sub-contractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The charge out rate schedule below provides details of all grades of staff and their experience level.

On this case the Administrator has used the services of the following sub-contractors, which has now stopped

Service(s)	Provider	Basis of fee arrangement	Cost to date
Dealing with PPI mis-selling claims	Arch Hall Limited	Employees' salaries to be paid for duration of work plus 22.5% of all fees generated	£20,360.72 £4,835.39

1.2 Professional Advisors

On this assignment the Administrator has used the professional advisors listed below. The Administrator has also indicated alongside, the basis of Hodgsons fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
JH Lyons Solicitor (legal advice)	Hourly rate plus disbursements
Robson Kay & Co (valuation and disposal advice)	£500 plus VAT fixed fee
Louis Doyle Barrister (legal advice)	Hourly rate plus disbursements

The Administrators choice was based on his perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them

1 3 *Disbursements*

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

The following Category 2 disbursements have been incurred to date

Business Mileage

Nelson House to Manchester County Court – 14.8 miles @ 45p per mile - £6.66

Nelson House to Metropolitan House x 2 – 11.2 miles @ 45p per mile - £5.04 (x 2)

2 Hodgsons Charge-out Base Rates and Disbursements

The table detailed below sets out the hourly charge-out rates used by Hodgsons for charging partners and staff time

Job Title	Hourly Rates £	
	As from 1.5.13	As from 1.5.14
Partners	550 - 650	625 - 700
Managers	275 - 350	275 - 350
Senior Clerks	200 - 250	275 - 325
Junior Clerks	135 - 200	150 - 200
Secretaries	-	-

Please note that Hodgsons charges its time in minimum units of six minutes. It should be noted that the above rates may increase from time to time over the period of the administration of an insolvency case. If this happens, Hodgsons will provide relevant information about the charge out rates in the next available report to creditors in accordance with the provisions of Statement of Insolvency Practice 9. The charge-out base rates increased on 1 May 2014 to the above rates and are applicable for all time incurred on cases since 1 May 2014.

The above base rates are indicative and refer to what Hodgsons may apply on insolvency cases. These base rates are subject to an uplift factor of between 0.10 and 6 by reference to the skill and knowledge required for the work, the seniority of the persons necessarily engaged upon it, the time occupied and the degree of the responsibility involved. Other factors that may be taken into consideration will be the complexity of the case, any responsibility of an exceptional kind or degree that may be required, and the value and nature of the assets involved.

The following Category 2 disbursements may be charged. -

Type	Rate
	£
Printing	0.15 per sheet
Photocopying	0.15 per sheet
Colour Photocopying	2.50 per sheet
Fax	0.40 per sheet
Internal Storage - Standard Box	3.90 per quarter
Internal Room Hire	60.00
Business Mileage	45p per mile

A Creditors Guide to Office Holder Fees can be found online at www.hodgsons.co.uk, hardcopies are available free of charge upon request.

Updated May 2014