

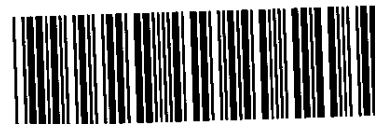
AM10

Notice of administrator's progress report



Companies House

TUESDAY



A20 *A7ZN1IG6* #93
19/02/2019
COMPANIES HOUSE

1 Company details

Company number 0 6 3 1 4 6 0 8

Company name in full Refresh Recovery Limited

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

2 Administrator's name

Full forename(s) Martin

Surname Halligan

3 Administrator's address

Building name/number Wentworth House

Street 122 New Road Side

Post town Horsforth

County/Region Leeds

Postcode L S 1 8 4 Q B

Country

4 Administrator's name ①

Full forename(s)

Surname

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

5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

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

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 2	^d 1	^m 0	^m 8	^y 2	^y 0	^y 1	^y 8
To date	^d 2	^d 7	^m 1	^m 2	^y 2	^y 0	^y 1	^y 8

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	^d 2	^d 1	^m 0	^m 1	^y 2	^y 0	^y 1	^y 9
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AM10

Notice of administrator's progress report



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 **Jonathan Jowett**

Company name **Live Recoveries Limited**

Address **Wentworth House**

122 New Road Side

Post town **Horsforth**

County/Region **Leeds**

Postcode **L S 1 8 4 Q B**

Country

DX

Telephone **0844 870 9251**



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

Refresh Recovery Limited
(In Administration)
Administrator's Summary of Receipts & Payments

Statement of Affairs £		From 21/08/2018 To 27/12/2018 £	From 28/06/2018 To 27/12/2018 £
	ASSET REALISATIONS		
NIL	Goodwill	NIL	NIL
NIL	Leasehold Improvements	NIL	NIL
NIL	Plant & Machinery	NIL	NIL
3,000.00	Book Debts	858.00	858.00
Uncertain	Work in Progress	NIL	NIL
	Embargoed Funds	18,178.36	18,178.36
	Royal Mail Refund	74.10	74.10
	Bank Interest Gross	6.67	6.67
		19,117.13	19,117.13
	COST OF REALISATIONS		
	Legal fees (2)	50.00	50.00
		(50.00)	(50.00)
	PREFERENTIAL CREDITORS		
(13,090.00)	Employee Arrears/Hol Pay	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDITORS		
(21,000.00)	PRT Public Houses Ltd	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(11,600.00)	Trade & Expense Creditors	NIL	NIL
(122,703.00)	Employees	NIL	NIL
(150,000.00)	HM Revenue & Customs	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(80.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(315,473.00)		19,067.13	19,067.13
	REPRESENTED BY		
	Bank 1 Current		19,067.13
			19,067.13



REFRESH RECOVERY LIMITED – IN ADMINISTRATION

Company Number: 06314608

Registered Office: c/o Live Recoveries, Wentworth House, 122 New Road Side, Horsforth, Leeds, LS18 4QB
Former Registered Office: Maple View, White Moss Business Park, Skelmersdale, Lancashire, WN8 9TG

Administrator's Six Month Progress Report

Report Dated: 21 January 2019

M P Halligan appointed Administrator on 28 June 2018

Live Recoveries NE Limited
33 Cockton Hill Road | Bishop Auckland | County Durham | DL14 6HS
Tel: 0844 870 9251 | Fax: 0844 870 9254
Email: mail@liverecoveries.com Web: www.liverecoveries.com

Martin Halligan is licensed in the United Kingdom to act as an Insolvency Practitioner by the Association of Chartered Certified Accountants
Insolvency Practitioners acting as Administrators or Administrative Receivers contract as agents without personal liability
Live Recoveries is a trading style of Live Recoveries NE Limited Registered Office as above
Incorporated in England and Wales Company Registration No 10875038

REFRESH RECOVERY LIMITED ("the Company") – IN ADMINISTRATION
Court Name and Reference Number: High Court of Justice, The Business Property Courts in Leeds 598 of 2018
Company Number: 06314608
Registered Office: c/o Live Recoveries, Wentworth House, 122 New Road Side, Horsforth, Leeds, LS18 4QB
Former Registered Office: Maple View, White Moss Business Park, Skelmersdale, Lancashire, WN8 9TG
Trading Address: Maple View, White Moss Business Park, Skelmersdale, Lancashire, WN8 9TG

INTRODUCTION

This is my report on the progress of the Administration of the Company for the six month period from 28 June 2018 to 27 December 2018. This report should be read in conjunction with my report and proposals dated 20 August 2018.

Creditors will recall that my proposals as Administrator were approved by the holder of a qualifying floating charge and the preferential creditor on 17 September 2018.

The EC Regulation on Insolvency Proceedings 2015 will apply and these proceedings will be main proceedings as defined by Article 3 of the EC Regulation. The Company's registered office and centre of main interests are in the United Kingdom.

CASE STRATEGY

I was appointed Administrator of the Company by the holder of a qualified floating charge.

The Company ceased to trade prior to my appointment and as such my strategy for dealing with the realisation of the Company's assets is detailed below.

RECEIPTS AND PAYMENTS

A summary of receipts and payments for the period 28 June 2018 to 27 December 2018 and for the period since my report and proposals, 21 August 2018 to 27 December 2018 is attached at Appendix I. This shows a balance in hand of £19,738.03. The contents therein are self-explanatory. In accordance with the provisions of Statement of Insolvency Practice 7, the receipts and payments are shown net of VAT. An interest-bearing bank account has been opened with Barclays Bank PLC for the purposes of the Administration. I have received bank interest in the sum of £6.67 in relation to funds deposited.

Creditors will note that a portion of the balance held is detailed as embargoed funds, which is referred to below.

ADMINISTRATOR'S ACTIONS SINCE REPORT AND PROPOSALS

Goodwill

Creditors will recall that the Estimated Statement of Affairs detailed goodwill with a book value of £31,002.00 and estimated to realise nil.

Following my appointment, various competitors contacted my office with a view to purchase the name and website. However, no formal offers were received and it is considered that no realisation will be made in regard to the goodwill.

Leasehold Premises

Creditors will recall that the Estimated Statement of Affairs detailed leasehold premises with a book value of £54,000.00 and estimated to realise nil.

The leasehold premises relates to improvements made to the property during the Company's period of occupation. The Company vacated the premises prior to my appointment and it is considered that no realisation will be made in regard to the leasehold premises.

Book Debts

Creditors will recall that the Estimated Statement of Affairs disclosed book debts with a book value of £3,000.00 and estimated to realise in full.

Following my appointment, various other book debts were drawn to my attention and I have made the relevant enquiries in regard to recovery of the same. A balance of £858.00 has been recovered as at the date of this report, identifiable as outstanding book debts.

Embargoed Funds

A further balance of £18,178.36 has been recovered, which is detailed as embargoed funds. A portion of the balance received from the Company's bankers relate to insolvent estates which are being managed by an alternative insolvency practitioner and

such balance is to be provided accordingly. I am currently awaiting the relevant statements from the Company's bankers in order to establish the funds received.

Plant & Machinery

Creditors will recall that the Estimated Statement of Affairs disclosed plant & machinery with a book value of £81,957.00 and estimated to realise nil.

Following my appointment, I established that a portion of the plant & machinery, consisting of a Mercedes Vito Van and specific computer equipment, were sold to the former director in lieu of his loan account. I have considered that the transaction was undertaken at a time when the Company was solvent and as such no further action shall be taken in this regard.

The remaining plant & machinery related to various office furniture, the majority of which were abandoned at the leasehold premises. It is considered that the office furniture would have negligible value.

WIP

Creditors will recall that the Estimated Statement of Affairs disclosed work in progress with a book value of £43,500.00 and estimated to realise uncertain.

Following my appointment, I have been provided with a work in progress schedule for the insolvency matters transferred to OBS Recovery and an invoice in relation to the sale. Consideration has been provided for the potential recoveries on all matters and the relevant costs and expenses to bring each matter to a close. The balance of the work in progress payable in this regard equates to £41,398.00. The sale provides for deferred consideration, which was due to commence on 19 November 2018.

OBS Recovery have yet to make the first payment within this reporting period. However, the first and second payments are due to be received in February 2019.

Royal Mail

I have recovered a sundry refund from The Royal Mail Group in the sum of £74.10.

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, discloses that the Company has granted a fixed and floating charge over its assets in favour of PRT Public Houses Ltd ("PRT") which was created on 16 February 2018 and registered at Companies House on 19 February 2018. The estimated amount outstanding to PRT was £21,000.00. PRT has submitted a claim in the Administration amounting to £25,000.00.

Section 176A(9) of the Act, as amended, regarding the prescribed part does apply in this matter and the prescribed part calculation is as follows.

Net assets available to floating charge holders are partially ring fenced for unsecured creditors.

Net Property:

First £10,000	↑	50 %
Thereafter	↑	20%
Up to a maximum of £600,000		

Given the balance held as embargoed funds, I am unable to provide a prescribed part calculation as at the date of this report.

An Administrator will not be required to set aside the prescribed part if:

- ☐ the net property is less than £10,000 and he thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ he applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

Preferential Creditors

The Estimated Statement of Affairs disclosed preferential claims in respect of potential employees' claims for arrears of wages and holiday pay in the sum of £13,090.00. To date, I have received a preferential claim from The Insolvency Service in the sum of £2,117.19.

Crown Creditors

The Estimated Statement of Affairs disclosed balances due to HM Revenue & Customs ("HMRC") in the total sum of £150,000.00. HMRC have submitted an interim claim in the sum of £157,329.00.

Non - Preferential Creditors

Other non - preferential claims received to date total £56,360.62, detailed as follows:-

	No.	£ Per 'S of A'	No.	£ Claims
Trade Creditors	4	12,405.20	2	7,385.88
The Insolvency Service / Employees	8	122,703.00	1	48,974.74
TOTAL	12	135,108.20	3	56,360.62

DIVIDEND PROSPECTS

Secured Creditors

PRT do not hold any specific fixed charge.

Preferential Creditors

The Company has no preferential creditors. I consider that a distribution will be made to the preferential creditors and is likely to be in full.

Floating Charge Creditors

As previously advised, the Company gave a floating charge to PRT and the prescribed part provisions will apply. I am unable to calculate the Prescribed Part as at the date of this report given the embargoed funds held. However, I further consider that a distribution will be made to PRT during the course of the Administration.

Non-preferential Creditors

On present information, I am unable to state what level of funds will become available to make a dividend payment to creditors.

INVESTIGATIONS INTO THE AFFAIRS OF THE COMPANY AND THE COMPANY DIRECTORS' DISQUALIFICATION ACT 1986

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

Certain matters have been brought to my attention during my period of office, together with certain matters which have been considered following my initial investigation in to the Company. I am unable to disclose any further information as at the date of this report given that it may hinder any potential recovery.

Within three months of my appointment as Administrator, I am required to submit a confidential report to the Department For Business, Innovation and Skills to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make him unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

REMUNERATION & DISBURSEMENTS

My remuneration was authorised by written resolutions on 26 October 2018 by PRT in respect of their qualifying floating charge and The Insolvency Service in regard to their preferential claim

Pre Appointment Remuneration

I detailed pre appointment time spent on this matter in the sum of £7,305.00, consisting of 23.20 hours at an average hourly rate of £314.87.

I did not propose to recover my pre appointment remuneration.

Administrator's Remuneration

Fixed Fee

I was authorised to draw a fixed fee of £7,253.00 for work undertaken under the following categories:-

- Administration and Planning
- Meetings, Reports and Reviews

- Taxation

Specific work undertaken in this regard is detailed in Live Recoveries' fee recovery policy ("the Policy") attached at Appendix III.

No fees have been drawn in this regard.

Time Costs

I was authorised to draw time costs estimated in the sum of £11,300.00 on account for my work in respect of the following:-

- Investigations
- Asset Realisations
- Creditors

Specific work undertaken in this regard is detailed in the Policy.

The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from creditors. My total time costs for such work to 27 December 2018 amounts to £5,835.00, representing 24.00 hours at an average charge out rate of £243.13 per hour. The actual charge out rate incurred compared with the estimated average charge out rate of £272.29 in my fees estimate.

A detailed schedule of my time costs incurred for the period 28 June 2018 to 27 December 2018 and for the period since my report and proposals, 21 August 2018 to 27 December 2018, compared with my original fees estimate is attached at Appendix II.

To date. No remuneration has been drawn in respect of a time costs basis.

Administrator's Disbursements

A summary of Live Recoveries disbursements, Category 1 and Category 2, both pre and post appointment, for the period to 27 December 2018, is detailed below:-

Disbursement	Payee	Amount (£)	
		Pre	Post
Specific Bond	Marsh Limited		80.00
Statutory Advertising	TMP (UK) Limited		79.00
			159.00

No disbursements have been drawn.

FURTHER INFORMATION ON FEES AND DISBURSEMENTS

The Policy is attached at Appendix III. Scale rates may increase from time to time over the period of administration on each insolvency case.

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Administrator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

A copy of 'A Creditors Guide to Administrator's Fees' published by the R3 is available on our website on the 'Resources' link. 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 of this can be obtained on request from this office.

OTHER PROFESSIONALS / AGENTS EMPLOYED

As Administrator, I have instructed the following professionals:

Professional advisor	Nature of work	Fee arrangement	Net amount paid (£)
Michael Steel (Plant & Machinery) Limited ("MSC")	Valuation of assets and advice	Time costs based on standard hourly rates	0.00
Sanderson Weatherall	Consideration to market goodwill and intellectual property	Time costs based on standard hourly rates	0.00
Shulmans LLP	Assistance in regard to the Administrator's appointment and various legal concerns	Time costs based on standard hourly rates	0.00

No bills have been received as at the date of this report.

I consider the above to be firms of repute with the appropriate expertise in their respective fields. My experience of working with these firms indicates that their internal delegation results in charges which are cost effective for this kind of work.

CREDITOR RIGHTS

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>.

OUTSTANDING MATTERS

The Administration will remain open to complete the following:-

- Recovery of the work in progress;
- Recovery of the relevant book debts;
- Conclusion of the various investigative matters;
- Agreement of creditor claims; and
- Distributions to creditors.

OTHER MATTERS

Should you have any queries regarding this report, or the Administration in general, please contact Jonny Jowett on 0844 870 9251.

At Live Recoveries we always strive to provide a professional and efficient service. However, I 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 this case, then in the first instance you should contact me at the address given in this letter

If you consider that I have not dealt with your comments or complaint appropriately you, then put details of your concerns in writing to our complaints officer, Margaret Walker, Live Recoveries, 33 Cockton Hill Road, Bishop Auckland, County Durham, DL14 6HS. This will formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior member of staff unconnected with the appointment. Please note our full grievance procedure can be seen on our website www.liverecoveries.com.

Yours faithfully

Martin P Halligan

Administrator

Refresh Recovery Limited
(In Administration)

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 28/06/2018 To 20/08/2018 (£)	From 21/08/2018 To 27/12/2018 (£)	Total (£)
Book Debts	3,000.00	0.00	858.00	858.00
Embargoed Funds		0.00	18,178.36	18,178.36
Royal Mail Refund		0.00	74.10	74.10
Bank Interest Gross		0.00	6.67	6.67
		0.00	19,117.13	19,117.13
PAYMENTS				
Legal fees (2)		0.00	50.00	50.00
		0.00	50.00	50.00
Net Receipts/(Payments)		0.00	19,067.13	19,067.13
MADE UP AS FOLLOWS				
Bank 1 Current		0.00	19,067.13	19,067.13
		0.00	19,067.13	19,067.13

REFRESH RECOVERY LIMITED - IN ADMINISTRATION

TIME COST SUMMARY 28 JUNE 2018 TO 27 DECEMBER 2018

Classification of Work Function	Director	Senior Manager	Manager	Other Seniors	Assistants	Total Hours	Total Cost (£)	Average Hourly Rate (£)
Creditors	0.00	0.10	0.50	16.20	0.00	16.80	3830.00	227.98
Realisation of Assets	0.40	0.40	1.60	2.40	0.00	4.80	1320.00	275.00
Investigations	0.40	0.60	0.00	1.40	0.00	2.40	685.00	285.42
TOTAL	0.80	1.10	2.10	20.00	0.00	24.00	5835.00	243.13

TIME COST SUMMARY 21 AUGUST 2018 TO 27 DECEMBER 2018

Classification of Work Function	Director	Senior Manager	Manager	Other Seniors	Assistants	Total Hours	Total Cost (£)	Average Hourly Rate (£)
Creditors	0.00	0.10	0.50	2.90	0.00	3.50	837.50	239.29
Realisation of Assets	0.40	0.40	1.60	2.40	0.00	4.80	1320.00	275.00
Investigations	0.40	0.60	0.00	1.20	0.00	2.20	640.00	290.91
TOTAL	0.80	1.10	2.10	6.50	0.00	10.50	2797.50	266.43

REFRESH RECOVERY LIMITED – IN ADMINISTRATION

ESTIMATED TIME COSTS SUMMARY

Classification of Work Function	Partner	Senior Manager	Manager	Other Seniors	Assistants	Total Hours	Total Cost (£)	Average Hourly Rate (£)
Creditors	0.10	-	0.20	13.00	-	13.30	3,376.50	253.87
Asset Realisation	1.10	-	3.70	7.00	1.80	13.60	3,341.00	245.66
Investigations	0.60	-	1.80	12.20	-	14.60	4,582.50	313.87
TOTAL	1.80	-	5.70	32.20	1.80	41.50	11,300.00	272.29

**LIVE RECOVERIES' PRACTICE FEE RECOVERY POLICY
IN ADMINISTRATIONS
AS AT 01 APRIL 2018**

Introduction

The Insolvency (Amendment) Rules 2015 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, as set out in the Administrator's report and proposals.

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 <https://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>. Details about the rights of creditors in relation to an office holder's fees available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at www.liverecoveries.com. Alternatively, a hard copy may be requested from Live Recoveries.

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 against the approval obtained. If it has been agreed that some or all of the office holder's remuneration will be charged 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.

Fixed fee

The legislation also allows all or part of the office holder's fees to be agreed as a set amount. Different set amounts can be used for different tasks undertaken by the office holder. A report accompanying any fee request will disclose the set fee that we propose 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.

There are certain tasks that have to be undertaken in most administrations. Although these are required by statute or regulation or are necessary for the orderly conduct of the proceedings, they do not produce any direct benefit for creditors, but still have to be carried out.

The fixed fee has been calculated following a review of the work to be undertaken on each case at the appropriate staff level. The following sets out work undertaken in regard to the fixed fee:-

Administration and planning:

- Case planning - Devising an appropriate strategy for dealing with the case and giving instructions to staff to undertake the work on the case.
- Setting up physical/electronic case files (as applicable).
- Consideration of the fee basis.
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other parties required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Convening and holding general meetings of creditors and members (as applicable).
- Obtaining the Company's books and records and archiving the same.
- Dealing with all routine correspondence and e-mails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking monthly/quarterly bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a periodic basis.
- Undertaking periodic reviews of the progress of the case.

- Overseeing and controlling the work done on the case by case administrators.
- Filing returns at Companies House.

Meetings Reports and Reviews:

- Preparing and reviewing annual progress reports to creditors and members.
- Preparing and reviewing the final account to creditors and members.

Taxation:

- *Preparing and filing VAT returns.*
- Preparing and filing Corporation Tax returns.
- Seeking closure clearance from HMRC and other relevant parties.

In considering the inherent time involved in undertaken the above work it is considered that the set fee proposed represents an appropriate, reasonable and commensurate reflection of the work which we anticipate will need to be undertaken at this stage. Please note that certain tasks (detailed in italics) may not be required (i.e. the Company may not be registered for VAT) However, any specific individual task does not have a material impact on the consideration given for the fixed fee.

Time Costs

For some of the elements of the work which the office holder is required to carry out, the cost involved cannot be identified with enough certainty at this stage to seek remuneration approval on a fixed cost basis. Therefore, it is proposed to seek approval on a time cost basis for this element of work and an estimate of what the office holder considers these costs may be at this stage is included with the initial report. This estimate acts as a cap on time costs so that fees cannot be drawn in excess of the estimated time costs without further approval from those who approved the initial fees.

When charging fees on a time costs basis the firm uses 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.

Grade of staff	Current charge-out rate per hour £
Partner	400
Senior Manager	350
Manager	300
Administrator	225
Assistant	95

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
- Investigations
- Meetings, Reports & Reviews
- Realisation of Assets
- Creditors
- Taxation
- Trading

The firm only intend to seek time costs for the following categories:

- Creditors
- Asset Realisations
- Investigations
- Trading (if applicable)

When seeking approval for fees, an office-holder will disclose the work that it intends to undertake, the hourly rates that it intends to charge for each part of the work, and the time that is considered each part of the work will take. The firm will summarise that information in an average or “blended” rate for all of the work being carried out within the estimate. The firm will also say whether it is anticipated needing to seek approval to exceed the estimate and, if so, the reasons that it is considered that may be necessary.

Again, information provided should include sufficient details 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 an office holder subsequently needs to seek authority to draw fees in excess of the estimate, the firm will say why it has been 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, the firm will state whether it considers further approval to be necessary and, if so, why the firm thinks it may be necessary to seek further approval.

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

The office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Disbursements

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

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Live Recoveries; 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:

Disbursement Type	Basis of Charge
Mileage	75p per mile
Creditor Circulars (incl. stationery, printing and postage)	At Cost
Meeting Room Hire (Physical Meeting)	£100.00 per meeting

• Creditors

- Preferential
 - Notification of the Liquidator's Appointment
 - Providing the employees with the relevant case reference number and guidance notes
 - Reviewing the RP1's completed by each of the relevant employees
 - Reviewing the Company's records to establish the outstanding preferential claims
 - Considering the information to be included on the RP14 to be submitted to the Redundancy Payments Office
 - Completion of the RP14
 - Considering the information to be included on the respective RP14A's to be submitted to the Redundancy Payments Office
 - Completion of the RP14A
 - Agreeing the balance outstanding with the Redundancy Payments Office
 - Agreeing the employees preferential claims in excess of the monies paid by the Redundancy Payments Office
 - Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend
 - Paying tax deducted from the dividends paid to employees and accounting to HM Revenue & Customs
- Floating Charge Creditor ("FCC")
 - Notification of the Liquidator's Appointment
 - Reviewing the registered charge of the FCC to ensure its validity
 - Consideration of the Prescribed Part in accordance with S176A(9) of the Insolvency Act 1986
 - Lodging the proof of debt lodged by the FCC
- Unsecured
 - Notification of the Liquidator's Appointment
 - Liaising with creditors in relation to their outstanding claims
 - Logging receipt of proof of debt claim forms and acknowledging receipt, where applicable
 - Issuing the completed progress reports to creditors
 - Reviewing any claims in respect of any retention of title clauses
 - Considering claims for recovery of assets in respect of retention of title requests

Asset Realisations

- Cash at Bank
 - Notification of the Liquidator's Appointment and request for details of the current account balance
 - Request for the credit balance from the Company's bankers
 - Consideration of any set-off request by the bank
 - Administration surrounding receipt of the monies
- Motor Vehicles
 - Safeguard the motor vehicle/s and arrange collection/safeguarding of the keys
 - Arranging a valuation of the motor vehicle/s
 - Consideration of the legal ownership of the motor vehicle/s
 - Correspondence with the finance company in relation to the motor vehicle/
 - Reviewing the outstanding finance in relation to the motor vehicle/s
 - Correspondence with Directors in relation to any interest to purchase the motor vehicle/s
 - Arranging specific insurance cover, as appropriate
 - Corresponding with the Agents, as detailed below, in respect of the disposal of the motor vehicle/s
 - Administration surrounding receipt of the monies
- Fixtures & Fittings / Plant & Machinery / Office Furniture and Computer Equipment ("the Tangible Assets")
 - Safeguard the Tangible Assets
 - Arranging a valuation of the Tangible Assets
 - Consideration of the legal ownership of the Tangible Assets
 - Correspondence with the finance company in relation to the Tangible Assets
 - Reviewing the outstanding finance in relation to the Tangible Assets
 - Corresponding with Directors in relation to any interest to purchase the Tangible Assets
 - Arranging specific insurance cover, as appropriate
 - Corresponding with the Agents, as detailed below, in respect of the disposal of the Tangible Assets
 - Administration surrounding receipt of the monies

Book Debts

- Review the Company's financial software to ascertain the outstanding balances due
- Recover copies of the outstanding invoices
- Recover copies of any correspondence between the Company and the debtors
- Correspondence with the debtors to recover the outstanding balances due
- Correspondence with the directors in relation to any purported disputes
- Monitoring receipt of any monies recovered and allocation of the monies, as appropriate
- Consideration to appoint solicitors to assist in any book debt recovery
- Consideration to issue proceedings/write off balances due, as appropriate

- Work in Progress

- Reviewing the work in progress schedule
- Considering the future potential of the work in progress
- Consider the value attributed to the work in progress
- Recover a balance due, as appropriate

Investigations

- Review the Company's bank statements to determine whether there have been any inappropriate antecedent transactions.
- Verifying assets insured by the Company.
- Liaising with the Company's accountants in respect of financial disclosure.
- Liaising with the Company's solicitors in respect of any outstanding matters or previous instructions.
- Review to ensure that none of the assets have disappeared.
- Review and archive the Company's books and records.
- Review available documentation to establish the date of insolvency.
- Comparing claims received against claims disclosed in the Estimated Statement of Affairs.
- Comparing the Estimated Statement of Affairs with available financial information.
- Meetings with directors and other Company officers, as necessary.
- Review concerns raised by creditors, as necessary.
- Ensure that co-operation is received from the directors.