

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

SATURDAY



A20 *A7DKJNQI* #54
01/09/2018
COMPANIES HOUSE

1 Company details

Company number 0 7 0 4 0 9 6 8
Company name in full Carstead Limited t/a The Bruce Arms

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

2 Liquidator's name

Full forename(s) Kate Elizabeth
Surname Breese

3 Liquidator's address

Building name/number Oxford Chambers
Street Oxford Road
Post town Guiseley
County/Region Leeds
Postcode L S 2 0 9 A T
Country

4 Liquidator's name ①

Full forename(s)
Surname

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

5 Liquidator's address ②

Building name/number
Street
Post town
County/Region
Postcode
Country

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

LIQ14

Notice of final account prior to dissolution in CVL

6

Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

:

7

Final account

☒ I attach a copy of the final account.

8

Sign and date

Liquidator's signature

Signature

X



X

Signature date

d 3

d 1

0

8

y 2

y 0

y 1

y 8

NOTICE OF NO DIVIDEND


Company Name: Carstead Limited t/a The Bruce Arms (In Liquidation) ("the Company")
Company Number: 07040968

This Notice is given under Rule 14.36 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Liquidator of the Company, Kate Elizabeth Breese, of Walsh Taylor, Oxford Chambers, Oxford Road, Guiseley, Leeds, LS20 9AT (telephone number: 01943 877 545), who was appointed by the members and creditors.

The Liquidator gives notice confirming that no dividend will be declared in the Liquidation of the Company.

The funds realised have already been distributed or used or allocated for paying the expenses of the Liquidation.

The Liquidator will now proceed to conclude the Liquidation and therefore any claims against the assets of the Company are required to be established by 30 July 2018.

Signed: 

Kate Elizabeth Breese
Liquidator

Dated: 29 June 2018

NOTICE THAT THE COMPANY'S AFFAIRS ARE FULLY WOUND UP

Company Name: Carstead Limited t/a The Bruce Arms (In Liquidation) ("the Company")
Company Number: 07040968

This Notice is given under Rule 6.28 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Liquidator of the Company, Kate Elizabeth Breese, of Walsh Taylor, Oxford Chambers, Oxford Road, Guiseley, Leeds, LS20 9AT (telephone number: 01943 877 545), who was appointed by the members and creditors.

The Liquidator gives notice that the Company's affairs are fully wound up.

Creditors have the right:

- (i) to request information from the Liquidator under Rule 18.9 of the Rules;
- (ii) to challenge the Liquidator's remuneration and expenses under Rule 18.34 of the Rules; and
- (iii) to object to the release of the Liquidator by giving notice in writing below before the end of the prescribed period to:


Kate Elizabeth Breese
Walsh Taylor
Oxford Chambers, Oxford Road, Guiseley, Leeds, LS20 9AT

The prescribed period ends at the later of: (i) eight weeks after delivery of this notice, or (ii) if any request for information under Rule 18.9 of the Rules or any application to court under that Rule or Rule 18.34 of the Rules is made, when that request or application is finally determined.

The Liquidator will vacate office under Section 171 of the Insolvency Act 1986 ("the Act") on delivering to the Registrar of Companies the final account and notice saying whether any creditor has objected to release.

The Liquidator will be released under Section 173 of the Act at the same time as vacating office unless any of the Company's creditors objected to release.

Relevant extracts of the Rules referred to above are provided overleaf.

Signed: 

Kate Elizabeth Breese
Liquidator

Dated: 29 June 2018

**RELEVANT EXTRACTS OF RULES 18.9 AND 18.34 OF
THE INSOLVENCY (ENGLAND & WALES) RULES 2016**

Rule 18.9

- (1) The following may make a written request to the office-holder for further information about remuneration or expenses set out in a final report under rule 18.14:
- a secured creditor;
 - an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question); or
 - any unsecured creditor with the permission of the court.
- (2) A request or an application to the court for permission by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one creditor.

Rule 18.34

- (1) This rule applies to an application in a winding-up made by a person mentioned in paragraph (2) on the grounds that:
- the remuneration charged by the office-holder is in all the circumstances excessive;
 - the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
 - the expenses incurred by the office-holder are in all the circumstances excessive.
- (2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable:
- a secured creditor; or
 - an unsecured creditor with either
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court.
- (3) The application by a creditor must be made no later than eight weeks after receipt by the applicant of the final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question.

**Carstead Limited t/a The Bruce Arms-
In Liquidation**

Company No: 07040968

Liquidator's Final Account to Members and Creditors

Pursuant to S106(1) of the Insolvency Act 1986

29 June 2018

Registered Office
Walsh Taylor
Oxford Chambers
Oxford Road
Guiseley
Leeds
LS20 9AT

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- D Creditors' Guide to Fees & Walsh Taylor's Charging and Disbursement Rates
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1 Introduction

- 1.1 I was appointed Liquidator of Carstead Limited t/a The Bruce Arms ('the Company') at meetings of members and creditors held on 21 July 2014.
- 1.2 I am writing to provide members and creditors with my Final Account of the liquidation of the Company. I am obliged by Statute to send this account to all known creditors of the Company who have not opted out and to the members of the Company. In due course (as explained later) I will also file a copy of it at Companies House.
- 1.4 This account includes details of matters arising in the liquidation since my last progress report and as this is my final account, summarises the key issues that arose during the full duration of the liquidation.

- 1.5 The following narrative commentary is provided in order to assist creditors in understanding my approach to this assignment.
- 1.6 I enclose at Appendix A an account of the Liquidator's Receipts and Payments for the period 21 July 2017 to 29 June 2018 (and the Liquidation as a whole), with a comparison to the Director's Statement of Affairs values.

Case Strategy

- 1.6 My overall strategy for the liquidation was to realise the Company's assets as expeditiously as possible (which work also included carrying out investigations to ensure that all valuable assets had been identified). Had sufficient assets been realised (after providing for liquidation costs) my strategy would then be have been to agree creditors' claims and distribute the net liquidation funds as soon as possible.
- 1.7 It is now clear all assets having been realised, that there will be no dividend for any class of creditor in the liquidation. Formal Notice to this effect is given later in this report.
- 1.8 No non-statutory reports have been issued by the Liquidator to any person.

2 Realisation of Assets

- 2.1 The Company's assets were shown by the Director in her estimated statement of affairs as at 21 July 2014 to be:

Asset Type	Book Value £	Estimated to Realise £
Furniture & Equipment	£8,929	£200
Goodwill	£1,000	£1,000

- 2.2 I have not instructed any agents or solicitors to assist me in the Liquidation. This is due to the low realisation value of the assets deeming it not to be cost effective. A valuation of the Company's assets was conducted by way of an online comparison of similar items.
- 2.3 A sale of the Company's assets was agreed upon my appointment for the sum of £3,000 plus VAT to the Director. The sum of £3,600.00 has been received in respect of asset sales.
- 2.4 In accordance with the provisions of Statement of Insolvency Practice No 13 (**SIP13**), as the sale was to an associated party by virtue of a common director and shareholder I can confirm the following:

Date of Transaction	Asset Involved and Nature of Transaction	Consideration	Sold To	Relationship
21 July 2014	Goodwill, Plant & Machinery Total Consideration	6 £300 instalments paid between 21 July 2014 and 26 January 2016	Mr H Caruthers	Director of the Company

- 2.5 I also note that the Director appeared to owe the company £10,000 in respect of drawings just prior to my appointment. During my appointment, I had to arrange for a trace of the Director. I subsequently issued a statutory demand, which prompted protracted negotiations as the Director provided evidence to me and referred me to the Company's former accountants.

The Director subsequently asserted he was without means in any respect to meet his liabilities. Accordingly, I opted to allow him sufficient time to evidence this as further action and costs would not be in the interest of creditors if repayment could not be achieved.

I can now confirm that since my previous annual progress report I have received a Statutory Declaration of Means, confirming the financial position of the Director. This is in respect of the protracted negotiations regarding his personal drawings.

Given the information I have received, I have decided to not pursue recovery of these drawings as further action and costs would not be in the interest of creditors.

- 2.6 Bank Interest of £4.53 has been received.
- 2.7 Total asset realisations to date in the Liquidation (including bank Interest) are £3,604.53.

3 Investigations

- 3.1 In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Director of the Company to The Department for Business, Innovation and Skills (BIS). As this is a confidential report, I am not able to disclose the contents.
- 3.2 I also have a duty to investigate the extent of the Company's assets including potential claims against third parties including the Director, and to report my findings, subject to considerations of privilege and confidentiality and whether those investigations and/or any potential litigation might be compromised.

-
- 3.3 The preliminary assessment of the conduct of the Company's affairs prior to winding up did reveal further matters that it was in the interest of creditors for the Liquidator to pursue. These are noted above in Section 2.5.

4 Creditors

Secured Creditors and the Prescribed Part

- 4.1 There are no secured creditors in this liquidation and accordingly the Prescribed Part provisions of the Insolvency Act 1986 do not apply to the Company.

Preferential Creditors

- 4.2 There is one preferential creditor in this liquidation. The preferential claims total £1,627.28.

Unsecured Creditors

- 4.3 The Liquidator has received claims totalling £58,650.64 from 13 creditors. I did not receive claims from 14 creditors whose debts total £29,486.81 as per the Director's Statement of Affairs.

Notice of no dividend

- 4.4 All assets have been realised and will be utilised fully in contributing towards defraying the administrative costs of the liquidation.
- 4.5 Accordingly, Formal Notice is hereby given in accordance with Rule 14.36 that no funds are expected to become available to enable any form of distribution to be made to any form of creditor.

5 Liquidator's Remuneration, Disbursements and Expenses

Basis of the Liquidator's remuneration

- 5.1 At the initial meeting of creditors held pursuant to Section 98 of the Act on 21 July 2014 it was resolved that the Liquidator would be remunerated by reference to the time properly spent in dealing with this matter at Walsh Taylor's standard charging rates, and that her disbursements would be drawn in accordance with Walsh Taylor's standard tariff (see Appendix D).
- 5.2 Please note that Walsh Taylor's charging out rates have increased on 22 June 2018, as per the enclosed schedule (Appendix D).
-

Remuneration charged and disbursements incurred.

- 5.3 In aggregate, the Liquidator's post liquidation time costs as at 29 June 2018 total £14,177.50 in respect of 83.50 hours at an average hourly rate of £169.79.
- 5.4 During period of this report the Liquidator's post liquidation time costs total £2,620.00 in respect of 16.40 hours at an average hourly rate of £159.76.
- 5.5 Disbursements incurred are summarised at Appendix C.

Remuneration and disbursements drawn

- 5.6 As at the date of this report no monies have been drawn by way of Liquidator's remuneration.
- 5.7 Details of disbursements drawn are set out in Appendix C

Liquidation expenses charged and drawn

- 5.8 Details of the costs incurred and paid by the Liquidator in relation to liquidation expenses are also attached at Appendix C.
- 5.9 I have been and will continue be assisted in the performance of my duties by a Case Manager, a Case Administrator and by Support Staff, who have the day to day conduct of it and who will help me to ensure that work done is carried out at the appropriate grade, having regard to its complexity. I have not and do not envisage using any sub-contractors on this case.
- 5.10 I comment specifically that at the first meeting of creditors held on 21 July 2014 it was resolved that the fees and disbursements of Walsh Taylor for assisting the Directors in convening the statutory meetings to place the Company into liquidation and for assistance in preparing the Statement of Affairs would be a set fee of £3,000 plus VAT, to be paid out of the assets of the Company, together with disbursements incurred.
- 5.11 The sum of £ 2,636.14 has been drawn in this respect.

Creditors' Guide to Fees and Statement of Creditors' Rights

- 5.12 If you require any further information with respect to a Liquidator's remuneration, disbursements and expenses, please see Appendix D. This document also includes a statement of creditors' rights.

6 The Liquidator's discharge and release and creditors' rights in this regard

- 6.1 The only matter outstanding in the liquidation is for me to vacate office as Liquidator and be released.
- 6.2 Prior to this occurring I am obliged to give formal Notice to creditors under Rule 6.28 of the Insolvency (England and Wales) Rules 2016 and under Section 106(2) of the Insolvency Act 1986 that the Company's affairs have been fully wound up and of their rights in this regard. This Notice is attached to this report.
- 6.3 In the ordinary course of events I will vacate office and receive my release at the end of the Prescribed Period (eight weeks after this Notice has been delivered to creditors) when I report to the Registrar of Companies that I have delivered it.
- 6.4 In the alternative, should any creditor exercise any of their rights I will report finally to the Registrar of Companies when any request, application or objection by them has been finally determined, should this be later than the end of the Prescribed Period.
- 6.5 The Company will be dissolved automatically by the Registrar of Companies three months after I have lodged my final account.
- 6.6 If you require any further information please do not hesitate to contact me at the above address.

Yours faithfully



Kate Elizabeth Breese
Liquidator
Enc

**Carstead Limited t/a The Bruce Arms
(In Liquidation)**

LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 21/07/2017 To 29/06/2018 £	From 21/07/2014 To 29/06/2018 £
RECEIPTS			
Goodwill	1,000.00	0.00	3,600.00
Furniture & Equipment	200.00	NIL	NIL
Bank Interest Gross		0.00	4.53
		<u>0.00</u>	<u>3,604.53</u>
PAYMENTS			
Specific Bond		0.00	30.00
Preparation of S. of A.		11.15	2,636.14
Agents/Valuers Fees (1)		0.00	140.00
Tax on Bank Interest		0.00	0.61
Postage (Cat1) - no VAT		0.00	65.70
Stationery (Cat2) with VAT		0.00	249.40
Statutory Advertising		0.00	222.75
Irrecoverable VAT		259.93	259.93
Employee Arrears/Hol Pay	(800.00)	NIL	NIL
Trade & Expense Creditors	(26,349.39)	NIL	NIL
Directors	(18,220.48)	NIL	NIL
Banks/Institutions	(21,609.76)	NIL	NIL
HM Revenue & Customs PAYE	(6,353.30)	NIL	NIL
HM Revenue & Customs VAT	(3,950.49)	NIL	NIL
Ordinary Shareholders	(100.00)	NIL	NIL
		<u>271.08</u>	<u>3,604.53</u>
Net Receipts/(Payments)		<u>(271.08)</u>	<u>0.00</u>

MADE UP AS FOLLOWS

Vat Receivable	(257.69)	408.89
Bank Current a/c	(13.39)	0.00
Vat Control Account	0.00	(408.89)
	<u>(271.08)</u>	<u>0.00</u>

Kate Elizabeth Breese
Liquidator

Time Entry - SIP9 Time & Cost Summary

CAR0014 - Carstead Limited t/a The Bruce Arms
Project Code: POST
To: 29/06/2018

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Cashier	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	3.90	11.00	0.00	39.20	0.30	54.40	8,709.00	160.09
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashier	0.40	0.00	0.00	6.90	1.00	8.30	1,309.00	157.71
Creditors	0.00	0.60	0.00	3.70	0.00	4.50	806.50	179.22
Investigations	0.30	6.50	0.00	3.90	0.00	10.70	2,059.00	192.43
Realisation of Assets	0.00	5.60	0.00	0.00	0.00	5.60	1,294.00	231.07
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	4.60	23.90	0.00	53.70	1.30	83.60	14,177.60	169.79
Total Fees Claimed							0.00	
Total Disbursements Claimed							30.00	

Time Entry - SIP9 Time & Cost Summary

CAR0014 - Carstead Limited t/a The Bruce Arms

Project Code: POST

From: 21/07/2017 To: 29/06/2018

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Cashier	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.80	0.00	0.00	12.80	0.30	13.90	2,170.00	156.12
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashier	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	2.50	0.00	2.50	450.00	180.00
Investigations	0.00	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	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	0.80	0.00	0.00	15.30	0.30	16.40	2,620.00	159.76
Total Fees Claimed							0.00	
Total Disbursements Claimed							30.00	

**Carstead Limited t/a The Bruce Arms
in Liquidation
Liquidator's disbursements and expenses to 29 June 2018**

Post appointment disbursements incurred and paid

	Incurred £	Unpaid £	Written off £	Paid £
Category 1				
Insolvency bond	30.00	0.00	0.00	30.00
Company Search	4.00	0.00	0.00	4.00
Postage	61.18	15.70	15.70	45.48
Statutory Advertising	222.75	0.00	0.00	222.75
	<u>317.93</u>	<u>15.70</u>	<u>15.70</u>	<u>302.23</u>
Category 2				
Photocopying	60.45	21.90	21.90	38.55
Room Hire	150.00	0.00	0.00	150.00
Case Set Up	25.00	0.00	0.00	25.00
	<u>235.45</u>	<u>21.90</u>	<u>21.90</u>	<u>213.55</u>

Expenses incurred and paid

Expense	Paid to	Basis of payment	Incurred £	Unpaid £	Written off £	Paid £
Pre liquidation fees	Walsh Taylor	Approved by Secretary of State on 21 July 2014				
Pre liquidation disbs	Walsh Taylor	Approved by Secretary of State on 21 July 2014				
Statutory advertising	Courts Advertising	Statutory payment - set tariff				
Agents Fees	ICM Ltd	Fixed Fee				
Bonding	Marsh Limited	Premium				
Pre liquidation fees			3,000.00	363.86	363.86	2,636.14
			<u>3,000.00</u>	<u>363.86</u>	<u>363.86</u>	<u>2,636.14</u>

Pre appointment disbursements incurred and paid

	Incurred £	Unpaid £	Written off £	Paid £
Postage	20.22	0.00	0.00	20.22
	<u>20.22</u>	<u>0.00</u>	<u>0.00</u>	<u>20.22</u>
	Incurred £	Unpaid £	Written off £	Paid £
Photocopying	35.85	0.00	0.00	35.85
	<u>35.85</u>	<u>0.00</u>	<u>0.00</u>	<u>35.85</u>



Guidance Note

A CREDITORS' GUIDE TO LIQUIDATOR'S FEES ENGLAND AND WALES

Amended for The Insolvency (England and Wales) Rules 2016
6 April 2017

A CREDITORS' GUIDE TO LIQUIDATORS' FEES

ENGLAND AND WALES

1 Introduction

- 1.1 When a company goes into liquidation the costs of the proceedings are paid out of its assets. The creditors, who hope to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as liquidator. The insolvency legislation recognises this interest by providing mechanisms for creditors to fix the basis of the liquidator's fees. This guide is intended to help creditors be aware of their rights to approve and monitor fees, explains the basis on which fees are fixed and how creditors can seek information about expenses incurred by the liquidator and challenge those they consider to be excessive.

2 Liquidation procedure

- 2.1.1 Liquidation (or 'winding up') is the most common type of corporate insolvency procedure. Liquidation is the formal winding up of a company's affairs entailing the realisation of its assets and the distribution of the proceeds in a prescribed order of priority. Liquidation may be either voluntary, when it is instituted by resolution of the shareholders, or compulsory, when it is instituted by order of the court.
- 2.1.2 Voluntary liquidation is the more common of the two. An insolvent voluntary liquidation is called a creditors' voluntary liquidation (often abbreviated to 'CVL'). In this type of liquidation an insolvency practitioner ('IP') acts as liquidator throughout.
- 2.1.3 In a compulsory liquidation on the other hand, the function of liquidator is, in most cases, initially performed not by an insolvency practitioner but by an official called the official receiver. The official receiver is an officer of the court and an official belonging to The Insolvency Service. In most compulsory liquidations, the official receiver becomes liquidator immediately on the making of the winding-up order. Where the specialist skills of an insolvency practitioner are required or the majority of creditors request the appointment of an insolvency practitioner, an insolvency practitioner will usually be appointed to act as liquidator in place of the official receiver. Where an insolvency practitioner is not appointed the official receiver remains liquidator.
- 2.1.4 Where a compulsory liquidation follows immediately on an administration the court may appoint the former administrator to act as liquidator. In such cases the official receiver does not become liquidator. An administrator may also subsequently act as liquidator in a CVL.

3 The liquidation committee

- 3.1.1 In a liquidation (whether voluntary or compulsory) the creditors have the right to appoint a committee called the liquidation committee, with a minimum of 3 and a maximum of 5 members, to monitor the conduct of the liquidation and approve the liquidator's fees. An invitation to decide on whether a committee is to be established will be sent to creditors at the same time as a decision is sought on the appointment of a liquidator. In cases where a liquidation follows immediately on an administration any committee established for the purposes of the administration will continue in being as the liquidation committee.
- 3.1.2 The liquidator must call the first meeting of the committee within 6 weeks of its establishment (or his appointment if that is later), and subsequent meetings must be held either at specified dates agreed by the committee, or when requested by a member of the committee, or when the liquidator decides he needs to hold one. The liquidator is required to report to the committee at least every 6 months on the progress of the liquidation, unless the committee directs otherwise. This provides an

opportunity for the committee to monitor and discuss the progress of the insolvency and the level of the liquidator's fees.

4 Fixing the liquidator's remuneration

4.1 Basis

4.1.1 The basis for fixing the liquidator's remuneration is set out in Rules 18.16, 18.17, 18.19 and 18.20 of the Insolvency (England and Wales) Rules 2016. The Rules state that the basis of remuneration must be fixed:

- as a percentage of the value of the assets which are realised, distributed or both, by the liquidator
- by reference to the time properly given by the liquidator and his staff in attending to matters arising in the liquidation, or
- as a set amount.

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the liquidator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the liquidator.

4.2 Advance information where remuneration not based on time costs

4.2.1 Prior to the determination of the basis of remuneration, the liquidator must give the creditors details of the work the liquidator proposes to undertake, and the expenses he considers will be, or are likely to be, incurred. However, where the liquidator proposes to take any part or all of his remuneration on a time cost basis, he must provide more detailed information in the form of a 'fees estimate', as explained below.

4.3 Fees estimates where remuneration to be based on time costs

4.3.1 Where the liquidator proposes to take remuneration based on time costs, he must first provide the creditors with detailed information in the form of a 'fees estimate'. A fees estimate is a written estimate that specifies –

- details of the work the liquidator and his staff propose to undertake;
- the hourly rate or rates the liquidator and his staff propose to charge for each part of that work;
- the time the liquidator anticipates each part of that work will take;
- whether the liquidator anticipates it will be necessary to seek approval or further approval under the Rules; and
- the reasons it will be necessary to seek such approval.

In addition, the liquidator must give the creditors details of the expenses he considers will be, or are likely to be, incurred.

4.4 Who fixes the remuneration

4.4.1 It is for the liquidation committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the committee to determine the percentage or percentages to be applied. Rule 18.16 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case;
- any responsibility of an exceptional kind or degree which falls on the liquidator in connection with the insolvency;
- the effectiveness with which the liquidator appears to be carrying out, or to have carried out, his duties;

- the value and nature of the property which the liquidator has to deal with.

4.4.2 If there is no liquidation committee, or the committee does not make the requisite determination, the liquidator's remuneration may be fixed by a decision of the creditors. The creditors take account of the same matters as apply in the case of the committee.

4.4.3 If the remuneration is not fixed as above, it will be fixed in one of the following ways. In a CVL, it will be fixed by the court on application by the liquidator, but the liquidator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 18 months after his appointment. In a compulsory liquidation, it will be in accordance with a scale set out in the Rules.

4.4.4 Where the liquidation follows directly on from an administration in which the liquidator had acted as administrator, the basis of remuneration fixed in the administration continues to apply in the liquidation (subject to paragraph 8 below).

5. Review of remuneration

5.1 Where there has been a material and substantial change in circumstances since the basis of the liquidator's remuneration was fixed, the liquidator may request that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6 What information should be provided by the liquidator?

6.1 General principles

6.1.1 The liquidator should provide those responsible for approving his remuneration with sufficient information to enable them to make an informed judgement about the reasonableness of the liquidator's request. The information should be presented in a manner which is transparent, consistent throughout the life of the case and useful to creditors, while being proportionate to the circumstances of the case.

6.1.2 A proposed liquidator may issue a fees estimate to creditors prior to being appointed liquidator.

6.1.3 The liquidator should disclose:

- payments, remuneration and expenses arising from the liquidation paid to the liquidator or his or her associates;
- any business or personal relationships with parties responsible for approving the liquidator's remuneration or who provide services to the liquidator in respect of the insolvency appointment where the relationship could give rise to a conflict of interest.

The liquidator should inform creditors of their rights under insolvency legislation, and should advise them how they may access suitable information setting out their rights within the first communication with them and in each subsequent report.

6.1.4 Where the liquidator sub-contracts out work that could otherwise be carried out by the liquidator or his or her staff, this should be drawn to the attention of creditors with an explanation of why it is being done.

6.2 Key issues

6.2.1 The key issues of concern to those with a financial interest in the level of payments from the insolvency estate will commonly be:

- the work the liquidator anticipates will be done, and why that work is necessary;
- the anticipated cost of that work, including any expenses expected to be incurred in connection with it;
- whether it is anticipated that the work will provide a financial benefit to creditors, and if so what benefit (or if the work provided no direct financial benefit, but was required by statute);
- the work actually done and why that work was necessary;
- the actual costs of the work, including any expenses incurred in connection with it, as against any estimate provided;
- whether the work has provided a financial benefit to creditors, and if so what benefit (or if the work provided no direct financial benefit, but was required by statute).

When providing information about payments, fees and expenses, the liquidator should do so in a way which facilitates clarity of understanding of these key issues. Narrative explanations should be provided to support any numerical information supplied. Where it is practical to do so, the liquidator should provide an indication of the likely return to creditors when seeking approval for the basis of his remuneration.

- 6.2.2 When approval for a fixed amount or a percentage basis is sought, the liquidator should explain why the basis requested is expected to produce a fair and reasonable reflection of the work that the liquidator anticipates will be undertaken.

6.3 Fee estimates and subsequent reports

- 6.3.1 When providing a fee estimate, the liquidator should supply that information in sufficient time to facilitate that body making an informed judgement about the reasonableness of the liquidator's requests. The estimate should clearly describe what activities are anticipated to be conducted in respect of the estimated fee. When subsequently reporting to creditors, the actual hours and average rate (or rates) of the costs charged for each activity should be provided for comparison.

6.4 Disbursements

- 6.4.1 Costs met by and reimbursed to the liquidator in connection with the liquidation will fall into two categories:

- Category 1 disbursements: These are payments to independent third parties where there is specific expenditure directly referable to the liquidation. Category 1 disbursements can be drawn without prior approval, although the liquidator should be prepared to disclose information about them in the same way as any other expenses.
- Category 2 disbursements: These are costs that are directly referable to the liquidation but not to a payment to an independent third party. They may include shared or allocated costs that may be incurred by the liquidator or their firm, and that can be allocated to the liquidation on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as a liquidator's remuneration.

When seeking approval, the liquidator should explain, for each category of cost, the basis on which the charge is being made. If the liquidator has obtained approval for the basis of Category 2 disbursements, that basis may continue to be used in a sequential appointment where further approval of the basis of remuneration is not required, or where the liquidator is replaced.

- 6.4.2 The following are not permissible as disbursements:

- a charge calculated as a percentage of remuneration;
- an administration fee or charge additional to the liquidator's remuneration;

- recovery of basic overhead costs such as office and equipment rental, depreciation and finance charges.

6.5 Payment of pre appointment expenses

6.5.1 The following categories of expenses may be paid out of the company's assets, either before or after the commencement of the winding up, as an expense of the winding-up:

- Any reasonable and necessary expenses of preparing the statement of affairs.
- Any reasonable and necessary expenses of the decision procedure or deemed consent procedure to seek a decision from the creditors on the nomination of a liquidator under R6.14.

6.5.2 If payment has not been made pre-commencement of the liquidation, payment may not be made to the liquidator or any associate of the liquidator, otherwise than with the approval of the liquidation committee, the creditors or the court.

6.5.3 Disclosure should be made in the fees estimate of amounts already paid to the liquidator in respect of pre-appointment costs, giving the amounts paid, the name of the payer and its relationship to the estate and the nature of the payment.

6.5.4 Disclosure should follow the principles and standards as set out in this guidance.

6.6 Realisations for secured creditors

6.6.1 Where the liquidator realises an asset on behalf of a secured creditor and receives remuneration out of the proceeds (see paragraph 11.1 below), he should disclose the amount of that remuneration to the committee (if there is one), to creditors when considering a decision for the purpose of determining his fees, and in any reports he sends to creditors.

7. Exceeding the amount set out in the fees estimate

7.1 Remuneration cannot be drawn in excess of the fees estimate without approval by the body which fixed the original basis of the remuneration. The request for approval must specify –

- the reason why the liquidator has exceeded, or is likely to exceed, the fees estimate;
- the additional work the liquidator has undertaken or proposes to undertake;
- the hourly rate or rates the liquidator proposes to charge for each part of that additional work;
- the time that additional work has taken or the liquidator anticipates that work will take;
- whether the liquidator anticipates that it will be necessary to seek further approval; and
- the reasons it will be necessary to seek further approval.

8. Progress reports and requests for further information

8.1.1 The liquidator is required to send annual progress reports to creditors. The reports must include:

- details of the basis fixed for the remuneration of the liquidator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it);
- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except

where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report);

- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report;
- a statement of the expenses incurred by the liquidator during the period of the report, irrespective of whether payment was actually made during that period;
- details of progress during the period of the report, including a summary of the receipts and payments during the period;
- details of what remains to be done;
- where appropriate, a statement –
 - that the remuneration anticipated to be charged is likely to exceed the fees estimate or any approval given for remuneration exceeding the estimate;
 - that expenses incurred or anticipated to be incurred are likely to exceed, or have exceeded, the details given to the creditors prior to the determination of the basis of remuneration; and
 - the reason for that excess.
- a statement of the creditors' rights to request further information, as explained in paragraph 8.2, and their right to challenge the liquidator's remuneration and expenses.

8.1.2 Within 21 days of receipt of a progress report a creditor may request the liquidator to provide further information about the remuneration and expenses set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

8.1.3 The liquidator must provide the requested information within 14 days, unless he considers that:

- the time and cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the liquidation or
- the liquidator is subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing some or all of the information.

8.1.4 Any creditor may apply to the court within 21 days of the liquidator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

9 What if a creditor is dissatisfied?

9.1.1 Except in cases where there is a liquidation committee it is the creditors as a body who have authority to approve the liquidator's fees.

9.1.2 If a creditor believes that the liquidator's remuneration is excessive, the basis is inappropriate, or the expenses incurred by the liquidator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court.

9.1.3 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the liquidator's progress report in which the charging of the remuneration or incurring of the expenses in question is first

reported (see paragraph 8.1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the liquidator a copy of the application and supporting evidence at least 14 days before the hearing.

9.1.4 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not out of the assets of the insolvent company.

9.1.5 On receipt of the liquidator's final account creditors have 8 weeks in which they may challenge the liquidator's remuneration and expenses under R18.34

10. What if the liquidator is dissatisfied?

10.1 If the liquidator considers that the remuneration fixed by the liquidation committee, the creditors, in the preceding administration or in accordance with the statutory scale is insufficient, or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court he must give at least 14 days' notice to the members of the committee and the committee may nominate one or more of its members to appear or be represented at the court hearing. If there is no committee, the liquidator's notice of his application must be sent to such of the creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid out of the assets.

11 Other matters relating to remuneration

11.1 Where the liquidator realises assets on behalf of a secured creditor he is entitled to be remunerated out of the proceeds of sale in accordance with a scale set out in the Rules. Usually, however, the liquidator will agree the basis of his fee for dealing with charged assets with the secured creditor concerned.

11.2 Where two (or more) joint liquidators are appointed it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute between them may be referred to the court, the committee or a meeting of creditors.

11.3 If the appointed liquidator is a solicitor and employs his own firm to act in the insolvency, profit costs may not be paid unless authorised by the committee, the creditors or the court.

11.4 If a new liquidator is appointed in place of another, any determination, decision or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new liquidator until a further determination, decision or court order is made.

11.5 Where the basis of the remuneration is a set amount, and the liquidator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing liquidator. The application must be made to the same body as approved the remuneration. Where the outgoing liquidator and the incoming liquidator are from the same firm, they will usually agree the apportionment between them.

11.6 There may also be occasions when creditors will agree to make funds available themselves to pay for the liquidator to carry out tasks which cannot be paid for out of the assets, either because they are deficient or because it is uncertain whether the work undertaken will result in any benefit to creditors. Arrangements of this kind are sometimes made to fund litigation or investigations into the affairs of the insolvent company. Any arrangements of this nature will be a matter for agreement between

the liquidator and the creditors concerned and will not be subject to the statutory rules relating to remuneration.

12. Effective date

This guide applies where a company goes into liquidation on or after 6 April 2017.

Appendix

Suggested format for the provision of information

Professional guidance issued to insolvency practitioners sets out the following suggested format for the provision of information when seeking approval of remuneration. However, the level of disclosure suggested below may not be appropriate in all cases, and will be subject to considerations of proportionality. In larger or more complex cases the circumstances of each case may dictate the information provided and its format.

Narrative overview of the case

In all cases, reports on remuneration should provide a narrative overview of the case. Matters relevant to an overview are:

- the complexity of the case;
- any exceptional responsibility falling on the liquidator;
- the liquidator's effectiveness;
- the value and nature of the property in question.

The information provided will depend upon the basis or bases being sought or reported upon, and the stage at which it is being provided. An overview might include:

- an explanation of the nature, and the liquidator's own initial assessment, of the assignment (including the anticipated return to creditors) and the outcome (if known);
- initial views on how the assignment was to be handled, including decisions on staffing or subcontracting and the appointment of advisers;
- any significant aspects of the case, particularly those that affect the remuneration and cost expended;
- the reasons for subsequent changes in strategy;
- the steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, and fee drawing;
- any existing agreement about remuneration;
- details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees;
- in a larger case, particularly if it involved trading, considerations about staffing and managing the assignment and how strategy was set and reviewed;
- details of work undertaken during the period;
- any additional value brought to the estate during the period, for which the liquidator wishes to claim increased remuneration.

Time cost basis

Where any part of the remuneration is or is proposed to be calculated on a time costs basis, requests for and reports on remuneration should provide:

- An explanation of the liquidator's time charging policy, clearly stating the units of time that have been used, the grades of staff and rates that have been charged to the assignment, and the policy for recovering the cost of support staff. There is an expectation that time will be recorded in units of not greater than 6 minutes.
 - A description of work carried out, which might include:
 - details of work undertaken during the period, related to the table of time spent for the period;
 - an explanation of the grades of staff used to undertake the different tasks carried out and the reasons why it was appropriate for those grades to be used;
 - any comments on any figures in the summary of time spent accompanying the request the liquidator wishes to make.
 - Time spent and charge-out summaries, in an appropriate format.
-

It is useful to provide time spent and charge-out value information in a tabular form for each of the time periods reported upon, with work classified (and sub-divided) in a way relevant to the circumstances of the case

The following areas of activity are suggested as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff:

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The level of disclosure suggested above will not be appropriate in all cases, and considerations of proportionality will apply:

- where cumulative time costs are, and are expected to be, less than £10,000 the liquidator should, as a minimum, state the number of hours and average rate per hour and explain any unusual features of the case;
- where cumulative time costs are, or are expected to be, between £10,000 and £50,000, a time and charge-out summary similar to that shown above will usually provide the appropriate level of detail (subject to the explanation of any unusual features);
- where cumulative time costs exceed, or are expected to exceed, £50,000, further and more detailed analysis or explanation will be warranted.



Walsh Taylor Insolvency Practitioners
Charge Out Rates

	Rate per hour
Director/Insolvency Practitioner	425
Senior Manager	350
Manager	300
Senior Administrator	225
Administrator	190
Cashier	190
Support staff (inc. secretarial)	125

- Time is charged in units of 6 minutes
- Support and secretarial staff time is charged to cases on the basis of time spent at the rates stated above

Disbursements Recovery Policy

Category 1	Direct costs are recovered at actual cost to the case
	Includes for example and where relevant insurance and bonding, advertising, courier, registration fees, search fees, postage (including re-direction), storage, subsistence and public transport.
	No charge is made for telephone calls.
Category 2	Apportioned costs are recovered on the following tariff:-
Fax	£1 per page sent
Photocopying	15p per copy — irrespective of size
Room hire	£150 for room hire for creditors' meetings - charge is only be made when attendance of debtor/ director and/or creditors is likely and a meeting room has been set aside.
Stationery	£25 Initial case set-up fee per corporate case £15 per personal case Annual case/ file maintenance charges of £10
Car travel	65p per mile

Fax, photocopying and stationery charges are based on the average costs of consumables
Room hire is based on an average of charges levied by four local providers

Walsh Taylor's Charge Out Rates were increased on 22 June 2018.



**RELEVANT EXTRACTS OF RULES 18.9 AND 18.34 OF
THE INSOLVENCY (ENGLAND & WALES) RULES 2016**

Rule 18.9

- (1) The following may make a written request to the office-holder for further information about remuneration or expenses set out in a final report under rule 18.14:
- a secured creditor;
 - an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question); or
 - any unsecured creditor with the permission of the court.
- (2) A request or an application to the court for permission by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one creditor.

Rule 18.34

- (1) This rule applies to an application in a winding-up made by a person mentioned in paragraph (2) on the grounds that:
- the remuneration charged by the office-holder is in all the circumstances excessive;
 - the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
 - the expenses incurred by the office-holder are in all the circumstances excessive.
- (2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable:
- a secured creditor; or
 - an unsecured creditor with either
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court.
- (3) The application by a creditor must be made no later than eight weeks after receipt by the applicant of the final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question.

Carstead Limited t/a The Bruce Arms
(In Liquidation)
Liquidator's Abstract of Receipts & Payments
From 21 July 2014 To 29 June 2018

S of A £		£	£
	ASSET REALISATIONS		
1,000.00	Goodwill	3,600.00	
200.00	Furniture & Equipment	NIL	
	Bank Interest Gross	4.53	
			3,604.53
	COST OF REALISATIONS		
	Specific Bond	30.00	
	Preparation of S. of A.	2,636.14	
	Agents/Valuers Fees (1)	140.00	
	Tax on Bank Interest	0.61	
	Postage (Cat1) - no VAT	65.70	
	Stationery (Cat2) with VAT	249.40	
	Statutory Advertising	222.75	
	Irrecoverable VAT	259.93	
			(3,604.53)
	PREFERENTIAL CREDITORS		
(800.00)	Employee Arrears/Hol Pay	NIL	
			NIL
	UNSECURED CREDITORS		
(26,349.39)	Trade & Expense Creditors	NIL	
(18,220.48)	Directors	NIL	
(21,609.76)	Banks/Institutions	NIL	
(6,353.30)	HM Revenue & Customs PAYE	NIL	
(3,950.49)	HM Revenue & Customs VAT	NIL	
			NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	
			NIL
(76,183.42)			0.00

REPRESENTED BY

NIL



Kate Elizabeth Breese
Liquidator

LIQ14

Notice of final account prior to dissolution in CVL



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	Blazej Nowaczyk
Company name	Walsh Taylor
Address	Oxford Chambers Oxford Road
Post town	Guiseley
County/Region	Leeds
Postcode	L S 2 0 9 A T
Country	
DX	
Telephone	01943 877545



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