

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

07979134

Name of Company

Angle Property (Terlings Park Project Management) Limited

I / We

Peter Hart, 1 Westferry Circus, Canary Wharf, London, E14 4HD

Stephen Goderski, 1 Westferry Circus, Canary Wharf, London, E14 4HD

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986.

The Progress Report covers the period from 20/03/2015 to 19/03/2016

Signed



Date

17/05/2016

Geoffrey Martin & Co
1 Westferry Circus
Canary Wharf
London
E14 4HD

Ref: ANGL401/PH/SG/DO

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COMPANIES HOUSE

Angle Property (Terlings Park Project Management) Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 20/03/2015 To 19/03/2016
	ASSET REALISATIONS	
285,559.00	Cash at Bank	285,518.17
1,542,000.00	Directors' Loan Account	1,542,000.00
314.00	VAT Receivable	NIL
100.00	Unpaid Share Capital	100.00
	Bank Interest Gross	807.07
	Deferred Consideration	4,065,000.00
		<u>5,893,425.24</u>
	COST OF REALISATIONS	
	Specific Bond	600.00
	Disbursements - Pre-Appointment	4.00
	Accountancy Fees	2,358.00
	Corporation Tax	296,084.96
	Statutory Advertising	230.16
	Frontier Capital LLP - Commission	1,144,907.87
	Bank Charges	217.50
		<u>(1,444,402.49)</u>
	UNSECURED CREDITORS	
	HM Revenue & Customs (Corporation)	234,225.00
		<u>(234,225.00)</u>
	DISTRIBUTIONS	
	Ordinary Shareholders	2,339,775.17
	Ordinary Shareholders - In Specie	1,542,100.00
		<u>(3,881,875.17)</u>
<u>1,827,973.00</u>		<u><u>332,922.58</u></u>
	REPRESENTED BY	
	VAT Receivable	592.40
	Floating Current A/c	332,330.18
		<u><u>332,922.58</u></u>


Peter Hart
Joint Liquidator

16 May 2016

To the Members of Angle Property (Terlings Park Project Management) Limited

Our Ref: PH/DO/ANGL401/RB2

Dear Sirs

Angle Property (Terlings Park Project Management) Limited – In Liquidation (“the Company”)

I write to provide you with my first annual report, issued in accordance with Section 92A of the Insolvency Act 1986 (“the Act”) and Rule 4.49C of the Insolvency Rules 1986, as amended (“the Rules”), following my appointment as Liquidator of the Company on 20 March 2015.

I enclose the Liquidator’s Abstract of Receipts and Payments for the period from 20 March 2015 to 19 March 2016 at Appendix A.

Asset Realisations

A brief description of asset realisations is given below. The estimated realisable value given in the director’s Declaration of Solvency (“DOS”) is given next to the heading of each asset category.

Cash at Bank (£285,559)

The DOS showed cash at bank of £285,559. Following the Liquidation a payment of £285,518 was received from Lloyds Bank Plc in respect of the Company’s closing cash at bank balance. Final statements have been received from Lloyds Bank Plc confirming that the Company’s pre-Liquidation bank account has been closed.

Directors’ Loan Account (£1,542,000)

The DOS showed directors’ loan accounts with a book value of £1,542,000. The directors’ loan accounts were distributed in specie to the Company’s shareholders on 20 March 2015.

VAT Receivable (£314)

A VAT receivable balance of £314 was shown on the DOS. Following the submission of all outstanding pre-Liquidation returns it has been confirmed that there is no VAT receivable balance due.

Unpaid Share Capital (£100)

The DOS showed unpaid share capital of £100. This asset was distributed in specie to the Company's shareholders on 20 March 2015.

Deferred Consideration

A payment of £4,056,000 was received into the Liquidation on 22 September 2015 from Palmer Capital. The payment relates to a deferred consideration clause within a sale agreement entered into by the Company prior to the Liquidation. It is not anticipated that any further deferred consideration payments will be received.

Bank Interest (Gross)

Bank interest of £807 has accrued on the Liquidation bank account as at 19 March 2016.

Creditors

The DOS showed creditors with an estimated value of £232,011, consisting of unpaid Corporation Tax due to HM Revenue & Customs. Following my appointment I placed advertisements in the London Gazette notifying any potential creditors of my appointment and confirming that any claims against the Company should be lodged with me by no later than 1 May 2015. No creditor claims have been submitted in the Liquidation.

The Corporation Tax liability due to HM Revenue & Customs was subsequently confirmed at £234,225 and was discharged from Company funds under two payments made on 9 June 2015 and 2 July 2015. There are no outstanding creditor claims in the Liquidation.

Distribution to the Member

On 20 March 2015 a distribution in specie of the directors' loan accounts and unpaid capital was made to the Company's shareholders. The total value of assets distributed at the time was £1,542,100.

A cash distribution of £2,339,775 was subsequently made to the Company's shareholders on 29 September 2015.

The total return to shareholders in the period covered by this report is £3,881,875.

A further final distribution will be made to the Company's shareholders from the residual balance of funds held in the Liquidation once pre-Liquidation tax clearance has been obtained and post appointment Corporation Tax returns have been submitted.

Liquidator's Costs**Basis of the Liquidator's Remuneration and Disbursements**

At the meeting of the Company's shareholders held on 20 March 2015, it was resolved that the underlying basis of my remuneration and disbursements be fixed by reference to time costs incurred in attending to matters arising in the Liquidation, discounted by 50%, and that my disbursements be drawn in line with my firm's charging and disbursements policy. A copy of my firm's current charging and disbursement policy is attached at Appendix B.

In common with other professional firms, my standard charging rates are reviewed periodically to take account of inflation and other matters affecting costs. Since the original approval of the basis of my remuneration on 20 March 2015 my firm's standard charging rates have not increased.

Pre-Liquidation Time Costs

At the meeting of the shareholders held on 20 March 2015 it was agreed that my firm should be paid a fixed fee of £2,500 plus VAT for assisting the directors with calling a general meeting of the Company's shareholders and preparing a declaration of solvency for the purpose of placing the Company into Liquidation. I have not yet recovered my declaration of solvency fee and will look to draw this in due

course from funds held in the Liquidation bank account, and with the agreement of the Company's directors / shareholders.

Post Liquidation Remuneration Charged & Drawn

Details of my post-appointment time costs and disbursements incurred since the commencement of the Liquidation to the 19 March 2016 are shown on the attached Appendix B. I am required to provide the information in this format by the provisions of the Statement of Insolvency Practice 9.

In summary, I have incurred post appointment time costs totalling £8,146. I have not drawn any fees on account of my outstanding time costs and will seek specific approve for my fees from the shareholders in due course.

Liquidator's Category 1 disbursements

Disbursements relate to the recovery of costs which are met by the Liquidator in relation to the Company. Category 1 disbursements are in respect of expenses that are directly attributable to the case and do not require authorisation.

In this case the amount incurred and recovered in respect of Category 1 disbursements in the period covered by this report totals £830 and relates to the Case Specific Bon of £600 and advertising costs of £230.

Liquidator's Category 2 disbursements

Category 2 disbursements require authorisation and consist of disbursements that are not specifically identifiable to the case. These are charged in accordance with the firm's disbursement policy found at Appendix C. Category 2 disbursements equating to £18 have been incurred in the period covered by this report.

I have not yet recovered any of the above Category 2 disbursements from the Liquidation and will be seeking authority to do so in due course.

Guide to Liquidators' Fees

If you require further information to Liquidator's remuneration, expenses and disbursements please see Appendix D. This also gives details of your rights in connection with the Liquidation.

Outstanding Issues

The only outstanding issues preventing closure of the Liquidation are paying the submission of post Liquidation Corporation Tax returns and payment of any consequential liabilities, and obtaining final pre-Liquidation tax clearance from HM Revenue & Customs. Both of these issues should be resolved within the near future.

Should you have any queries regarding the content of this report please do not hesitate to contact Dane O'Hara at this office.

Yours faithfully



Peter Hart
Liquidator

**Angle Property (Terlings Park Project Management)
(In Liquidation)**

**Joint Liquidators' Abstract Of Receipts And Payments
To 19 March 2016**

RECEIPTS	Total (£)
Cash at Bank	285,518.17
Directors' Loan Account	1,542,000.00
Unpaid Share Capital	100.00
Bank Interest Gross	807.07
Deferred Consideration	4,065,000.00
Vat Control Account	46.03
	<hr/> 5,893,471.27 <hr/>
PAYMENTS	
Pre-Liquidation Costs	
Disbursements - Pre-Appointment	4.00
Liquidation Costs	
Specific Bond	600.00
Accountancy Fees	2,358.00
Corporation Tax	296,084.96
Statutory Advertising	230.16
Frontier Capital LLP - Commission	1,144,907.87
Bank Charges	217.50
Unsecured Creditor Distributions	
HM Revenue & Customs (Corporation Tax)	234,225.00
Shareholder Distributions	
Ordinary Shareholders	2,339,775.17
Ordinary Shareholders - In Specie	1,542,100.00
	<hr/> 5,560,502.66 <hr/>
Balance - 19 March 2016	<hr/> 332,968.61 <hr/>
MADE UP AS FOLLOWS	
Floating Current A/c	332,330.18
VAT Receivable	638.43
	<hr/> 332,968.61 <hr/>

Appendix B

Case Name	Angle Property (Tirlings Park Project Management) Limited
Registered Number	07979134
Registered Office	c/o Geoffrey Martin & Co, 1 Westferry Circus, Canary Wharf, London E14 4HD
Office Holders	Peter Hart and Stephen Goderski
Firm	Geoffrey Martin & Co
Address	1 Westferry Circus, Canary Wharf, London E14 4HD
Telephone	020 7495 1100
Reference	ANGL401/PH/DO
Type of Appointment	Members' Voluntary Liquidation
Date of Appointment	20 March 2016

CHARGING AND DISBURSEMENTS POLICY (Combined London & Leeds Offices)

The firm's hourly charge out rates are revised annually from 1 February. The rates currently in use are within the following bands:

	£
Appointment Taker	325 – 450
Associate	285
Manager	265
Senior Administrator	150 – 195
Junior Administrator and Support Staff	100 – 125

Secretarial and cashiers time is charged to the case and their rates are included within the above hourly rates identified above as appropriate. Time is charged in units of 6 minutes.

Disbursements

A disbursement charge relating to the recovery of overhead costs is levied at the rate of £3.60 per creditor. This sum is drawn at the outset of the case and on each anniversary thereafter and covers printing, postage, stationery, photocopying, telephone and fax usage.

Company Searches and Identity Verifications are charged at cost.

Outsourced printing and/or photocopying will be charged at cost in addition to the above.

Travelling expenses are charged at the rate of 45p per mile.

ANGL401 Angle Property (Terlings Park Project Management)**SIP 9 - Time & Cost Summary**

Period: 20/03/15..19/03/16

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Appointment Taker	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	3.10	0.00	15.30	10.70	29.10	5,497.00	188.90
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisations of assets	0.00	0.00	1.50	0.00	1.50	292.50	195.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	1.10	0.00	8.10	2.80	12.00	2,356.00	196.33
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	4.20	0.00	24.90	13.50	42.60	8,145.50	191.21

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

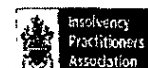
- 2.1 Liquidation (or 'winding up') is the most common type of corporate insolvency procedure. Liquidation is the formal winding up of a company's affairs entailing the realisation of its assets and the distribution of the proceeds in a prescribed order of priority. Liquidation may be either voluntary, when it is instituted by resolution of the shareholders, or compulsory, when it is instituted by order of the court.
- 2.2 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 insolvency practitioner acts as liquidator throughout and the creditors can vote on the appointment of the liquidator at the first meeting of creditors.
- 2.3 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 there are significant assets an insolvency practitioner will usually be appointed to act as liquidator in place of the official receiver, either at a meeting of creditors convened for the purpose or directly by The Insolvency Service on behalf of the Secretary of State. Where an insolvency practitioner is not appointed the official receiver remains liquidator.
- 2.4 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 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. The committee is usually established at the creditors' meeting which appoints the liquidator, but 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.
- 3.2 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 The basis for fixing the liquidator's remuneration is set out in Rules 4.127 - 4.1278 of the Insolvency Rules 1986. The Rules state that the remuneration shall be fixed:
- as a percentage of the value of the assets which are realised or distributed or both,
 - 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

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 4.127 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 assets which the liquidator has to deal with.

- 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 resolution of a meeting of creditors. The creditors take account of the same matters as apply in the case of the committee. A resolution specifying the terms on which the liquidator is to be remunerated may be taken at the meeting which appoints the liquidator.
- 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 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

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 When fixing bases of remuneration

- 6.1.1 When seeking agreement for the basis or bases of remuneration, the liquidator should provide sufficient supporting information to enable the committee or the creditors to make an informed judgement as to whether the basis sought is appropriate having regard to all the circumstances of the case. The nature and extent of the information provided will depend on the stage during the conduct of the case at which approval is being sought. The appendix to this guide sets out a suggested format for the provision of information.
- 6.1.2 If any part of the remuneration is sought on a time costs basis, the liquidator should provide details of the minimum time units used and current charge-out rates, split by grades of staff, of those people who have been or who are likely to be involved in the time costs aspects of the case.
- 6.1.3 The liquidator should also provide details and the cost of any work that has been or is intended to be sub-contracted out that could otherwise be carried out by the liquidator or his or her staff.
- 6.1.4 If work has already been carried out, the liquidator should state the proposed charge for the period to date and provide an explanation of what has been achieved in the period and how it was achieved, sufficient to enable the progress of the case to be assessed and whether the proposed charge is reasonable in the circumstances of the case. Where the proposed charge is calculated on a time costs basis, the liquidator should disclose the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. The liquidator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the liquidator or his or her staff.

6.2 After the bases of remuneration have been fixed



The liquidator is required to send progress reports to creditors at specified intervals (see paragraph 7.1 below). When reporting periodically to creditors, in addition to the matters specified in paragraph 7.1, the liquidator should provide an explanation of what has been achieved in the period under review and how it was achieved, sufficient to enable the progress of the case to be assessed. Creditors should be able to understand whether the remuneration charged is reasonable in the circumstances of the case (whilst recognising that the liquidator must fulfil certain statutory obligations and regulatory requirements that might be perceived as bringing no added value for the estate). Where any remuneration is on a time costs basis, the liquidator should disclose the charge in respect of the period, the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. If there have been any changes to the charge-out rates during the period under review, rates should be disclosed by grades of staff, split by the periods applicable. The liquidator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the liquidator or his or her staff.

6.3 Disbursements and other expenses

6.3.1 Costs met by and reimbursed to the liquidator in connection with the liquidation should be appropriate and reasonable. Such costs will fall into two categories:

- **Category 1 disbursements:** These are costs where there is specific expenditure directly referable both to the liquidation and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the liquidator or his or her staff.
- **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 can be allocated to the liquidation on a proper and reasonable basis, for example, business mileage.

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 may be drawn if they have been approved in the same manner as the liquidator's remuneration. When seeking approval, the liquidator should explain, for each category of expense, the basis on which the charge is being made.

6.3.2 The following are not permissible:

- 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.

6.4 Realisations for secured creditors

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 any meeting of creditors convened for the purpose of determining his fees, and in any reports he sends to creditors.

7 Progress reports and requests for further information

7.1 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;
- a statement of the creditors' rights to request further information, as explained in paragraph 7.2, and their right to challenge the liquidator's remuneration and expenses.



- 7.2 Within 21 days of receipt of a progress report (or 7 business days where the report has been prepared for the purposes of a meeting to receive the liquidator's resignation) 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.
- 7.3 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 might be expected to lead to violence against any person, 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 the information.

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.

8 Provision of information - additional requirements

The liquidator must provide certain information about the time spent on the case, free of charge, upon request by any creditor, director or shareholder of the company.

The information which must be provided is -

- the total number of hours spent on the case by the liquidator or staff assigned to the case;
- for each grade of staff, the average hourly rate at which they are charged out;
- the number of hours spent by each grade of staff in the relevant period.

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the liquidator's appointment, or where he has vacated office, the date that he vacated office.

The information must be provided within 28 days of receipt of the request by the liquidator, and requests must be made within two years from vacation of office.

9 What if a creditor is dissatisfied?

- 9.1 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. To enable them to carry out this function they may require the liquidator to call a creditors' meeting. In order to do this at least ten per cent in value of the creditors must concur with the request, which must be made to the liquidator in writing
- 9.2 If a creditor believes that the liquidator's remuneration is too high, 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.
- 9.3 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 7.1 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.
- 9.4 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.

10 What if the liquidator is dissatisfied?

If the liquidator considers that the remuneration fixed by the liquidation committee, or in the preceding administration, is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he 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, resolution 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, resolution 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 of 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 1 November 2011.



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.