

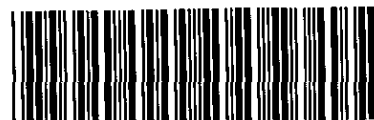
# LIQ03

## Notice of progress report in voluntary winding up



Companies House

TUESDAY



\*A69YF3MJ\*

A24

04/07/2017

#244

COMPANIES HOUSE

### 1 Company details

Company number 0 8 1 5 5 8 9 5

Company name in full Lanyard Capital Limited

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

### 2 Liquidator's name

Full forename(s) Stephen

Surname Hunt

### 3 Liquidator's address

Building name/number Tavistock House South

Street Tavistock Square

Post town London

County/Region

Postcode W C 1 H 9 L G

Country

### 4 Liquidator's name

Full forename(s) Nedim

Surname Ailyan

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

### 5 Liquidator's address

Building name/number 142-148 Main Road

Street

Post town Sidcup

County/Region Kent

Postcode D A 1 4 6 N Z

Country

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

# LIQ03

## Notice of progress report in voluntary winding up

### 6 Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 6
To date	<sup>d</sup> 2	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 7

### 7 Progress report

☒ The progress report is attached

### 8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

<sup>d</sup> 0	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 7	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 7
----------------	----------------	----------------	----------------	----------------	----------------	----------------	----------------

LIQ03

Notice of progress report in voluntary winding up



**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	Frank Turnbull
Company name	Griffins
Address	Tavistock House South Tavistock Square
Post town	London
County/Region	
Postcode	W C 1 H 9 L G
Country	
DX	
Telephone	020 7554 9600



**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

**Lanyard Capital Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £	From 24/05/2016 To 23/05/2017 £	From 21/08/2014 To 23/05/2017 £
ASSET REALISATIONS		
VAT Refund	341.72	341.72
Cash at Bank	0.03	0.03
Lease Completion Refund	2,475.75	2,475.75
Bank Interest Gross	2.19	2.19
	<u>2,819.69</u>	<u>2,819.69</u>
COST OF REALISATIONS		
Statutory Advertising	72.00	72.00
	<u>(72.00)</u>	<u>(72.00)</u>
UNSECURED CREDITORS		
(62,788.00) Trade & Expense Creditors	NIL	NIL
(109,262.00) Directors	NIL	NIL
(25,431.00) HM Revenue & Customs	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
DISTRIBUTIONS		
(1.00) Ordinary Shareholders	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<b>(197,482.00)</b>	<b><u>2,747.69</u></b>	<b><u>2,747.69</u></b>
REPRESENTED BY		
VAT Receivable		14.40
Bank 1 - Current		2,733.29
		<u>2,747.69</u>



Stephen Hunt  
Joint Liquidator

**Lanyard Capital Limited  
In Creditors' Voluntary Liquidation**

**Joint Liquidators' Annual Progress Report to Members and Creditors  
for the year ending 23 May 2017**



## **Contents**

1. Introduction
2. Receipts and Payments Accounts
3. Realisation of Assets
4. Investigations
5. Statutory and Professional Compliance
6. Creditors' Communication, Claims and Distributions
7. Joint Liquidators' Remuneration
8. Joint Liquidators' Expenses and Disbursements
9. Quality of Service and Code of Ethics
10. Creditors' Rights
11. Next Report

## **Appendices**

- A. Statutory Information
- B. Receipts and payments account for the period 24 May 2016 to 23 May 2017, together with a cumulative account for the entire period of the liquidation
- C. Griffins' time analysis for the period 24 May 2016 to 23 May 2017, and Griffins' policy on charge out rates and disbursements, in accordance with the Statement of Insolvency Practice 9
- D. Statutory and Creditor Compliance Tasks
- E. Creditors' Rights - Rules 18.9 and 18.34 of the Insolvency (England & Wales) Rules 2016 ("IR 2016")



## **1 Introduction**

On, 21 August 2014, Jeffrey Mark Brenner ("Mr Brenner") of B&C Associates Limited was appointed Liquidator of Lanyard Capital Limited at a meeting of creditors.

Following a further meeting of creditors held, pursuant to section 171 of the Insolvency Act 1986 on 24 May 2016, it was resolved that Mr Brenner be removed as Liquidator and that both Nedim Ailyan and I be appointed as Joint Liquidators in his place.

In accordance with Rules 18.3 and 18.7 The Insolvency (England & Wales) Rules 2016, I now provide creditors with an annual progress report. Additional information in respect of the company and office holders is attached at Appendix A.

## **2 Receipts and Payments Accounts**

An account of my receipts and payments for the period 24 May 2016 to 23 May 2017 is at Appendix B, together with a cumulative account for the entire period of the liquidation and a comparison with the amounts recorded in the Statement of Affairs.

Please note that the receipts and payments account contains information from prior to my appointment and, as such, I am unable to verify these figures.

Nedim Ailyan's specific bond has been paid, however, it is not shown on the receipts and payments account at Appendix B.

As there are sufficient funds, this expense will be charged to the estate in due course.

## **3 Realisation of Assets**

### Leasehold Premises at 3 St James's Square

The company had previously entered into a licence to occupy basement premises at the above address. The previous officeholder had been advised, just prior to his removal, of the existence of monies held on account by the landlord's agent, in expectation of potential liabilities arising on completion of the lease. Following my appointment, I took steps to recover this balance of £2,475.75 for the benefit of the liquidation estate.

### VAT Refunds

VAT 426 claims were made by the previous officeholder in the amounts of £216.72 and £125.00 respectively. Accordingly, HM Revenue & Customs have forwarded these refunds to be banked into the liquidation estate.

### Previous office-holder's estate balance

Following the removal of the previous officeholder, a closing balance of 3p has been received from the previous office-holder's liquidation estate.



### Bank Interest

Interest in respect of funds held in the liquidation account of £2.19 has been received.

## **4 Investigations**

Following my appointment, I have reviewed and analysed information obtained from the previous officeholder, the Official Receiver, a third party escrow agent, and a connected company that the director had previously held a directorship in. I have concluded that the director has benefitted from substantial payments made to him out of the company's bank accounts, and from the escrow agent and the connected company's accounts. Certain employees, in their capacity as brokers or traders, also benefitted from substantial commission payments.

I have established that there are links to other connected companies (directly and indirectly) that are also subject to insolvency proceedings.

I understand that the Insolvency Service's investigation into this case, initiated by the previous office holder, was abandoned following the acceptance of an 11-year disqualification undertaking from the director in respect of his conduct in other matters. Evidence of serious misconduct/fraud had been gathered which the Insolvency Service were unfortunately unable to present to the Court.

I have also been liaising with the Metropolitan Police following notification that the director and others parties have been charged with conspiracy to defraud customers of the company. I understand a trial date has been set for January 2018.

I will report further on the outcome of my investigations, including whether I have identified any claims which can be brought against third parties, in my next report to creditors.

## **5 Statutory and Professional Compliance**

I am required to meet a considerable number of statutory and regulatory obligations. This work does not provide a direct financial benefit to creditors but is a necessary requirement of the liquidation process.

Whilst these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progression of the liquidation. This ensures that my staff and I carry out our work to high professional standards.

In order that creditors can have an informed understanding of these matters, they are listed at Appendix D.





## **6 Creditors' Communication, Claims and Distributions**

I am required, as Joint Liquidator, to undertake certain tasks in relation to creditors' claims. This work does not provide a direct financial benefit to the liquidation estate but is essential to the administration of the case.

In order that creditors can have an informed understanding of these matters, they are also listed at Appendix D.

The current position as regards creditors' claims is detailed below.

### Secured Creditors

An examination of the company's mortgage register held by the Registrar of Companies shows that the company has no outstanding charges over its assets.

### Preferential Creditors

No preferential claims have been received in the liquidation and none are expected.

### Unsecured Creditors

The Statement of Affairs indicated unsecured creditors to have a total value of £197,481.

I have received claims totalling £178,898.07 but I have not adjudicated on any of these claims yet. I am aware of 23 creditors who have not yet submitted their claims.

Dividend prospects are presently uncertain.

## **7 Joint Liquidators' Remuneration**

The time my staff and I have recorded as incurred for the period 24 May 2016 to 23 May 2017 totals £28,836.99, which represents 94 hours at an average charge out rate of £306.78 per hour.

The time Nedim Ailyan and his staff have recorded as incurred for the period 24 May 2016 to 23 May 2017 totals £966.50, which represents 3.30 hours at an average charge out rate of £292.88 per hour.

The time incurred is recorded in my time analysis report, attached at Appendix C, under the following classifications:

- Administration & Planning
- Creditors
- Investigations



- Legal & Litigation
- Realisations of Assets

The report also provides details of the activity costs incurred by staff grade to date, together with details of charge out rates.

It is Griffins' policy to use the most junior grade of staff compatible with the efficient conduct of a matter, in order to ensure that costs to creditors are kept to a minimum. Where investigation work has been undertaken, this will normally be carried out by a senior member of staff and partner. Such investigations are conducted with regard to the level of assets available to fund any further investigations or actions, and the materiality of any matters that have been identified.

At the meeting of creditors held on 21 August 2014, it was approved that the Liquidator's remuneration shall be fixed according to his time costs. These fees are to be paid at the Liquidator's discretion, as and when funds are available. To date, I have not drawn any fees for acting as Liquidator.

Further information regarding remuneration can be found in "A Creditors' Guide to Liquidators' Fees", which is available for download at <http://www.griffins.net/technical/>. A hard copy can be provided upon request.

In addition, creditors can find more information on the insolvency process at <http://www.creditorinsolvencyguide.co.uk/>.

## **8 Joint Liquidators' Expenses and Disbursements**

'Expenses' are amounts properly payable by the office holder from the estate. These may include, but are not limited to, legal and agents' fees.

'Disbursements' are expenses met by the office holder and reimbursed to the office holder in connection with an insolvency appointment and will fall into two categories, category 1 and category 2. These are further explained at Appendix C.

In accordance with our current policy, no category 2 disbursements have been drawn since my appointment.

The table below details the expenses and category 1 disbursements incurred in the period and these total £72.00.



Payee Name	Nature of Expense Incurred	Amount Incurred this period £	Amount paid during this period £	Amount Outstanding £
Courts Advertising	Statutory Advertising	72.00	72.00	0.00
	<b>TOTAL</b>	<b>72.00</b>	<b>72.00</b>	<b>0.00</b>

## 9 Quality of Service and Code of Ethics

My staff and I endeavour to provide the best possible standards at all times.

I am bound by the Insolvency Code of Ethics when carrying out all professional work relating to insolvency appointments and details of this can be found at <http://www.icaew.com/en/members/regulations-standards-and-guidance/ethics/code-of-ethics-d>.

If you would like to make any comments, suggestions, raise a query or make a complaint about the service you have received, please contact my team manager, Frank Turnbull in the first instance at [frank.turnbull@griffins.net](mailto:frank.turnbull@griffins.net). I will provide a response within 21 working days.

## 10 Creditors' Rights

Creditors are advised that Rule 18.9 IR 2016 provides the right to make a request to the Joint Liquidator for further information about remuneration or expenses which have been itemised in this report.

Further, Rule 18.34 IR 2016 provides creditors with a right to challenge the Joint Liquidators' remuneration and expenses.

Extracts of these Rules are attached at Appendix E, for your information.

## 11 Next Report

I will report again following the next anniversary of the liquidation, or sooner if the administration of the liquidation is complete.

  
**Stephen Hunt**  
Joint Liquidator

Date: 27 June 2017



**Lanyard Capital Limited  
In Creditors' Voluntary Liquidation**

Statutory information



**Company information**

Company name: Lanyard Capital Limited  
Trading name: As above  
Company registration number: 08155895  
Nature of business: Wholesale of other intermediate products/Retail sa  
Registered office: Griffins, Tavistock House South, Tavistock Square, London WC1H 9LG  
Previous registered office: c/o B & C Associates Limited, Concorde House Grenville Place, Mill Hill, London, NW7 3SA  
Trading address: 3 Buchanan House, St James Square, London SW1Y 4JU

**Joint Liquidators' details**

Name: Stephen Hunt  
IP number: 9183  
Firm's address: Tavistock House South, Tavistock Square, London WC1H 9LG  
Name: Nedim Ailyan  
IP number: 9072  
Name of firm: Griffins  
Firm's address: 142-148 Main Road, Sidcup, Kent  
Date of Successor Appointment: 24 May 2016

**Former Liquidator's details**

Name: Jeffrey Mark Brenner  
IP number: 9301  
Name of firm: B&C Associates Limited  
Firm's address: Concorde House, Grenville Place, Mill Hill, London, NW7 3SA  
Date of Appointment: 21 August 2014  
Date ceased to act: 24 May 2016




**Lanyard Capital Limited  
In Creditors' Voluntary Liquidation**

Receipts and payments account for the period 24 May 2016 to 23 May 2017, together  
with a cumulative account for the entire period of the liquidation



**Lanyard Capital Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £	From 24/05/2016 To 23/05/2017 £	From 21/08/2014 To 23/05/2017 £
ASSET REALISATIONS		
VAT Refund	341.72	341.72
Cash at Bank	0.03	0.03
Lease Completion Refund	2,475.75	2,475.75
Bank Interest Gross	2.19	2.19
	<u>2,819.69</u>	<u>2,819.69</u>
COST OF REALISATIONS		
Statutory Advertising	72.00	72.00
	<u>(72.00)</u>	<u>(72.00)</u>
UNSECURED CREDITORS		
(62,788.00) Trade & Expense Creditors	NIL	NIL
(109,262.00) Directors	NIL	NIL
(25,431.00) HM Revenue & Customs	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
DISTRIBUTIONS		
(1.00) Ordinary Shareholders	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<u>(197,482.00)</u>	<u>2,747.69</u>	<u>2,747.69</u>
REPRESENTED BY		
VAT Receivable		14.40
Bank 1 - Current		2,733.29
		<u>2,747.69</u>

  
 \_\_\_\_\_  
 Stephen Hunt  
 Joint Liquidator

**Lanyard Capital Limited  
In Creditors' Voluntary Liquidation**

Joint Liquidators' time analysis for the period 24 May 2016 to 23 May 2017, and Griffins' policy on charge out rates and disbursements, in accordance with the Statement of Insolvency Practice 9





# Time Entry - Detailed SIP9 Time & Cost Summary

LANYA01 - Lanyard Capital Limited  
From: 24/05/2016 To: 23/05/2017  
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Administrators	Total Hours	Time Cost (£)	Average Hourly Rate (£)
STATUTORY - Statutory Duties	0.33	5.25	1.83	2.33	17.67	25.17	6,477.48	257.38
Administration & Planning	0.33	5.25	1.83	2.33	17.67	25.17	6,477.48	257.38
CREDITOR - Creditor Related Work	0.08	0.25	4.17	0.00	3.75	8.25	2,366.23	286.82
Creditors	0.08	0.25	4.17	0.00	3.75	8.25	2,366.23	286.82
INV-FURTH - Further Investigations	0.00	0.25	9.33	0.00	0.00	9.58	3,129.56	326.56
INV-INIT - Initial Investigations	0.50	2.00	47.17	0.00	0.75	50.17	16,480.41	328.51
Investigations	0.50	2.25	56.50	0.00	0.75	59.75	19,609.97	328.20
LIT-POST - Post-action Litigation	0.50	0.00	0.00	0.00	0.00	0.50	282.48	564.96
Legal & Litigation	0.50	0.00	0.00	0.00	0.00	0.50	282.48	564.96
ASS-CASH - Cash at Bank	0.00	0.17	0.00	0.00	0.00	0.17	62.50	375.00
ASS-PROP - Land and Buildings	0.00	0.00	0.00	0.00	0.17	0.17	38.33	229.98
Realisations of Assets	0.00	0.17	0.00	0.00	0.17	0.33	100.83	302.49
Total Hours	1.42	7.92	62.50	2.33	22.33	94.00	28,836.99	306.78
Total Fees Claimed							0.00	

## **GRIFFINS POLICY ON CHARGEOUT RATES AND DISBURSEMENTS SCHEDULE OF STANDARD CHARGEOUT RATES IN RESPECT OF GRIFFINS PARTNERS AND STAFF AS AT 1 OCTOBER 2016**

In accordance with Statement of Insolvency Practice 9 "Payments to insolvency office holders and their associates" the following hourly charge-out rates will be applied when fixing the office holders remuneration:

<b>Grade of staff</b>	<b>Hourly Rate</b>
Partners	£400 - £565
Senior Managers	£420 - £450
Managers	£325 - £410
Investigators	£245 - £390
Administrators	£150 - £325
Cashiering	£100 - £275
Support & Other Specialists	£ 70 - £200

The above rates are reviewed annually on 1 October.

It is not our policy to charge for support staff (secretarial, filing, reception) unless such staff are working on an individual matter for more than 7 hours in which case the rate for an Administrator may be applied.

Time is charged in minimum units of 5 minutes for all staff.

### **DISBURSEMENTS**

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance<sup>1</sup> requires that such charges should be disclosed to those who are responsible for approving the office holders remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at.

### **DEFINITIONS**

Practice guidance<sup>1</sup> classifies expenses into two broad categories:

- Category 1 expenses (approval not required) – specific expenditure that is directly related to a particular insolvency case, where the cost of the expense incurred is referable against an independent external suppliers' invoice or published tariff of charges; mileage is charged at the appropriate H M Revenue & Customs rate.
- Category 2 expenses: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to an appointment on a proper and reasonable basis.

### **CHARGING POLICY**

- Category 1 expenses (approval not required) – all such items are re-charged to the case as they are incurred.
- Category 2 expenses (approval required) – resolutions to be sought from creditors if this category of expense arises.

1 - Statement of Insolvency Practice 9 (England and Wales)

## **GRIFFINS HISTORIC CHARGEOUT RATES SINCE 1 OCTOBER 2010**

<b>STAFF GRADE</b>	<b>1 October 2010</b>	<b>1 October 2011</b>	<b>1 October 2012</b>
	£	£	£
Partners	495	495-545	495-545
Managers	300-350	300-395	300-395
Senior Investigators	300-350	325-380	325-380
Administrators/Investigators	180-280	200-300	200-300
Junior Administrators/Junior Investigators	140-190	145-190	145-250
Support Staff	70-170	70-180	70-180

<b>STAFF GRADE</b>	<b>1 October 2013</b>	<b>1 May 2014</b>
	£	£
Partners	495-565	450-565
Managers	300-400	300-450
Senior Investigators	325-385	325-425
Administrators/Investigators	200-310	200-360
Junior Administrators/Junior Investigators	150-250	150-250
Support Staff	70-220	70-220

<b>STAFF GRADE</b>	<b>1 October 2014</b>
	£
Partners	450-565
Managers	325-450
Investigators	285-380
Administrators	150-310
Support/Cashier Managers	220-275
Support/Cashier Staff	70-180

<b>STAFF GRADE</b>	<b>1 October 2015</b>
	£
Partners	450-565
Senior Manager	400-450
Managers	325-390
Investigators	280-390
Administrators	150-325
Cashiering	100-275
Support	70-200

The above rates are reviewed annually on 1 October. However, following the appointment of a new partner on the 1 May 2014 a rate review took place. It is not our policy to charge for support staff (secretarial, filing, reception) unless such staff are working on an individual matter for more than 7 hours in which case the rate for an Administrator may be applied. Time is charged in minimum units of 5 minutes for all staff.

**SIP 9 - Time & Cost Summary**

Period: 24/05/16..23/05/17

Time Summary

Classification of work function	Hours					Time Cost (£)	Average hourly rate (£)
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	0.50	2.20	0.00	0.00	2.70	798.50	295.74
Investigations	0.00	0.60	0.00	0.00	0.60	168.00	280.00
Realisations of assets	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
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>0.50</b>	<b>2.80</b>	<b>0.00</b>	<b>0.00</b>	<b>3.30</b>	<b>966.50</b>	<b>292.88</b>
<b>Total Fees Claimed</b>						<b>0.00</b>	



## **PRACTICE FEE RECOVERY POLICY FOR GRIFFINS the trading name of ABBOTT FIELDING LIMITED**

### **Introduction**

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <http://www.griffins.net/technical/>. Alternatively a hard copy is available on request. Please note that we have provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

### **Time cost basis**

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

### **Chargeout Rates**

<b>Grade of staff</b>	<b>Current charge-out rate per hour, effective from 1 February 2016 £</b>	<b>Previous charge-out rate per hour, effective from 1 February 2015 £</b>
Partner – appointment taker	365-520	345-500
Managers	280-370	260-350
Administrators	250-280	230-260
Support Staff	190-220	170-200

These charge-out rates charged are reviewed on annually each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Administration and Planning.
- Investigations.
- Realisation of Assets.
- Creditors.
- Trading
- Case specific matters.

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and it is possible to seek fees on a mixed basis. Generally Abbott Fielding Limited t/a Griffins will continue to seek fees on new appointments on a time cost basis but if appropriate we may only seek time costs for the following category:

- Investigations

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken, or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

#### **Percentage basis**

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

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

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

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

#### **Fixed fee**

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

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

### **Members' voluntary liquidations and Voluntary Arrangements**

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

### **All bases**

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

### **Agent's Costs**

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

### **Disbursements**

In accordance with 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 «GENERAL\_COMP» t/a Griffins; 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:

Mileage	50p per mile
Photocopying	10p per sheet

## **Statutory and Creditor Compliance Tasks**

### **Post-Appointment Statutory and Professional Compliance**

I am required, as Joint Liquidator, to undertake the following tasks:

- On appointment, set the case up on our insolvency database and maintain and separately record all financial records on the case, including the recording of creditors and employees;
- Notify creditors of my appointment and advertise the appointment in the Gazette;
- Obtain a Specific Penalty bond for a sum equal to the company's assets subject to the statutory provisions. This bond covers any losses to the estate for any possible fraud or dishonesty of the Joint Liquidator whether acting alone or in collusion with one or more persons and/or the fraud and dishonesty of any person committed with the connivance of the Joint Liquidator;
- Convene and hold a meeting of creditors to provide creditors with the opportunity to establish a Liquidation Committee;
- Undertake a one month case review to ensure that all initial statutory matters have been completed, asset realisation and initial investigations commenced;
- Obtain the company's books and records;
- Establish whether the company has an occupational pension scheme and, if so, comply with Section 120 Pensions Act 2004 and submit a S120 Notice to the Pension Protection Fund, The Pension Regulator and to the Trustees of the Pension Fund if applicable;
- Where necessary prepare money laundering reports.



## **Statutory and Creditor Compliance Tasks**

### **Annual Statutory and Professional Compliance**

In addition to the tasks identified above, each year I am required to undertake the following statutory tasks:

- Prepare and issue an Annual Report to creditors;
- Undertake bi-annual case reviews to ensure that the case is being progressed efficiently and in a timely manner; statutory duties have been undertaken; consider any ethical, money laundering and Bribery Act 2010 issues pertaining to the case and ensure that any identified matters are addressed;
- Submit VAT returns to HM Revenue and Customs, to ensure that any VAT refunds or payments are received or paid;
- Submit annual Tax returns to HM Revenue and Customs;
- Maintain the case cash book, by undertaking quarterly reconciliations.

### **Closing Statutory and Professional Compliance**

After concluding all case related matters, I am required to:

- Prepare and submit a letter to HM Revenue and Customs requesting clearance to close the case;
- Reconcile the cash book ready for closure;
- Prepare and issue the Final Account to creditors;
- If the creditors have so resolved, obtain my release from the Secretary of State;
- Retain and store the liquidation records for a minimum of 6 years after the vacation of office.

### **Statutory and Creditor Compliance Tasks**

- **Tasks in relation to creditors' claims**
- Ensure that all creditors' claims are listed with the correct addresses and references and that the amount claimed correlates to the Statement of Affairs;
- Enter proof of debt forms/claims as and when they are received;
- Deal with enquires from creditors;
- Adjudicate on claims;
- Declare and pay a dividend, if sufficient funds are available.

**Lanyard Capital Limited  
In Creditors' Voluntary Liquidation**

Creditors' rights - Rules 18.9 and 18.34 of the Insolvency (England & Wales) Rules 2016

## **Insolvency (England & Wales) Rules 2016**

### **Rule 18.9**

#### **Creditors' and members' requests for further information in administration, winding up and bankruptcy**

(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
- (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
- (d) any unsecured creditor with the permission of the court; or
- (e) any member of the company in a members' voluntary winding up 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 member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—

- (a) providing all of the information requested;
- (b) providing some of the information requested; or
- (c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

- (a) the time or cost of preparation of the information would be excessive; or
- (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
- (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
- (d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

- (a) the office-holder giving reasons for not providing all of the information requested;

or

(b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

#### **Rule 18.34**

##### **Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive**

(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

(a) the remuneration charged by the office-holder is in all the circumstances excessive;

(b) 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

(c) 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) a secured creditor,

(b) 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, or

(c) in a members' voluntary winding up—

(i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or

(ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").