

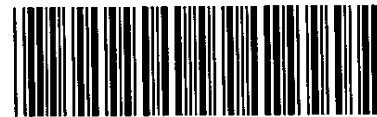
# LIQ03

## Notice of progress report in voluntary winding up



Companies House

TUESDAY



\*A95WAQ0H\*

A07

26/05/2020

#331

COMPANIES HOUSE

### 1 Company details

Company number 0 8 4 0 4 2 9 8

Company name in full MobBill (UK) Limited

→ Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Andrew

Surname Pear

### 3 Liquidator's address

Building name/number 82

Street St John Street

Post town London

County/Region

Postcode E C 1 M 4 J N

Country

### 4 Liquidator's name ①

Full forename(s) Michael

Surname Solomons

① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 82

Street St John Street

Post town London

County/Region

Postcode E C 1 M 4 J N

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	d	2	7	m	0	3	y	2	0	1	9
To date	d	2	6	m	0	3	y	2	0	2	0

**7** Progress report

☒ The progress report is attached

**8** Sign and date

Liquidator's signature

Signature

X 

X

Signature date	d	2	1	m	0	5	y	2	0	2	0
----------------	---	---	---	---	---	---	---	---	---	---	---



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 **Louise Bennett**

Company name **BM Advisory**

Address **82 St John Street**

Post town **London**

County/Region

Postcode **E C 1 M 4 J N**

Country

DX

Telephone **020 7549 8050**



**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)**



**MobBill (UK) Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £		From 27/03/2019 To 26/03/2020 £	From 27/03/2019 To 26/03/2020 £
(3,478,044.00)	SECURED CREDITORS		
	Loan note holders (Fixed charge 5/9/1)	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
Uncertain	Accrued income	NIL	NIL
Uncertain	Book debts	8,656.30	8,656.30
455,183.70	Cash at bank	449,902.39	449,902.39
NIL	Computer equipment	NIL	NIL
	Insurance refund	276.68	276.68
Uncertain	Related entities - Receivables	NIL	NIL
16,950.38	VAT refund	1,022.27	1,022.27
		459,857.64	459,857.64
	COST OF REALISATIONS		
	Accountancy package	526.50	526.50
	Agents' fees	11,625.24	11,625.24
	Bank charges	75.00	75.00
	Duress payment	35,000.00	35,000.00
	Joint Liquidators' expenses	487.67	487.67
	Joint Liquidators' fees	31,400.00	31,400.00
	Legal fees	3,767.75	3,767.75
	Statutory advertising	220.65	220.65
		(83,102.81)	(83,102.81)
	FLOATING CHARGE CREDITORS		
	The Loan Note Holders	256,975.00	256,975.00
		(256,975.00)	(256,975.00)
	UNSECURED CREDITORS		
(7,715.39)	Accrued merchant payables	NIL	NIL
	HM Revenue & Customs	119.17	119.17
(855,093.96)	Related entities - Payable	33,295.69	33,295.69
(846,582.93)	Trade & expense creditors	4,702.87	4,702.87
		(38,117.73)	(38,117.73)
	DISTRIBUTIONS		
(100.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
<b>(4,715,402.20)</b>		<b>81,662.10</b>	<b>81,662.10</b>
	REPRESENTED BY		
	Estate account - non interest bearing		76,627.02
	VAT receivable		5,035.08
			<b>81,662.10</b>



22 May 2020

## TO ALL MEMBERS AND KNOWN CREDITORS

Dear Sirs

### **MobBill (UK) Limited – In Creditors’ Voluntary Liquidation (“the Company”)**

As you are aware, Michael Solomons and I were appointed Joint Liquidators of the Company on 27 March 2019.

I have prepared my first annual progress report on the Company for the period 27 March 2019 to 26 March 2020 (the reporting period). Statutory information regarding the Company is attached at **Appendix I**.

The Liquidators have acted jointly and severally in all matters relating to the Liquidation. This report should be read in conjunction with my previous reports, copies of which are available on request. Further information can also be found at [www.creditorinsolvencyguide.co.uk](http://www.creditorinsolvencyguide.co.uk) which is designed to provide creditors with a step by step guide to the insolvency process.

### **CONDUCT OF LIQUIDATION**

The Company was incorporated in February 2013 and operated as a mobile phone billing aggregator, facilitating payments for subscriptions and products by end consumers via their mobile phone bills. Its contracts were with telecom carriers and merchants and it had a sister entity in India, which it used to receive revenues from Indian telecom carriers.

Initial trading performance was slow and the Company had high overheads as a result of the requirement for experienced staff and significant capital investment to improve its infrastructure. In 2015 the Company changed its strategy to obtaining direct connections with telecom carriers and managed to increase revenue and net profit. From 2016 onwards, other telecom carrier revenues remained static or declined. While Indian revenues were promising, local tax issues caused wider cashflow difficulties for the Company.

The Company’s associated entities, MobStuff (UK) Limited, Mobilewebadz Limited, MobStuff Global Limited and Mobilewebadz Global Limited (“the Group”) all entered into Liquidation in May/June 2018, leaving the Company with the sole burden of cross guaranteed loan note liabilities in excess of £3.4m. As the Company was unable to generate sufficient turnover in order to meet this debt, professional advice was sought and steps were taken to wind it up.

During this reporting period, I have attended to the statutory matters incumbent upon Liquidators generally including (but not limited to) filing notices at Companies House, advertising notice of my appointment in the London Gazette and filing tax returns. I have also realised the Company’s assets, reviewed the security of the



floating charge agreement and made an initial distribution, adjudicated unsecured creditor claims and declared an initial distribution under the prescribed part. I have also concluded my investigations into the affairs of the Company leading up to my appointment. Further details can be found within my report.

In the forthcoming reporting period it is my intention to conclude the Liquidation by realising the remainder of the Company's assets, declaring a final dividend to unsecured creditors via the prescribed part and paying surplus funds to the floating charge holder. At this time the final report will be prepared and the Liquidation brought to a close.

## **RECEIPTS AND PAYMENTS ACCOUNT**

A receipts and payments account for the reporting period is attached at **Appendix II** and shows a balance on hand of £76,627. Estate funds were banked into a designated non-interest bearing estate account.

## **ASSETS**

### **Computer equipment**

The Company owned IT hardware that had a negligible book value of £508. No realisations were expected in this regard due to the costs of recovery and disposal versus the potential sale consideration achievable.

### **VAT refund**

A pre-appointment VAT refund of £1,022 was received in this reporting period. Whilst the statement of affairs estimated the refund be in the region of £16,950, this was not the case once the returns were submitted and no further realisations are expected.

### **Insurance refund**

A nominal refund was received from pre-appointment insurers totalling £277. No further realisations are expected.

### **Cash at bank**

The Company operated various account facilities with HSBC UK plc. Shortly after appointment closing funds were transferred to the Liquidation estate totalling £449,902.

## **Related entities – Receivables**

The Company is owed £52,989 by its related entity Mobilewebadz Limited (in Liquidation) and Andrew Pear and Michael Solomons act as Joint Liquidators. It is likely that a dividend will be available to unsecured creditors of Mobiewebadz Limited, however, the quantum and timing is uncertain, although the final dividend will be nominal based on current information. A claim will be submitted in the Liquidation of Mobilewebadz Limited accordingly.

## **Accrued income**

At the date of appointment the Company was owed £3,404 in respect of various telecoms carrier contracts. It was considered that no realisations would be achieved in the Liquidation as the cost of pursuing the various overseas telecom carriers and reconciling each account would far outweigh any benefit to creditors. This amount has been written off.

## **Book debts**

The Company's records showed it was owed £182,673 from former customers. The largest account totals £153,745 and is heavily disputed by the debtor, therefore, the Liquidators are in correspondence with the debtor and reviewing the Company's records to determine if legal action is required. The balance of £26,880,

relates to income due from an associated entity in India, CMVPL, of which £8,656 has been recovered to date. Investigations are continuing regarding the balance of this debt but based on current information further realisations are unlikely. The remaining account of £2,048 was owed from a single debtor but credits had not been applied and following the reconciliation of the account it was determined no balance was payable.

## **LIABILITIES**

### **Duress payment**

As previously reported, prior to the Liquidation Hilco Appraisal Limited ("Hilco") were engaged by the Company and its associated entities in March 2018 to run a comprehensive marketing and sale campaign. During this process discussions in relation to contractual rights and connections arose in respect of a Mobile Payments Services Agreement with a UK telecoms carrier. The Company entered into a period of negotiations and exclusivity with the successful bidders, Wireless Works BV and Izesoft BV. As part of these negotiations, it was agreed that both parties would write off any sums owed by the Company, totalling £627,714, which was to the significant benefit of the remaining secured and unsecured creditors, cease all legal action and the Company would benefit from a share of revenue over the next four years, in return for a duress payment of £35,000 to be paid on completion of the agreement. A number of delays were encountered, including receiving the necessary consents, and in this time the IT hardware and software supporting the business has ceased to be operational with no guarantee that it could be repaired. Furthermore, the Company's secured creditor's appetite for continued involvement for a further four years diminished and it no longer wanted the Company to enter into the revenue share agreement. As a result of these issues other stakeholders implied they would enter into litigation against the Company if a resolution could not be found. Further negotiations took place with regards to changing the agreed terms such that the purchaser could still try and take an assignment of the contractual rights but without the revenue share provisions.

Various scenarios were deliberated with the assistance of the Company's legal advisors, Charles Russell Speechlys ("CRS") and the final terms were considered to the best outcome for all stakeholders, especially the Company's creditors. Under the agreement the duress payment was to be paid as an expense of the Liquidation and the Company and the Liquidators would use reasonable endeavours to assist the purchaser in negotiations to take an assignment of the contract. The purchaser agreed to waive all claims in the Liquidation of the Company and its parent, should it also be wound up. It also agreed to acquire the Indian entity from the parent company for consideration equal to the cash held in Indian accounts (circa USD100k), which would benefit the creditors of the parent. By this time the Company had been placed into Liquidation and the agreement completed on 2 July 2019. Under the recommendation of CRS the duress payment was paid in this reporting period.

### **Secured creditor**

The Company's mortgage register held by the Registrar of Companies shows that the Company granted a fixed and floating charge to a number of individuals, known collectively as the Secured Parties, on 5 September 2015, which was cross guaranteed across the group of companies. At the date of appointment, the Secured Parties were owed £3,478,044 (plus interest and other charges) under the security. As a result of distributions paid by other group companies, as well £256,975 in this reporting period, the current balance due under the cross guarantee is £3,171,871 (plus interest and other charges).

### **Preferential creditors**

There are no preferential creditors in this matter.

### **Unsecured creditors**

The Company had trade and expense creditors totalling £846,583 and liabilities in respect of accrued income of £7,715. £351,648 and £503,446 is owed to related entities MobBill Global Limited and MobStuff (UK) Limited (in Liquidation) respectively. To date, I have received claims totalling £540,839, including a claim from Phonepaid Services Authority in the amount of £410,131. Related entities have submitted their claims in full.

## DIVIDENDS

As reported above, £256,975 was paid to the secured creditor on 14 May 2019 with regards to the floating charge. The following distribution was made to unsecured creditors under the prescribed part:

Date	Amount of Distribution	Rate of Distribution	Class of creditor
24 June 2019	£38,118	3.89 pence in the £	Unsecured (prescribed part)

## PRESCRIBED PART

The Prescribed Part Fund is created out of the Company's net floating charge property pursuant to Section 176A of the Insolvency Act 1986, as long as the floating charge was registered later than 15 September 2003.

As previously advised, the Company granted a floating charge on 5 September 2015 and the prescribed part provisions apply. The initial payment under the prescribed part was calculated on net property of £325k. Further distributions will be subject to what further assets can be realised and associated costs.

## JOINT LIQUIDATORS' INVESTIGATIONS

Under the insolvency legislation, the Liquidators have a duty to consider the conduct of those persons who have been directors of the Company, shadow directors or de facto directors at any time within three years preceding the Liquidation and consider whether any civil proceedings should be taken.

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking into account public interest and the potential recoveries and costs involved. I have recovered the Company's accounting records, obtained copy bank statements for the six months prior to my appointment and compared information in the Company's accounts with that in the statement of affairs. I have made enquiries where necessary and concluded that there were no matters that justified further investigation.

Within three months of my appointment as Liquidator, I was required to submit a confidential report to the Secretary of State to include any matters which came to my attention during the course of my work, which may have indicated that the conduct of any past or present director would make them unfit to be concerned with the management of the Company. I confirm that my report has been submitted.

## PRE-APPOINTMENT REMUNERATION

The directors and creditors have previously authorised the payment of my fees for assistance with preparing the statement of affairs in the sum of £3,000 and facilitating the creditors' decision in the sum of £2,000, plus VAT and disbursements. These fees were paid by the Company prior to my appointment.

## JOINT LIQUIDATORS' REMUNERATION

At a meeting of creditors on 27 March 2019, it was agreed that the Joint Liquidators be remunerated by reference to time properly spent by them and their staff in attending to matters arising from the Liquidation of the Company.

A total of 150.4 hours have been spent during this reporting period at a cost of £33,162, resulting in an average hourly charge out rate of £220. This is compared to anticipated hours of 192 at an average hourly rate of £224, which I estimated at the outset of my appointment for the whole period of the Liquidation. A summary of my time costs for this reporting period and the work undertaken is attached at **Appendix III**, together with a comparison to the original fee estimate approved by creditors and BM Advisory's policy on fees.

I have drawn £31,400 plus VAT to date, against total time costs £33,162, of which was drawn in full in this reporting period. The Joint Liquidators' remuneration has been within the original fee estimate and I do not anticipate needing to seek an additional fee approval in this matter.



A guide to fees can be found at [www.bm-advisory.com/resources/](http://www.bm-advisory.com/resources/) and provides information relating to Liquidators' remuneration. A hard copy is available on request.

Please note that a secured creditor, or unsecured creditor with the permission of the Court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), may request further details of the Joint Liquidators' remuneration and expenses, within 21 days of receipt of this report.

Furthermore, a secured creditor, or unsecured creditor with the permission of the Court or with the concurrence of 10% in value of the creditors (including the creditor in question), may apply to Court to challenge the amount and/or basis of the Joint Liquidators' fees and the amount of any proposed expenses or expenses already incurred, within eight weeks of receipt of this report.

## JOINT LIQUIDATORS' DISBURSEMENTS

On 27 March 2019, creditors agreed my Category 2 disbursements as detailed in my firm's policy on fees, attached at **Appendix III**. Category 1 disbursements do not need approval and can be drawn at the Liquidators' discretion without authority.

Detailed below are the expenses I expected to incur during the Liquidation and what I have incurred in this reporting period, together with details of what has been paid in this period and what remains unpaid.

		<b>Estimated total cost £</b>	<b>Incurred in period £</b>	<b>Paid during period £</b>	<b>Remains unpaid £</b>
Statutory advertising	Category 1	220.65	220.65	220.65	-
Bond	Category 1	480.00	480.00	480.00	-
Mail redirection	Category 1	204.00	-	-	-
Accountancy software	Category 1	330.00	526.50	526.50	-
Telephone	Category 1	-	7.67	7.67	-
Insurance	Category 1	500.00	-	-	-
<b>TOTAL</b>		<b>1,734.65</b>	<b>1,234.82</b>	<b>1,234.82</b>	<b>-</b>

During the Liquidation, solicitors and agents have been instructed to assist with various matters in the Liquidation. Detailed below are the fee arrangements agreed in each instance, the estimated total cost and the costs incurred in this period, together with fees paid in this period and what remains unpaid. The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of this assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances.

	<b>Fee arrangement</b>	<b>Estimated total cost £</b>	<b>Incurred in period £</b>	<b>Paid during period £</b>	<b>Remains unpaid £</b>
Melania Constable, Charles Russell Speechlys	Time costs	-	3,768	3,768	-
Nat Baldwin, Hilco Valuations Services	%	-	-	-	-
Sacha Jacobs	Time costs	-	9,817	9,817	-
Kieran O'Keeffe	Time costs	-	1,500	1,500	-
Thomas Ekers, FCCA	Time costs	-	350	350	-

As previously advised both CRS and Hilco were engaged by the Company prior to the appointment. CRS were subsequently instructed by the Liquidators to provide legal advice to the Liquidators given their prior knowledge, complete negotiations with regards to the commercial agreement, incorporating the various amendments required and liaising with the other stakeholders involved. The costs incurred were higher than originally envisaged as the negotiations became extremely protracted. Total time costs incurred totalled £7,536 plus VAT and it was agreed to split the fee between the Company and its parent, MobBill Global Limited.

Hilco were engaged to perform a valuation and accelerated marketing campaign of the Company and some of its associated entities. No asset sale was ultimately achieved and no fees were payable.

Sacha Jacobs, Kieran O'Keeffe and Thomas Ekers (FCCA) were previously employed by the Company in the capacities of Chief Financial Officer, Chief Executive Officer and Group Finance Director respectively. All were retained by the Joint Liquidators to provide assistance in various matters regarding asset recoveries and closing off lines of enquiries. No further work is required of Mr O'Keeffe or Mr Ekers. Any further work required by Mr Jacobs has been agreed as a percentage of realisations (10%) going forward.

The expenses incurred have not exceeded the estimate previously given to creditors and I do not anticipate that they will exceed the original estimate.

## **SUMMARY**

I shall report again on the next anniversary of my appointment, or the closure of the Liquidation, whichever is sooner.

Information about our privacy policy, complaints procedure, Professional Indemnity insurance and the Provision of Services Regulations, can be found at [www.bm-advisory.com/about/legals-compliance/](http://www.bm-advisory.com/about/legals-compliance/). If you have any queries regarding this report, please contact Louise Bennett of this office on 020 7549 8002 or email [louise.bennett@bm-advisory.com](mailto:louise.bennett@bm-advisory.com).

Yours faithfully



**Andrew Pear**  
Joint Liquidator

**STATUTORY INFORMATION**

Company name:	MobBill (UK) Limited
Registered office:	82 St John Street, London, EC1M 4JN
Former registered office:	Unit 7, Lower Ground Floor, Europoint House, 5-11 Lavington Street, London SE1 0NZ
Former trading address:	Unit 7, Lower Ground Floor, Europoint House, 5-11 Lavington Street, London SE1 0NZ
Registered number:	08404298
Joint Liquidators' names:	Andrew Pear and Michael Solomons
Joint Liquidators' address:	82 St John Street, London EC1M 4JN
Liquidators' date of appointment:	27 March 2019

**MobBill (UK) Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**  
**To 26/03/2020**

<b>S of A £</b>		<b>£</b>	<b>£</b>
	<b>SECURED CREDITORS</b>		
(3,478,044.00)	Loan note holders (Fixed charge 5/9/1)	NIL	NIL
	<b>ASSET REALISATIONS</b>		
NIL	Computer equipment	NIL	
16,950.38	VAT refund	1,022.27	
	Insurance refund	276.68	
455,183.70	Cash at bank	449,902.39	
Uncertain	Related entities - Receivables	NIL	
Uncertain	Accrued income	NIL	
Uncertain	Book debts	8,656.30	
			459,857.64
	<b>COST OF REALISATIONS</b>		
	Joint Liquidators' fees	31,400.00	
	Joint Liquidators' expenses	487.67	
	Agents' fees	11,625.24	
	Duress payment	35,000.00	
	Legal fees	3,767.75	
	Accountancy package	526.50	
	Statutory advertising	220.65	
	Bank charges	75.00	
			(83,102.81)
	<b>FLOATING CHARGE CREDITORS</b>		
	The Loan Note Holders	256,975.00	
			(256,975.00)
	<b>UNSECURED CREDITORS</b>		
(846,582.93)	Trade & expense creditors	4,702.87	
(7,715.39)	Accrued merchant payables	NIL	
	HM Revenue & Customs	119.17	
(855,093.96)	Related entities - Payable	33,295.69	
			(38,117.73)
	<b>DISTRIBUTIONS</b>		
(100.00)	Ordinary shareholders	NIL	
			NIL
<b>(4,715,402.20)</b>			<b>81,662.10</b>
	<b>REPRESENTED BY</b>		
	VAT receivable		5,035.08
	Estate account - non interest bearing		76,627.02
			<b>81,662.10</b>



Task	ORIGINAL ESTIMATE			REPORTING PERIOD		
	Estimated hours hrs	Estimated cost £	Average charge out rate £		£	£
Administration and planning	23.90	4,669.50	195.38	32.40	6,161.50	190.17
Statutory compliance	75.90	18,775.00	247.36	31.40	7,556.50	240.65
Investigations	10.60	2,400.50	226.46	13.40	2,902.50	216.60
Asset realisations	17.80	4,460.00	250.56	24.70	5,626.00	227.77
Creditors	63.80	12,665.50	198.52	48.50	10,915.50	225.06
<b>TOTAL</b>	<b>192.00</b>	<b>42,970.50</b>	<b>223.80</b>	<b>150.40</b>	<b>33,162.00</b>	<b>220.49</b>

A summary of the work undertaken in this reporting period is detailed below and was required to be undertaken to deal with the specific circumstances of the case, as well as meet our statutory duties obligations:

#### ADMINISTRATION AND PLANNING

Strategy & planning - devising an appropriate strategy for dealing with the case and giving instructions to staff.

Opening, maintaining and managing the officeholders' estate bank account.

Creating, maintaining and managing the officeholders' cashbook.

Undertaking regular reconciliations of the officeholders' estate bank account.

#### STATUTORY COMPLIANCE

Setting up & maintaining physical/electronic case files.

Setting up the case on insolvency practice management software and inputting necessary data.

Dealing with all correspondence and emails relating to the case.

Delivering statutory notifications to creditors and others as required on appointment, including advertising the officeholders' appointment in the Gazette.

Conduct statutory searches to identify company pension schemes.

Deal with statutory obligations in relation to identified company pension schemes

Obtaining a specific penalty bond.

Reviewing the adequacy of the specific penalty bond on a quarterly basis.

Undertaking periodic reviews of the progress of the case.

Overseeing and controlling the work done.

Preparing, reviewing and issuing progress reports to creditors and members.

Filing returns at Companies House and/or Court (as applicable).

Preparing and filing VAT returns.

Preparing and filing Corporation Tax returns.

#### INVESTIGATIONS

Recovering the Company's books and records.

Scheduling the Company's books and records.

Preparing a report on the conduct of the directors as required by the Company Directors Disqualification Act.

Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.

Reviewing books and records to identify any suspicious transactions or actions the officeholder may take against a third party in order to recover funds for the benefit of creditors.

#### ASSET REALISATIONS

Arranging suitable insurance over assets.

Regularly monitoring the suitability and appropriateness of the insurance cover in place.

Corresponding with debtors and attempting to collect outstanding book debts.

Liaising with the bank to recover any credit balances and close the account(s).

Instructing agents to value known assets.

Liaising with agents to realise known assets.

Novation: Liaison with MobBill Global Ltd.

Novation: Liaison with solicitors.

#### CREDITORS

Liaising with secured creditors regarding details of security and estimated outcome.

Review and calculate net property and prescribed part provision.

Dealing with all creditor correspondence, emails and telephone conversations regarding their claims.

Maintaining up to date creditor information on the insolvency practice management system.

Issuing a notice of intended dividend to unsecured creditors, and advertising notice of intention to pay a dividend to unsecured creditors in the Gazette.

Reviewing proofs of debt received from unsecured creditors, adjudicating on them and formally admitting them for the payment of a dividend.

Requesting additional information from unsecured creditors in support of their proofs of debt in order to adjudicate on their claims.

Calculating and paying a dividend to unsecured creditors, and issuing the notice of declaration of dividend.

#### Notes:

- 'Administration and planning' represents the work involved in the routine administrative functions of the case. It does not give direct financial benefit to the creditors, but has to be undertaken to meet our statutory requirements and obligations under the insolvency legislation and the Statements of Insolvency Practice.

- 'Statutory compliance and reporting' represents the work involved in the statutory functions of the case, together with the necessary control and supervision by senior staff. It does not give direct financial benefit to the creditors, but has to be undertaken to meet our statutory obligations.

- 'Investigations' represents the work required to comply with our statutory obligations and has no direct financial benefit to creditors unless there are potential recovery actions identified. Details of the investigations undertaken and outcomes are set out in the report.

- 'Asset realisation' represents the work required to be undertaken to realise the known assets in the case for the benefit of the creditors, details of which are set out in the report.

- 'Creditors' represents the work required to deal with the various creditors of the Company and maintain records of each claim. All queries and correspondence are dealt with as part of our statutory obligations.



## BM ADVISORY

### STATEMENT OF POLICY ON FEES

#### Introduction

This statement has been prepared in accordance with guidelines set out in Statement of Insolvency Practice 9 issued by the Association of Business Recovery Professionals (R3).

The following information applies to all appointments of partners, directors, consultants or staff of BM Advisory, to act as any of the following:-

Liquidator, Receiver, Administrator or Administrative Receiver of a Limited Company or Limited Liability Partnership  
Trustee in Bankruptcy  
Supervisor of an Individual, Company or Partnership Voluntary Arrangement  
Administrator under the Insolvent Estates Order

When acting as Nominee, the provisions of the Insolvency Act 1986 ("the Act") require that the amount of the fees payable to the Office Holder be specified within the Debtor's proposals. Such fees will nevertheless be fixed to take account of the Office Holder's expected time costs arising as referred to below.

#### Policy on fees

In accordance with the Act, the Office Holder may seek approval of their remuneration either on a fixed fee basis, on a percentage basis or on a time costs basis. When an Office Holder's fees are charged by reference to time costs, they will be charged at the firm's usual rates applicable at the time the work is carried out. Rates may be varied from time to time, at the sole discretion of BM Advisory, and such changes will be notified in retrospect with each report to Creditors. It is the policy of BM Advisory to use as junior grade of staff as compatible with the efficient conduct of the matter in order to ensure costs are kept to a minimum. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

As at 1 March 2014 the hourly rates applicable are:

Grade	£
Partner 1	430
Partner 2	380
Associate Director	360
Senior Manager	340
Manager	310
Assistant Manager	285
Senior Administrator	240
Administrator	185
Junior Administrator	125
Cashier	115
Support staff	85

Rates vary between individuals, reflecting experience and qualification. For certain more complex tasks, BM Advisory may seek to apply a higher rate in respect of work undertaken, but subject to prior authorisation in accordance with the Act.

Further information on the manner in which an Office Holder's fees may be fixed, can be found in the guidance notes on our website: [www.bm-advisory.com/resources/](http://www.bm-advisory.com/resources/).

#### Disbursements

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 case or BM Advisory; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the case. These disbursements are recoverable in full from the case without the prior approval of creditors either by a direct payment from the case or, where BM Advisory has made payment on behalf of the case, 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 and specific bond insurance.

Category 2 expenses are incurred by BM Advisory and recharged to the case; they are not attributed to the case by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the case, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of Category 2 disbursements are photocopying, internal room hire and internal storage.

It is proposed that the following Category 2 disbursements are recovered:

Meeting room hire	Up to £200
Postage	£0.51 - £2.25
Mileage (per mile)	At the HMRC approved mileage rate at the time the mileage was incurred
Photocopies (per sheet)	£0.15
Storage (per box per month)	£0.35

The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.

