

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 1 0 4 6 7 9 7 1

Company name in full Enutpen Mur Limited formerly Neptune Rum Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Paul

Surname Ellison

3 Liquidator's address

Building name/number Unit 8, The Aquarium

Street King Street

Post town Reading

County/Region Berkshire

Postcode R G 1 2 A N

Country

4 Liquidator's name ①

Full forename(s) Gareth

Surname Roberts

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Unit 8, The Aquarium

Street King Street

Post town Reading

County/Region Berkshire

Postcode R G 1 2 A N

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ14

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6 Liquidator's release

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

:

7 Final account

☒ I attach a copy of the final account.

8 Sign and date

Liquidator's signature

Signature

X

Lee

X

Signature date

^d2

^d5

^m1

^m1

^y2

^y0

^y2

^y2

**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	Chris Errington
Company name	KRE Corporate Recovery Limited
Address	Unit 8, The Aquarium King Street
Post town	Reading
County/Region	Berkshire
Postcode	R G 1 2 A N
Country	
DX	
Telephone	01189 479090

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Enutpen Mur Limited formerly Neptune Rum Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
From 14 November 2020 To 29 September 2022

Statement of Affairs		£	£
	ASSET REALISATIONS		
NIL	Goodwill & Name	NIL	
	Book Debts	1,228.29	
NIL	Customer Contracts	NIL	
NIL	Supplier Contracts	NIL	
NIL	Customer List	NIL	
	VAT Refund	4,389.20	
	Insurance Refund	136.37	
	Transfer from Administration	201,107.38	
Uncertain	Directors Loan Account	NIL	
NIL	Intellectual Property Rights	NIL	
NIL	Business Intellectual Property Rights	NIL	
NIL	Marketing Literature	NIL	
NIL	Prepayments	NIL	
			206,861.24
	COST OF REALISATIONS		
	Administrators fees	57,022.00	
	Office Holders Fees	35,000.00	
	Agents/Valuers Fees (1)	2,000.00	
	Legal Fees (1)	5,073.00	
	Corporation Tax	8.74	
	VAT	4.00	
	Website Fees	20.00	
	Printers Fees	69.43	
	Statutory Advertising	94.50	
	Pension Advisory	600.00	
			(99,891.67)
	PREFERENTIAL CREDITORS		
	Pension Schemes	272.81	
			(272.81)
	UNSECURED CREDITORS		
	Trade & Expense Creditors	104,371.66	
	DE	8.32	
	HM Revenue & Customs - VAT	2,316.78	
			(106,696.76)
			(0.00)
	REPRESENTED BY		
			NIL
			Paul Ellison Joint Liquidator

Final Account

**Enutpen Mur Limited formerly Neptune Rum Limited – In Creditors' Voluntary
Liquidation**

Content

- Executive Summary
- Administration and Planning
- Enquiries and Investigations
- Realisation of Assets
- Creditors
- Ethics
- Fees and Expenses
- Creditors' Rights
- Conclusion

Appendices

- Appendix I - Statutory Information
- Appendix II – Receipts and Payments account for the period 14/11/2021 to 29/09/2022
- Appendix III - Detailed list of work undertaken in the period and since appointment
- Appendix IV - Time cost information for 14/11/2021 to 29/09/2022 & 14/11/2020 to 29/09/2022
- Appendix V - Time costs summary for period, cumulative & comparison with estimate
- Appendix VI - Expenses summary for period, cumulative & comparison with estimate

EXECUTIVE SUMMARY

A summary of key information in this report is detailed below.

Assets

Asset	Estimated to realise per Statement of Affairs (£)	Realisations to date (£)	Total anticipated realisations (£)
VAT Refund	-	4,389	4,389
Insurance Refund	-	136	136
Transfer from ADM	-	201,107	201,107
Directors Loan Accounts	Uncertain	-	-
Book Debts	-	1,228	1,228

Expenses

Expense	Amount per fees and expenses estimates (£)	Expense paid to date (£)	Total expense paid (£)
Administrators’ Fees	60,000	57,022	57,022
Joint Liquidators’ Fees	35,280	35,000	35,000
Agents’ Fees	2,250	2,000	2,000
Solicitors Fees	1,500	5,073	5,073
VAT	-	4	4
Pension Advisory	900	600	600
Consultancy	1,000	-	-
All other expenses	440	196	196

Dividend prospects

Creditor class	Distribution / dividend paid to date
Secured creditor	N/A
Preferential creditors	100p in the £
Unsecured creditors	4.07p in the £

Closure

There are no further matters in the liquidation to be progressed and the liquidation may now be concluded.

ADMINISTRATION AND PLANNING

Statutory information

Statutory information may be found at Appendix I.

The Joint Liquidators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found in Appendix III.

Reporting

The Joint Liquidators have met their statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

During the Review Period, the following key documents have been issued:

- Progress Report;
- And this Final Account.

Other administration tasks

During the Review Period, the following material tasks in this category were carried out:

- Case and Bond Reviews.
- Bank Reconciliations.
- Tax Returns
- VAT Reclaims

ENQUIRIES AND INVESTIGATIONS

A statutory investigation into the affairs of the Company and its directors was completed during the Administration period and a confidential investigation report was submitted to the Insolvency Service.

There is therefore no requirement to undertake a further investigation in the Liquidation period, unless any matters are brought to the Joint Liquidators' attention.

No matters have been brought to the Liquidators' attention to date.

REALISATION OF ASSETS

Detailed below is key information about asset realisation and strategy, however, more details about the work undertaken may be found at Appendix III. The Joint Liquidators formulated and worked through a realisation strategy that sought to maximise realisations net of costs. The financial benefit of those efforts is described further below.

Book debts

Book debts totalling £1,228 have been realised.

VAT Refund

A VAT refund in respect of VAT paid on expenses during the Administration period, totalling £4,389.20 has been recovered for the benefit of creditors.

Insurance Refund

A small insurance refund totalling £136.37 has been received.

Transfer from Administration

The balance held in the Administration bank account totalling £201,107 has been transferred to the Liquidation bank account for the benefit of creditors.

Directors Loan Accounts

The Company’s records state that there are directors’ loans totalling £66,163 owed to the Company by one of the current directors and one of the former directors, both of which dispute the balances. Correspondence has been ongoing with both parties regarding the balances and members of the board of directors of the parent company have been engaged to provide the background and information in relation to the balances and to assist with any queries that arise.

Agreements in respect of settlements of the directors’ loans have been agreed and finalised with the parties, resulting in one director settling for £2,500 and the other for a total of £15,000. The settlement funds are to be deducted from the dividends payable to the directors from the solvent liquidation of the Company’s Parent Company which makes up 94% of the Company’s total unsecured creditors.

CREDITORS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Joint Liquidators have had to carry out key tasks which are detailed in the list at Appendix III. The following sections explain the outcomes to creditors and any distributions paid.

Secured creditors

The Company has not granted any charges over its assets.

Preferential creditors

On 6 June 2022, a first and final dividend of 100p in the £ was paid to preferential creditors whose claims totalled £272.81.

Unsecured creditors

HMRC was shown to be owed £53,723.49. A claim of £56,965.43 has been received and agreed in respect of its unsecured liability.

The trade and expense creditors as per the statement of affairs totalled £2,375,293. Final unsecured creditors’ claims have been agreed in the sum of £2,623,475.55.

Dividends

A distribution of 4.07p in the £ was paid to unsecured creditors.

ETHICS

Please also be advised that Joint Liquidator is bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

General ethical considerations

Prior to the Joint Liquidator’s appointment, a review of ethical issues was undertaken and no ethical threats were identified. A further review has been carried out and no threats were identified in respect of the management of the insolvency appointment.

Specialist Advice and Services

When instructing third parties to provide specialist advice and services or having the specialist services provided by the firm, the Joint Liquidator is obligated to ensure that such advice or work is warranted, and that the advice or work contracted reflects the best value and service for the work undertaken. The firm reviews annually the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed below.

FEES AND EXPENSES

The Joint Administrators’ fees

The basis of the Joint Administrators’ fees was approved by creditors on 11 August 2020, during the Administration period, in accordance with the following decision:

“That the Joint Administrators’ fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken.”

The Joint Administrators’ fees of £57,022 were paid in full of the Liquidation assets as can be seen in Appendix II.

The Joint Liquidators’ fees

It is the firm’s practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day-to-day administration on cases and a manager and director then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a senior manager or director.

The basis of the Joint Liquidators’ fees was approved by creditors on 18 December 2020 in accordance with the following decision:

“That the Joint Liquidator’s fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Liquidation, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken.”

The time costs for the period of 14 November 2021 to 29 September 2022 total £9,437.5 representing 36.45 hours at an average hourly rate of £258.92. Fees totalling £35,000 has been drawn on account of time costs incurred to date. The time costs for the period are detailed at Appendix IV.

The time costs for the Liquidation period of 14 November 2020 to 29 September 2022 total £44,285.5 representing 128.45 hours at an average hourly rate of £344.77.

Having regard for the costs that are likely to be incurred in bringing this Liquidation to a close, the Joint Liquidators consider that:

- the original fees estimate is likely to be exceeded; and
- the original expenses estimate is unlikely to be exceeded.

The main reason why the fees estimate is likely to be exceeded is due to the delays incurred negotiating and finalising settlement of the directors’ loan accounts, which has resulted in the costs

in this matter increasing. The Joint Liquidators do not intend to seek creditors’ approval to draw any further fees in this matter.

Expenses

The expenses, which include disbursements that have been incurred and paid during the period are detailed on Appendix VI. Also included in Appendix VI is a comparison of the expenses likely to be incurred in the Liquidation as a whole with the original expenses estimate, together with reasons where any expenses exceeded that estimate.

The category 1 expenses paid for in the period 14 November 2021 to 29 September 2022 total £14 are detailed at Appendix II and represent payments to parties not associated with the firm, who have provided services or goods for the administration of the assignment.

No category 2 expenses have been incurred or paid for the period 14 November 2021 to 29 September 2022. The basis of calculation of this category of expense was disclosed to creditors prior to their approval, which was given on 11 August 2020, and are also detailed at Appendix II.

Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk/>. A copy of ‘A Creditors’ Guide to Fees’ together with the firm’s charge-out rate and expenses policy may be found at www.krecr.co.uk/creditors. A hard copy of both the Creditors’ Guide and the firm’s charge-out rate and disbursement policy may be obtained on request.

Other professional costs

Solicitors

Field Seymour Parkes were instructed as legal advisors in relation to the settlement of the directors’ loan accounts. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT. The solicitors’ fees were incurred for the period 14 November 2021 to 29 September 2022 amount to £240 and have been paid in full. The solicitors’ fees for the Liquidation as a whole total £5,073 and have been paid in full.

Pension Advisory

Clumber Consultancy Ltd were instructed as pension advisors in order to assist with the winding up of the Company’s pension scheme. Their costs have been agreed on a fixed fee basis. No pension advisory fees were incurred for the period 14 November 2021 to 29 September 2022. The pension advisory fees for the Liquidation as a whole total £600 and have been paid in full.

Agents and Valuers:

Lambert Smith Hampton were instructed as agents and valuers in relation to lease renewal, dilapidation advice, property maintenance and the sale of the property. The agent’s fees for the period 14 November 2021 to 29 September 2022 amount to £2,000. The total agents’ fees for the Liquidation as a whole amount to £2,000 and have been paid in full.

CREDITORS’ RIGHTS

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

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or

Final Account of Enutpen Mur Limited formerly Neptune Rum Limited – In Creditors' Voluntary Liquidation

basis of the Joint Liquidators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

CONCLUSION

There are no other matters outstanding, and the affairs of the company have been fully wound up.

If you require any further information, please contact Chris Errington at this office.

Signed  _____

Paul Ellison
Joint Liquidator
29 September 2022

Appendix I

Statutory Information

Company Name	Enutpen Mur Limited formerly Neptune Rum Limited
Former Trading Name	Neptune Rum Limited
Company Number	10467971
Registered Office	c/o KRE Corporate Recovery LLP, Unit 8, The Aquarium, 1-7 King Street, Reading, RG1 2AN
Former Registered Office	71 Rodney Road, Cheltenham, GL50 1HT
Office holders	Paul Ellison and Gareth Roberts
Office holders' address	KRE Corporate Recovery LLP, Unit 8, The Aquarium, King Street, Reading, Berkshire, RG1 2AN
Date of appointment	14 November 2020

Appendix II

Receipts and Payments account for the period 14/11/2021 to 29/09/2022 and 14/11/2020 to 29/09/2022

**Enutpen Mur Limited formerly Neptune Rum Limited
(In Liquidation)**

JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

Statement of affairs £	From 14/11/2021 To 29/09/2022 £	From 14/11/2020 To 29/09/2022 £
------------------------------	---------------------------------------	---------------------------------------

RECEIPTS

Goodwill & Name	NIL	0.00	0.00
Book Debts		0.00	1,228.29
Customer Contracts	NIL	0.00	0.00
Supplier Contracts	NIL	0.00	0.00
Customer List	NIL	0.00	0.00
VAT Refund		0.00	4,389.20
Insurance Refund		0.00	136.37
Transfer from Administration		0.00	201,107.38
Directors Loan Account	Uncertain	0.00	0.00
Intellectual Property Rights	NIL	0.00	0.00
Business Intellectual Property Rights	NIL	0.00	0.00
Marketing Literature	NIL	0.00	0.00
Prepayments	NIL	0.00	0.00
Vat Receivable		34,783.19	34,783.19
Vat Control Account		12,525.19	12,525.19
		47,308.38	254,169.62

PAYMENTS

Goodwill & Name		0.00	0.00
Customer Contracts		0.00	0.00
Supplier Contracts		0.00	0.00
Customer List		0.00	0.00
Intellectual Property Rights		0.00	0.00
Business Intellectual Property Rights		0.00	0.00
Marketing Literature		0.00	0.00
Prepayments		0.00	0.00
Administrators fees		57,022.00	57,022.00
Office Holders Fees		35,000.00	35,000.00
Agents/Valuers Fees (1)		2,000.00	2,000.00
Legal Fees (1)		240.00	5,073.00
Corporation Tax		0.00	8.74
VAT		4.00	4.00
Website Fees		10.00	20.00
Printers Fees		0.00	69.43
Statutory Advertising		0.00	94.50
Pension Advisory		0.00	600.00
Pension Schemes		272.81	272.81
Trade & Expense Creditors		104,371.66	104,371.66
DE		8.32	8.32
HM Revenue & Customs - VAT		2,316.78	2,316.78
Vat Receivable		33,662.40	34,783.19
Vat Control Account		12,525.19	12,525.19
		247,433.16	254,169.62

BALANCE - 29 September 2022

0.00

Final Account of Enutpen Mur Limited formerly Neptune Rum Limited – In Creditors' Voluntary Liquidation

Appendix III

Detailed list of work undertaken for Enutpen Mur Limited formerly Neptune Rum Limited in Creditors' Voluntary Liquidation for the review period 14/11/2021 to 29/09/2022

Below is detailed information about the tasks undertaken by the Joint Liquidators.

General Description	Includes
Statutory and General Administration	
Statutory/advertising	Filing of documents to meet statutory requirements including annual receipts and payments accounts Annual corporation tax returns VAT reclaims Advertising in accordance with statutory requirements
Document maintenance/file review/checklist	Filing of documents Periodic file reviews documenting strategy Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Reports	Preparing annual progress report Preparing final report to creditors
Creditors and Distributions	
Creditor Communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post
Dealing with proofs of debt ("POD")	Receipting and filing POD when not related to a dividend Corresponding with RPO regarding POD when not related to a dividend
Processing proofs of debt	Preparation of correspondence to potential creditors inviting submission of POD Receipt of POD Adjudicating POD Request further information from claimants regarding POD Preparation of correspondence to claimant advising outcome of adjudication
Dividend procedures	Preparation of correspondence to creditors advising of intention to declare distribution Advertisement of notice of intended dividend Preparation of distribution calculation Preparation of correspondence to creditors announcing declaration of distribution Preparation of cheques/BACS to pay distribution Preparation of correspondence to creditors enclosing payment of distribution Dealing with unclaimed dividends

Appendix IV

Time cost information for period 14/11/2021 to 29/09/2022 and from 14/11/2020 to 29/09/2022

Time Entry - SIP9 Time & Cost Summary

NEPCVL - Enutpen Mur Limited formerly Neptune Rum Limited
All Post Appointment Project Codes
From: 14/11/2021 To: 29/09/2022

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.00	7.30	0.00	11.70	19.00	4,520.00	237.89
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	8.60	0.00	7.50	16.10	4,382.50	272.20
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Marketing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non Chargeable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	1.35	0.00	0.00	1.35	535.00	396.30
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	0.00	17.25	0.00	19.20	36.45	9,437.50	258.92
Total Fees Claimed						35,000.00	
Total Disbursements Claimed						0.00	

Time Entry - SIP9 Time & Cost Summary

NEPCVL - Enutpen Mur Limited formerly Neptune Rum Limited
All Post Appointment Project Codes
From: 14/11/2020 To: 29/09/2022

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	4.50	17.80	0.00	24.10	46.40	11,661.50	251.33
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	23.00	20.30	0.00	10.50	53.80	19,781.00	367.68
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Marketing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non Chargeable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	25.00	3.25	0.00	0.00	28.25	12,843.00	454.62
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	52.50	41.35	0.00	34.60	128.45	44,285.50	344.77
Total Fees Claimed						35,000.00	
Total Disbursements Claimed						0.00	

Final Account of Enutpen Mur Limited formerly Neptune Rum Limited – In Creditors' Voluntary Liquidation

Appendix V

Time costs summary for period, cumulative & comparison with estimate for Enutpen Mur Limited formerly Neptune Rum Limited In Creditors Voluntary Liquidation

	Original fees estimate			Actual time costs incurred during the Review Period			Total time costs incurred to date		
Work category	Number of hours	Blended hourly rate £ per hour	Total fees £	Number of hours	Average hourly rate £ per hour	Total time costs £	Number of hours	Average hourly rate £ per hour	Total time costs £
Administration (including statutory reporting)	38.00	346.84	13,180	19	237.89	4,520	46.40	251.33	11,661.5
Realisation of assets	25.00	394.00	9,850	1.35	396.30	535.00	28.25	454.62	12,843
Creditors (claims and distribution)	35.00	350.00	12,250	16.10	272.20	4,382.50	53.50	367.68	19,781

Final Account of Enutpen Mur Limited formerly Neptune Rum Limited – In Creditors’ Voluntary Liquidation

Appendix VI

**Expenses summary for period, cumulative & comparison with estimate
for Enutpen Mur Limited formerly Neptune Rum Limited Limited in Creditors’ Voluntary
Liquidation**

Below are details of the Joint Liquidators’ expenses for the period under review and the total to date.

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Category 1 Expenses				
Legal costs	1,500	240	5,073	More legal assistance to finalise the directors loan account settlements was required than originally anticipated.
Agents’ and valuers’ costs	2,250	2,000	2,000	
Pension advisory	900	-	600	
Consultancy	1,000	-	-	
Advertising	190	-	95	
Printers fees	200	-	69	
Website fees	50	10	20	
Corporation tax	-	-	9	
Category 2 Expenses				
Mileage (own car usage)	100	-	-	



Practice Fee Recovery Policy

How fees are calculated and charged

The insolvency legislation allows fees to be calculated and charged in a variety of different ways. These bases include time costs, percentage calculation, set fee or a combination of them for different tasks within the same appointment.

The basis or combination of bases set for a particular appointment are subject to approval. Approval is either by a committee of creditors, if one is appointed, or failing that the creditors in general meeting, or lastly by the court.

Further detail about how an office-holder's fees are approved for each case type are available in a series of guides issued with the Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <http://kreco.co.uk/creditors/>. Alternatively, a hard copy may be requested from KRE Corporate Recovery Limited, Unit 8, The Aquarium, 1-7 King Street, Reading, Berkshire, RG1 2AN.

Once the basis of the office-holder's remuneration has been approved, a periodic report will be provided to any committee and to each creditor. The report will provide a breakdown of all remuneration drawn together with the time costs incurred. The analysis of the time and value also shows the average rates charged for each category covered.

Each report also discloses how you as a creditor can seek further information and challenge the basis on which the fees are calculated as well as the level of fees drawn in the period of each 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.

Time cost basis and rates used

This basis uses charge out rates appropriate to the skills and experience of a member of staff and the work that they perform on each case. The time is recorded in 6 minute units and combined with the amount of time spent on each activity. A supporting narrative is maintained to explain the work undertaken.

Grade of staff	Current charge-out rate per hour, effective from 1 April 2021 £	Charge-out rate per hour, effective from 1 October 2020 £
Director (office-holder)	475	450
Associate Director	400	-
Senior Manager	375	350
Manager	350	310
Other administration	300	270
Support Staff	150	100

The charge-out rates listed above are reviewed annually 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. The nature of the work undertaken is recorded against each activity code and the codes are maintained under the following main categories:

- Administration and Planning.
- Investigations.
- Realisation of Assets.
- Creditors.
- Trading.

Percentage basis

Fees can be charged on a percentage of either or both of the value of the property with which the office-holder has to deal and / or in relation to the level of funds being distributed. Different percentages can be used for different assets, types of assets or distributions made to different classes of creditors. Where we would like to realise any asset or type of assets on a percentage basis an explanation will be provided explaining why this basis is considered fair and reasonable in the circumstances of that case. .

Set fee

A set fee provides certainty in relation to the amount being charged as an agreed amount. Different set amounts can be used for different tasks. Where we would like to realise any asset or type of assets on a set fee basis an explanation will be provided explaining why this basis is considered fair and reasonable in the circumstances of that case.

Vat

The office-holder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Professional Advisers

Details of any professional advisors used will be given in the reports to creditors together with the basis of the fee charged. The choice of professional used is based on their expertise, qualification and location.

Professional Advisers include:-

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

Subcontractors

Where we subcontract out work that could otherwise be carried out by the office-holders or their staff then we will draw it to the attention of creditors in any report that incorporates a request for approval of the basis of which the remuneration may be charged.

Associates (including perceived connections)

Where there are payments made to associates we are required to obtain approval to those payments in the same manner as office-holders remuneration.

The term “associate” is defined in s435 Insolvency Act 1986 however the SIP9 definition includes any person who could be perceived as such by any reasonably informed third party, even if the legal definition is not met. In the spirit of openness, the following provider is sometimes used on our cases and could potentially be perceived as an associate using the wider definition due to extended family connections.

Service provider	Description	Costs
Cripps Transport Ltd	Collection and removal to storage of company books and records	Charges relevant to the location and quantity of the records

Expenses

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of expense allocation in respect of expenses incurred by the Office-holder in connection with the administration of the estate must be fully disclosed to creditors. Expenses 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 KRE Corporate Recovery Limited 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 expenses are statutory advertising, external meeting room hire, specific bond insurance and external printing costs.

Category 2 expenses are payments related to the case but not paid to independent third parties and include payments made to associates or payments with an element of shared costs. These expenses are recoverable in full from the estate, subject to the basis of the expense charge being approved by creditors in advance.

It is likely that the following category 2 expenses will be incurred in administering the case: -

- Mileage will be charged at the relevant HM Revenue and Customs rate, currently 45p per mile.

Should it be intended that an associate will be used on the case then this will be disclosed to creditors and subject to the same approval as Office-holders remuneration.