

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number 1 0 5 4 7 9 6 2

Company name in full A & J Contract Cleaning Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Kikis

Surname Kallis

3 Liquidator's address

Building name/number Mountview Court

Street 1148 High Road

Post town Whetstone

County/Region London

Postcode N 2 0 0 R A

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode


Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report														
From date	d	1	d	3	m	0	m	7	y	2	y	0	2	y	0
To date	d	1	d	2	m	0	m	7	y	2	y	0	2	y	1
7	Progress report														
<input checked="" type="checkbox"/> The progress report is attached															
8	Sign and date														
Liquidator's signature	<div>Signature</div> <div>  </div>														
Signature date	d	1	d	0	m	0	m	9	y	2	y	0	2	y	1

**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 **Michalis Thomas**

Company name **Kallis & Company**

Address **Mountview Court**

1148 High Road

Post town **Whetstone**

County/Region **London**

Postcode **N 2 0 0 R A**

Country

DX

Telephone **020 8446 6699**

**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



INSOLVENCY PRACTITIONERS

Mountview Court
1148 High Road
Whetstone
London N20 0RA

T: 020 8446 6699
F: 020 8492 6099
E: info@kallis.co.uk
W: www.kallis.co.uk

Private and Confidential
To all known creditors

Our ref A&J3511/KK/OA/MT/GM

Date 10 September 2021

Dear Sirs

A & J Contract Cleaning Limited ("the Company") – In Creditors' Voluntary Liquidation

This is my report to members and creditors following the 1st anniversary of my appointment as Liquidator.

This report has been produced during the Covid-19 restrictions. As a result, we had limited access to our physical case files and had to produce this from incomplete records on our IT system. We have taken every reasonable step to ensure that the information is accurate, but if anything is incorrect or incomplete, we will provide an explanation and corrected information upon request.

Kallis & Company uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how Kallis & Company uses your personal information on our website at www.kallis.co.uk/legal.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Michalis Thomas by email at mike@kallis.co.uk, or by phone on 020 8446 6699.

Yours faithfully

Kikis Kallis FCCA FABRP
LIQUIDATOR

Enc.

A & J Contract Cleaning Limited – In Credit**ors'** Voluntary Liquidation

LIQUIDATOR'S FIRST PROGRESS REPORT IN ACCORDANCE WITH RULE 18.3 OF THE
INSOLVENCY RULES 2016 FOR THE PERIOD ENDING 12 JULY 2021

Contents:

1. Statutory Information
2. Liquidator's Actions Since Appointment
3. Receipts And Payments
4. Assets
5. Liabilities
6. Dividend Prospects
7. Investigation Into The Affairs Of The Company
8. Pre-Appointment Remuneration
9. Liquidator's Remuneration
10. Liquidator's Expenses
11. Further Information
12. Summary

Appendices:

1. Receipts & Payments Account for the period from 13 July 2020 to 12 July 2021
2. A schedule of actions undertaken under each category for the period from 13 July 2020 to 12 July 2021
3. A schedule of Liquidator's time costs incurred for the period from 13 July 2020 to 12 July 2021
4. Comparison of the estimated and actual time costs incurred
5. An explanatory note which shows Kallis & Company's fee policy
6. Proof of debt form

LIQUIDATOR'S PROGRESS REPORT TO CREDITORS AND MEMBERS

For the year ending 12 July 2021.

STATUTORY INFORMATION

Company name:	A & J Contract Cleaning Limited
Registered office:	Mountview Court, 1148 High Road, Whetstone, London, N20 0RA
Former registered office:	50 Cherry Blossom Close, London, N13 6BQ
Registered number:	10547962
Liquidator's names:	Kikis Kallis
Liquidator's address:	Mountview Court, 1148 High Road, Whetstone, London, N20 0RA
Liquidator's date of appointment:	13 July 2020

LIQUIDATOR'S ACTIONS SINCE COMMENCEMENT OF THE LIQUIDATION

Since my appointment, I have been liaising with the bank in respect to the remittance of the Company's account balance following the closure of the Company's bank account. Also, I have been liaising with the director and the bank in respect to the repayment of the Company's bank loan which the director personally guaranteed. This matter is further explained in the 'Investigations' section of this report.

There is also certain work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since the commencement of the Liquidation is contained in Appendix 2.

RECEIPTS AND PAYMENTS

My Receipts & Payments Account for the period from 13 July 2020 to 12 July 2021 is attached at Appendix 1. All amounts are shown net of VAT. I have reconciled the account against the financial records that I am required to maintain.

The balance of funds are held in an interest bearing estate bank account.

ASSETS

Fixtures and Fittings

The fixtures & fittings related to various cleaning equipment, namely hoovers and ladders. The Director had previously advised that this equipment was used by the Company's workers and was left at numerous customer sites prior to lockdown due to the Covid-19 pandemic.

I have reviewed this and I can confirm that this equipment was left at customer sites and as such no realisations are expected to be achieved in this matter.

Cash at Bank

While the Director's statement of affairs anticipated the amount of £28.00 to be remitted by the Company's bankers, the amount of £0.01 has been received in the estate account in this matter.

Cash in Hand

The sum disclosed as being cash in hand represents the monies paid by the Company prior to my appointment towards my fee for convening the creditors' meeting and assisting with the preparation of the statement of affairs.

LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has no current charges over its assets.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

Preferential Creditors

The statement of affairs anticipated £553.84 in respect of preferential creditors. No claims have been received to date from Preferential Creditors.

Crown Creditors

The statement of affairs included £127,740.00 owed to HMRC. HMRC's final claim of £246,146.72 has been received. The reason of HMRC's final claim being higher than the statement of affairs figure is due to the payments made to the self-employed sub-contractors not being listed on the CIS return.

Non-preferential unsecured Creditors

The statement of affairs included 4 non-preferential unsecured creditors with an estimated total liability of £135,207.63. I have received claims from 3 creditors at a total of £252,575.90. I have not received claims from 1 creditors with original estimated claims in the statement of affairs of £12,800.00.

DIVIDEND PROSPECTS

On the basis of current information, there have been insufficient realisations to enable the payment of a dividend to any class of creditor.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

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 account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. I am required by the Statements of Insolvency Practice to undertake such an initial investigation and the work detailed below has been undertaken in connection with that initial investigation. Specifically, I recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the 12 months prior to the Company ceasing to trade from the Company's bankers; and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the Liquidation and made enquiries about the reasons for the changes.

I identified the following area where I considered that further investigation was required. On 13 May 2020, the Company made a payment of £25,000 to the Director. The Director advised that this payment related to a Covid-19 bounce back loan. The loan was never used as shortly after application for it, it became apparent to the Director that even with those funds the Company would not be able to survive. Therefore, rather than increase its liabilities, the Director decided to liquidate the Company. Although the Director decided to cancel the bounce back loan, the loan was still issued in error and

the £25,000 payment to the Director was made in order to reverse the loan which he had to repay back.

I have requested evidence from both the Director and the bank several times but I have not received any proof that the Director has repaid this back to the bank. I will continue chasing both parties for evidence and if no proof is provided, I will proceed with taking legal advice in this respect.

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

Matters requiring further investigation that may lead to potential recovery actions have been identified, and the work outlined above was undertaken to further those investigations with a view to making recoveries for the benefit of the creditors.

PRE-APPOINTMENT REMUNERATION

The creditors previously authorised the payment of a fee of £5,000 plus VAT for my assistance with preparing the statement of affairs and arranging the decision procedure for creditors to appoint a liquidator.

The fee for preparing the statement of affairs and arranging the decision procedure for creditors to appoint a liquidator was paid by the Company.

LIQUIDATOR'S REMUNERATION

My remuneration was approved on a time cost basis based on a fees estimate of £19,841.00. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors. My total time costs to 12 July 2021 amount to £8,463.50, representing 54.90 hours of work at a blended charge out rate of £154.16 per hour. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £203.71 in my fees estimate.

I have not been able to draw any remuneration in this matter.

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 <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>. Once you access the link, scroll down to "Getting involved: Creditors' Voluntary Liquidation" for the relevant details.

A copy of 'A Creditors Guide to Liquidator's Fees' also published by R3 can be accessed at <http://www.kallis.co.uk/downloads> by clicking the link underneath "Insolvency Office Holders' Fees". Please note that there are different versions of these Guidance Notes, and in this case please refer to "Guide to Liquidators Fees" under "Version 4 - issued April 2017".

Kallis & Company's fee policy, which is enclosed with this report in Appendix 4, can also be accessed at <http://www.kallis.co.uk/downloads> by clicking the link underneath "Kallis & Company's Fee Policy".

LIQUIDATOR'S EXPENSES

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into:

- category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and

- category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration.

I have incurred total expenses of £359.30. I have not been able to draw any expenses in this matter.

I have incurred the following expenses in the period since the commencement of the Liquidation:

<u>Disbursement</u>	<u>To date</u>	
	<u>Paid £</u>	<u>To be paid £</u>
Specific Bond	-	44.00
Statutory Advertising	-	290.10
Postage	-	10.20
Storage	-	15.00

Details of the category 1 and category 2 expenses that I have paid to date are included in the receipts and payments account attached.

<u>Nature of expense</u>	<u>Estimated expenses</u>	<u>Expenses incurred to date</u>
Specific Bond	44.00	44.00
Statutory Advertising	210.00	290.10
Agents/Valuers	Uncertain	Nil
Postage	4.60	10.20
Storage	15.00	15.00
Total	273.60	359.30

As you can see above, the total expenses I incurred were in line with the total expenses I estimated I would incur when my remuneration was approved.

FURTHER INFORMATION

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 Liquidator's remuneration and expenses within 21 days of their 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 unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidator as being excessive, and/or the basis of the Liquidator's remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Kallis & Company can be found at www.kallis.co.uk/legal.

SUMMARY

The Liquidation will remain open until the issue with the repayment of the bounce-bank loan has been fully resolved. I estimate that this will take approximately 6 months and once resolved the Liquidation will be finalised and our files will be closed.


If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Michalis Thomas on 020 8446 6699, or by email at mike@kallis.co.uk.

A handwritten signature in black ink, appearing to be 'Kikis Kallis', written over a horizontal line.

Kikis Kallis FCCA FABRP
LIQUIDATOR

A & J Contract Cleaning Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments
To 12/07/2021

S of A £		£	£
	ASSET REALISATIONS		
Uncertain	Fixtures & Fittings	NIL	
28.00	Cash at Bank	0.01	
6,000.00	Cash in Hand	6,000.00	
			6,000.01
	COST OF REALISATIONS		
	Preparation of S. of A.	5,000.00	
			(5,000.00)
	PREFERENTIAL CREDITORS		
(553.84)	Employee Arrears/Hol Pay	NIL	
			NIL
	UNSECURED CREDITORS		
(1,860.00)	Trade & Expense Creditors	NIL	
(5,053.79)	Employees	NIL	
(3,915.00)	HM Revenue & Customs (PAYE)	NIL	
(12,800.00)	HM Revenue & Customs (CT)	NIL	
(111,025.00)	HM Revenue & Customs (VAT)	NIL	
(1.00)	Regulation 13 Determinations	NIL	
			NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	
			NIL
(129,280.63)			1,000.01
	REPRESENTED BY		
	VAT Receivable		1,000.00
	Bank 1 Current Interest Bearing		0.01
			1,000.01


 Kikis Kallis
 Liquidator

Appendix 2

1. Administration

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up and maintaining electronic case files.
- Setting up and maintaining the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Convening a decision procedure to seek a decision from creditors to approve the officeholders' remuneration.
- Supervising the work of advisors instructed on the case to assist in dealing with pension schemes; obtaining reports and updates from them on the work done; and checking the adequacy of the work done.
- Dealing with all routine correspondence and emails relating to the case.
- 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 on the case by case administrators.
- Preparing, reviewing and issuing annual progress reports to creditors and members.
- Filing returns at Companies House.

2. Financials

- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.

3. Investigations

- Recovering the books and records for the case.
- Listing the books and records recovered.
- Preparing a report or return 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 transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors.
- Liaising with the bank and the director in respect to the repayment of the Company's loan.

4. Creditors

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.

Analysis of Office Holder's time costs for the period 13/07/2020 To 12/07/2021



Classification of Work Content

	Partner Hours	Senior Manager Hours	Manager Hours	Senior Hours	Support Hours	Total Hours	Total Cost (GBP)	Average Hourly Rate (GBP)
Administration & Planning	0.20	0.30	0.00	16.20	0.00	16.70	2,364.00	141.56
AD1.1 - Case planning and review	0.20	0.00	0.00	5.60	0.00	5.80	836.00	144.14
AD1.2 - Ongoing administration matters	0.00	0.30	0.00	7.10	0.00	7.40	1,003.00	135.54
AD1.3 - Statutory notices & reporting	0.00	0.00	0.00	3.50	0.00	3.50	525.00	150.00
Financials	0.50	0.00	0.00	0.00	2.80	3.30	468.00	141.82
AD2.2 - Banking and reconciliations	0.50	0.00	0.00	0.00	2.80	3.30	468.00	141.82
Realisation of Assets	0.10	0.80	0.00	0.20	0.00	1.10	246.00	223.64
AD3.1 - Dealing with agents, asset and business sales	0.00	0.00	0.00	0.20	0.00	0.20	22.00	110.00
AD3.4 - Identifying assets and recovery	0.10	0.80	0.00	0.00	0.00	0.90	224.00	248.89
Investigations	0.90	5.20	0.00	23.90	0.00	30.00	4,603.00	153.43
AD4.1 - SIP 2 review & CDDA reports	0.40	1.90	0.00	10.40	0.00	12.70	2,056.00	161.89
AD4.2 - Inventory and record review	0.00	0.00	0.00	1.90	0.00	1.90	265.00	139.47
AD4.3 - Investigations - antecedent transactions/misconduct	0.50	3.30	0.00	11.60	0.00	15.40	2,282.00	148.18
Creditors	0.20	1.40	0.00	2.20	0.00	3.80	782.50	205.92
AD5.1 - Communication with creditors	0.20	1.10	0.00	2.00	0.00	3.30	688.50	208.64
AD5.2 - Creditors' claims (including Employees' and other preferential creditors')	0.00	0.30	0.00	0.20	0.00	0.50	94.00	188.00
Total Hours	1.90	7.70	0.00	42.50	2.80	54.90		154.16
Total Fees (GBP)	658.00	1,908.50	0.00	5,589.00	308.00		8,463.50	

Appendix 4

Description of categories	Actual time (Hours)	Actual value of the time costs £	Blended charge out rate £	Estimated time (Hours)	Estimated value of the time costs £	Blended charge out rate £
ADMINISTRATION	16.70	2,364.00	141.56	37.10	8,106.00	218.49
FINANCIALS	3.30	468.00	141.82	8.20	1,165.00	142.07
REALISATION OF ASSETS	1.10	246.00	223.64	6.90	1,539.00	223.04
INVESTIGATIONS	30.00	4,603.00	153.43	25.70	5,071.00	197.32
CREDITORS	3.80	782.50	205.92	19.50	3,960.00	203.08
GRAND TOTAL FOR ALL CATEGORIES OF WORK	54.90	8,463.50	154.16	97.40	19,841.00	203.71

PRACTICE FEE RECOVERY POLICY FOR KALLIS & COMPANY

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/helpsheets/>. 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.kallis.co.uk/downloads>. Alternatively a hard copy may be requested from Kallis & Company, Mountview Court, 1148 High Road, London N20 0RA. 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.

Grade of staff	Current charge-out rate per hour, effective from 01/10/2019	Previous charge-out rate per hour, effective from 01/10/2017	Previous charge-out rate per hour, effective from 01/10/2015	Previous charge-out rate per hour, effective from 01/10/2012	Previous charge-out rate per hour, effective from 01/10/2010
Senior Partner / appointment taker	£420				
Partner / appointment taker	£320-340	£295-375	£340-375	£275-£335	£275-£320
Senior Manager	£295	£285	£285	£275	£275
Manager	£240	£225	£225	£170-£275	£170-£275
Senior/Case Administrator	£110-150	£125-175	£150-175	£90-£175	£90-£175
Support Staff	£100-110	£85-100	£85-100	£60-£85	£60-£85

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

Where necessary and appropriate, members of staff from other departments of the practice will undertake work on a case. They will be charged at their normal charge out rate for undertaking such work.

These charge-out rates charged are reviewed on periodic basis 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; Financials; 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 on new appointments we continue to seek time costs for the majority of our cases.

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 Kallis & Company; 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:

Room Hire	£50 per hour
Mileage	www.gov.uk/government/publications/rates-and-allowances-travel-mileage-and-fuel-allowances
Storage	£15 per box per annum
Destruction Costs	£5.50 per box

Rule 14.4 The Insolvency (England and Wales) Rules 2016
Proof of Debt – General Form

Name of Company in Liquidation:	A & J Contract Cleaning Limited
Company Registration Number:	10547962
Date of Liquidation:	13 July, 2020
1 Name of creditor (If a company, please also provide the company registration number).	
2 Correspondence address of creditor (including any email address)	
3 Total amount of claim (£) (include any Value Added Tax)	
4 If amount in 3 above includes (£) outstanding uncapitalised interest, state amount.	
5 Details of how and when the debt was incurred. (If you need more space, attach a continuation sheet to this form)	
6 Details of any security held, the value of the security and the date it was given.	
7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.	
8 Details of any document by reference to which the debt can be substantiated	

9 Signature of creditor
(or person authorised to act on the creditor's
behalf)

10 Address of person signing if different from 2
above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

Admitted to vote for

Amount (£)

Date

Admitted for dividend for

Amount (£)

Date

Kikis Kallis
LIQUIDATOR

Kikis Kallis
LIQUIDATOR

Notes:

1. There is no need to attach them now but the office holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.

2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.