

# CVA3

## Notice of supervisor's progress report in voluntary arrangement



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

<b>1</b>	<b>Company details</b>	
Company number	0 8 9 6 1 2 6 8	<b>→ Filling in this form</b> Please complete in typescript or in bold black capitals.
Company name in full	Alpamare UK Limited	
<b>2</b>	<b>Supervisor's name</b>	
Full forename(s)	Richard	
Surname	Simms	
<b>3</b>	<b>Supervisor's address</b>	
Building name/number	Alma Park, Woodway Lane	
Street	Claybrooke Parva	
Post town	Lutterworth	
County/Region	Leicestershire	
Postcode	L E 1 7 5 F B	
Country		
<b>4</b>	<b>Supervisor's name <sup>①</sup></b>	
Full forename(s)		<b>① Other supervisor</b> Use this section to tell us about another supervisor.
Surname		
<b>5</b>	<b>Supervisor's address <sup>②</sup></b>	
Building name/number		<b>② Other supervisor</b> Use this section to tell us about another supervisor.
Street		
Post town		
County/Region		
Postcode		
Country		

# CVA3

## Notice of supervisor's progress report in voluntary arrangement

6	Date of voluntary arrangement															
Date	d	2	d	1	m	0	m	1	y	2	y	0	y	1	y	9
7	Period of progress report															
Date from	d	2	d	1	m	0	m	1	y	2	y	0	y	2	y	0
Date to	d	2	d	0	m	0	m	1	y	2	y	0	y	2	y	1
8	Progress report															
<input checked="" type="checkbox"/> I attach a copy of the progress report																
9	Sign and date															
Supervisor's signature	Signature X <i>Richard Simms</i> X															
Signature date	d	1	d	9	m	0	m	3	y	2	y	0	y	2	y	1

# CVA3

## Notice of supervisor's progress report in voluntary arrangement



### 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	Adrienne Savidge
Company name	F A Simms & Partners Limited
Address	Alma Park, Woodway Lane Claybrooke Parva
Post town	Lutterworth
County/Region	Leicestershire
Postcode	L E 1 7 5 F B
Country	
DX	
Telephone	01455 555 444



### 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 and dated 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)

**Voluntary Arrangement of  
Alpamare UK Limited  
Supervisor's Summary of Receipts & Payments**

Statement of Affairs £		From 21/01/2020 To 20/01/2021 £	From 21/01/2019 To 20/01/2021 £
	ASSET REALISATIONS		
	Bank Interest Gross	14.59	226.09
361,000.00	Cash at Bank	NIL	NIL
	Debtor Contributions	30,000.00	448,000.00
NIL	Leasehold Property	NIL	NIL
NIL	Plant & Machinery	NIL	NIL
5,340.00	Stock	NIL	NIL
		30,014.59	448,226.09
	COST OF REALISATIONS		
	Bank Charges	NIL	15.00
	Insolvency Bond	NIL	1,030.00
	Legal Fees (1)	1,200.00	1,200.00
	Nominees Fee	NIL	3,000.00
	Office Holders Fees	3,700.00	12,150.00
		(4,900.00)	(17,395.00)
	PREFERENTIAL CREDITORS		
(11,415.13)	RPS Arrears & Holiday Pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(148,799.00)	Alpabob	1,785.59	1,785.59
(2,358,445.00)	Benchmark Leisure Limited	28,061.34	28,061.34
(114,522.00)	H M Revenue & Customs (VAT)	2,785.55	2,785.55
(32,938.59)	Redundancy Payments Service	NIL	NIL
(18,500.00)	Solamare Ag	NIL	NIL
(1,091,131.00)	Trade & Expense Creditors	13,335.39	13,335.39
		(45,967.87)	(45,967.87)
	DISTRIBUTIONS		
	First Distribution 22/2/19 4.5p/£	NIL	169,281.08
(100.00)	Ordinary Shareholders	NIL	NIL
	Second Distribution 14/6/19 2.9p/£	NIL	109,783.74
	Third Distribution 20/11/19 2.7p/£	NIL	101,754.62
		NIL	(380,819.44)
<b>(3,409,510.72)</b>		<b>(20,853.28)</b>	<b>4,043.78</b>
	REPRESENTED BY		
	Interest Bearing Current A/C		4,043.78
			<b>4,043.78</b>

**Note:**

- A first and interim dividend year 1 dividend was declared on 22 February 2019 at the rate of 4.5p in the £.
- An equalising dividend was issued to HMRC on 14 June 2019 at the rate of 4.5p in the £.
- A second and interim dividend year 1 dividend was declared on 14 June 2019 at the rate of 2.9p in the £.
- A third and interim dividend year 1 dividend was declared on 20 November 2019 at the rate of 2.7p in the £.
- An equalising dividend was issued to HMRC on 25 March 2020 at the rate of 0.36in the £.
- A fourth and interim dividend year 2 dividend was declared on 25 March 2020 at the rate of 1.2p in the £.
- Dividends to date total 11.30 in the £.

*Richard*

Richard Simms  
Supervisor

**Alpamare UK Limited ("the Company")  
Company Number 08961268  
COMPANY VOLUNTARY ARRANGEMENT (CVA)**

**SUPERVISOR'S REPORT TO CREDITORS AND MEMBERS ON THE PROGRESS  
OF THE VOLUNTARY ARRANGEMENT UNDER RULE 2.41 OF THE  
INSOLVENCY (ENGLAND AND WALES) RULES 1986**

**1. Introduction**

The Voluntary Arrangement was approved on 21 January 2019 and I was appointed Supervisor.

**2. Comments on receipts and payments**

Attached at Appendix 1 is my receipts and payments account for the 12 months ended 20 January 2021 together with a summary which gives details of all transactions for the 24 months since the commencement of the Voluntary Arrangement on 21 January 2019.

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

Voluntary contributions

Under the terms of the Arrangement as modified the Company is scheduled to make 24 consecutive monthly contributions of £15,000.00 and 36 monthly payments of £1,000.00, rising as reviews allow. Total monthly contributions amount to £396,000.00. The Company was also required to make a contribution of £253,000.00 immediately upon the Company bank account becoming unfrozen.

On 6 February 2019 the Company were only able to remit £226,000.00 instead of the full £253,000.00 as per the proposal. A Notice of Breach was issued and £27,000.00 was received remedying the breach. The Company explained that full payment could not be made initially as payments were made from the bank account at a time when the account was frozen therefore there were less funds in the account than previously advised.

On 21 February 2020 a Notice of Breach was issued due to the Company not having paid the January 2020 monthly instalment of £15,000.00 and for Company's failing to provide a twelve month business review. On 28 February 2020 £15,000.00 was received from the Company and the breach was remedied.

Up until March 2020 all monthly contributions were received however, since March 2020 and the outbreak of Covid-19 no payments have been received. As a result the Company has accrued arrears of £135,000.00. This is a result of the Government imposed restrictions which has meant that since March 2020 the Company has had limited opportunities to trade since the Covid-19 pandemic hit.

To date total contributions have been received in the sum of £448,000.00 of which £30,000.00 has been received during this reporting period.

The necessary information has been requested to undertake a trading review. However, since the outbreak of Covid-19 and the Government imposed restrictions the Company has had limited opportunities to trade and therefore the view has been taken not to increase the level of monthly contributions, subject to future review.

### 3. **Creditor claims**

	As per Proposal £	Lodged to Date £
Unsecured	3,764,335.59	3,795,378.51

All known creditors have submitted claims.

It is anticipated that total creditor claims will exceed the amount disclosed in the Company's Statement of Affairs such that a reduced dividend of 16.30p in the £ is likely to be available to creditors compared to 16.71p in the £ as outlined in the proposal.

I have received a claim from 2 creditors who did not receive notice of the decision procedure to consider the Company's proposal for a CVA. LBH Services Limited is owed £7,200.00 and Npower Limited is owed £2,311.68, the Director has verified both claims.

HMRC has submitted their claim in the CVA, this was £63,830.39 higher than was anticipated however a full breakdown has been provided and the claim is agreed.

Since the reduction in dividend is less than 10% there has not been a breach of the terms of the Arrangement. I do not consider that the reduction in dividend is material, such that I propose that the Arrangement continue as approved without a variation.

### 4. **Office holder's remuneration**

#### Nominees Fees

Under the terms of the proposal as modified my remuneration as Nominee is to be calculated on a fixed fee of £15,000.00 of which £12,000.00 was paid prior to my appointment as Supervisor and £3,000.00 was paid from first realisation of the CVA. The £3,000.00 is shown on the attached receipts and payments account.

#### Supervisors Fees

Under the terms of the proposal as modified, my remuneration as Supervisor is to be calculated on a time cost basis with the total fee being capped by creditors at £6,250.00 per annum, a total of £31,250.00 over the course of the CVA.

My total time costs to 20 January 2021 amount to £15,620.50, representing 89.20 hours work at a blended charge out rate of £175.12 per hour, of which £4,651.00, representing 25.70 hours work, was charged in the period since 21 January 2020 at a blended charge out rate of £180.97 per hour.

A detailed schedule of my time costs incurred to date and since 21 January 2020, is attached as Appendix 2.

I have drawn £12,150.00 to date of which £3,700.00 was drawn in the period since 21 January 2020.

During the course of the Arrangement I have taken the necessary steps to discharge my duties as Supervisor in accordance with the terms of the Arrangement. A description of the routine work undertaken since my last progress report is as follows:

#### 1. Administration and Planning

- Statutory notifications.
- Preparing documentation required.
- Dealing with all routine correspondence.
- Maintaining physical case files and electronic case details on the case management system.

- Review and storage.
  - Case bordereau.
  - Case planning and administration.
  - Preparing reports to members and creditors.
  - Monitoring compliance with the terms of the Arrangement
2. Cashiering
- Maintaining and managing the Supervisor's cashbook and bank account.
  - Ensuring statutory lodgements and tax lodgement obligations are met.
3. Creditors
- Dealing with creditor correspondence and telephone conversations.
  - Maintaining creditor information on the case management system.
  - Reviewing and adjudicating on proofs of debt received from creditors.
  - Paying dividends to creditors
4. Realisation of Assets
- Corresponding with directors and collecting payments.
  - Reviewing the Company's trading and statutory accounts.
  - Reviewing the Company's cash flow forecast.
  - Liaising with the Directors regarding the Company's monthly contributions and trading accounts.
5. Case Specific Matters
- Dealing with pension matters.

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/>. A copy of 'A Creditors' Guide to Voluntary Arrangement Fees' also published by R3, together with an explanatory note which shows F A Simms & Partners Limited's fee policy are available at the link [www.fasimms.co.uk/download](http://www.fasimms.co.uk/download). Please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2017 version. A hard copy of both documents can be obtained on request.

Please note that there has been an increase in charge out rates and I attach at Appendix 3 our current Fee Recovery Policy which details the current charge out rates.

## 5. **Office holder's expenses**

I have incurred expenses to 20 January 2021 of £2,461.40 of which £nil was incurred in the period since 21 January 2020.

I have drawn £2,255.00 to date of which £1,200.00 was drawn in the period since 21 January 2021.

I have incurred the following expenses in the period since my appointment as Supervisor and my last progress report:

Type of expense	Amount incurred/ accrued before reporting period	Amount reimbursed before reporting period	Amount incurred/ accrued during reporting period	Amount reimbursed during reporting period
Insolvency Bond	£1,030.00	£1,030.00	£0.00	£0.00
IT Charge	£25.00	£25.00	£0.00	£0.00
Solicitors Fees	£1,406.40	£0.00	£0.00	£1,200.00
<b>Total</b>	<b>£2,461.40</b>	<b>£1,055.00</b>	<b>£0.00</b>	<b>£1,200.00</b>

I have not incurred any category 2 disbursements in this case.

I have not used any agents or professional advisors in the reporting period.

The proposal estimated that the expenses of the Arrangement would be £500.00. I now estimate that they will be £2,461.40 as a result of the need to instruct Solicitors in relation to matters raised in the CVA, details of which can be found in my previous report.

## 6. Progress and prospects for the full implementation of the Arrangement

The Company missed 9 contributions during the course of the last 12 months because of limited trading due to restrictions imposed since the outbreak of Covid-19.

A Notice of Breach was issued on 21 February 2020 as a result of the Company's failure to provide a twelve month business review and falling behind with the January 2020 monthly contribution which was due on 28 January 2020. Payment of the £15,000.00 was received remedying the breach.

HMRC issued guidance in March 2020 advising that HMRC will support a minimum three month break from contributions from customers impacted by coronavirus. The Company has been and will be severely impacted by coronavirus. The Government restrictions imposed has meant that trading has been limited for the past twelve months and when trading will recommence is uncertain at this point in time.

Forecasting the performance of the business in the short and medium term therefore remains a challenge and once the business is able to re-open to customers a better indication of the future will be available. At this time we can advise that a variation will be sought but the timing and terms of which are not known at present. As soon as the Company has a better understanding of future restrictions and likely re-opening of the business a variation will be sought from creditors.

The company remains committed to completing a CVA and will seek to return to full trading as soon as it is able.

The original proposal envisaged a total dividend of 16.71p in the £ and as stated above this has been reduced to 16.30p in the £ due to two further creditors and a higher than anticipated HMRC claim. Distributions totalling 1.2p in the £ have been made to those creditors whose claims have been lodged in the year to which this report relates. Total distributions to date amount to 11.30p in the £.

Future distributions will not be as the proposal projected due to the limited trading of the Company during the Covid-19 pandemic. As detailed above a variation will be put to creditors at a time when there is more certainty as to future trading.

## 7. Matters outstanding

Agreement of claims. Any creditor who has not yet submitted a claim should now do so as soon as possible.

To comply with the Provision of Services Regulations, some general information about F A Simms & Partners Limited can be found at [www.fasimms.co.uk/download](http://www.fasimms.co.uk/download).

F A Simms & Partners Limited 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 F A Simms & Partners Limited uses your personal information on our website at [www.fasimms.co.uk/download](http://www.fasimms.co.uk/download).

If creditors or members have any queries regarding the conduct of the Voluntary Arrangement, or if they want hard copies of any of the documents made available on-line, they should contact me at F A Simms & Partners Limited, Alma Park, Woodway Lane, Claybrooke Parva, Lutterworth, Leicestershire, LE17 5FB or by email at [asavidge@fasimms.com](mailto:asavidge@fasimms.com), or by phone on 01455 555 444.

*Richard Simms*

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**Richard Frank Simms**  
Supervisor

19 March 2021

**Appendix 1: Receipts and Payments**

**Voluntary Arrangement of  
Alpamare UK Limited  
Supervisor's Summary of Receipts & Payments**

Statement of Affairs £		From 21/01/2020 To 20/01/2021 £	From 21/01/2019 To 20/01/2021 £
	ASSET REALISATIONS		
	Bank Interest Gross	14.59	226.09
361,000.00	Cash at Bank	NIL	NIL
	Debtor Contributions	30,000.00	448,000.00
NIL	Leasehold Property	NIL	NIL
NIL	Plant & Machinery	NIL	NIL
5,340.00	Stock	NIL	NIL
		30,014.59	448,226.09
	COST OF REALISATIONS		
	Bank Charges	NIL	15.00
	Insolvency Bond	NIL	1,030.00
	Legal Fees (1)	1,200.00	1,200.00
	Nominees Fee	NIL	3,000.00
	Office Holders Fees	3,700.00	12,150.00
		(4,900.00)	(17,395.00)
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		NIL	NIL
	UNSECURED CREDITORS		
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(114,522.00)	H M Revenue & Customs (VAT)	2,785.55	2,785.55
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	Third Distribution 20/11/19 2.7p/£	NIL	101,754.62
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<b>(3,409,510.72)</b>		<b>(20,853.28)</b>	<b>4,043.78</b>
	REPRESENTED BY		
	Interest Bearing Current A/C		4,043.78
			<b>4,043.78</b>

**Note:**

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- A fourth and interim dividend year 2 dividend was declared on 25 March 2020 at the rate of 1.2p in the £.
- Dividends to date total 11.30 in the £.

**Appendix 2: Summary of Time Costs**

# Time Entry - SIP9 Time & Cost Summary

10648 - Alpamare UK Limited  
All Post Appointment Project Codes  
From: 21/01/2019 To: 20/01/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	10.00	1.60	26.70	18.10	56.40	9,754.00	172.94
Case Specific Matters	0.60	0.00	1.90	0.50	3.00	518.00	172.67
Creditors	1.40	0.10	21.60	0.90	24.00	4,249.50	177.06
Investigations	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	0.20	0.00	5.60	0.00	5.80	1,099.00	189.48
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>12.20</b>	<b>1.70</b>	<b>55.80</b>	<b>19.50</b>	<b>89.20</b>	<b>15,620.50</b>	<b>175.12</b>
<b>Total Fees Claimed</b>						<b>12,150.00</b>	
<b>Total Disbursements Claimed</b>						<b>1,030.00</b>	

# Time Entry - SIP9 Time & Cost Summary

10648 - Alpamare UK Limited  
All Post Appointment Project Codes  
From: 21/01/2020 To: 20/01/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	1.20	0.10	11.40	8.00	20.70	3,764.00	181.84
Case Specific Matters	0.00	0.00	0.20	0.50	0.70	98.00	140.00
Creditors	0.00	0.00	0.90	0.90	1.80	270.00	150.00
Investigations	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	0.00	2.50	0.00	2.50	519.00	207.60
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>1.20</b>	<b>0.10</b>	<b>15.00</b>	<b>9.40</b>	<b>25.70</b>	<b>4,651.00</b>	<b>180.97</b>
<b>Total Fees Claimed</b>						<b>3,700.00</b>	
<b>Total Disbursements Claimed</b>						<b>0.00</b>	

### **Appendix 3: Fee Recovery Policy**

## **PRACTICE FEE RECOVERY POLICY FOR F A SIMMS & PARTNERS LIMITED**

### **Introduction**

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

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at [www.fasimms.co.uk](http://www.fasimms.co.uk). Alternatively a hard copy may be requested from F A Simms & Partners Limited, Woodway Lane, Claybrooke Parva, Lutterworth, Leicestershire, LE17 5FB. 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 to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

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

### **Time cost basis**

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

### **Charge out Rates**

<b>Grade of staff</b>	<b>Range of hourly charge out rates from 1 September 2019</b>	<b>Range of hourly charge out from 1 September 2020</b>
Insolvency Practitioner, Director and Specialist	£200 - £275	£240 - £325
Senior Manager	£150 - £200	£200 - £260
Manager	£75 - £150	£140 - £200
Assistant and Support Staff	£45 - £110	£100 - £140

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

From time to time, the firm engages contractors in order to supplement permanent staff resources and the firm has the benefit of secondees, for which there is a reciprocal arrangement where the firm's staff may be seconded to other organisations in the insolvency industry.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system. Details of the time spent and nature of the work undertaken is recorded at that time.

In cases where we were appointed prior to 1 October 2015, our fees were generally recovered on a time costs basis and appropriate authority was obtained from creditors or committees as set down in the legislation.

The legislation changed on 1 October 2015 and on appointments from that date we now only allocate our time costs across the following categories:

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

In cases where we seek a time cost approval, we must set out a fee estimate. Once approved, that fee estimate acts as a cap on our time costs unless we obtain 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 fee 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, our fees were generally recovered on a time costs basis and appropriate authority was obtained from creditors or committees 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, our fees were generally recovered on a time costs basis and appropriate authority was obtained from creditors or committees 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 fixed fee that we propose 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 F A Simms & Partners 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 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	Initial meeting of creditors - £100.00 All other meetings of creditors - £50.00 Any other venue – at actual cost
Mileage	Motor Vehicle at 30p per mile All other forms at actual cost
Storage	Charged at actual cost incurred for storage
Photocopying	15p per sheet of A4 30p per sheet of A3
Company Searches	At actual cost incurred
Postage	At actual cost incurred
Fax / Telephone	Charged at the following rate during connection: Local Calls – 5p per minute National Calls – 10p per minute International Calls – 30p per minute Landline to Mobile Calls (telephone only) 20p per minute