

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

00471258

Name of Company

B.Frankle & Sons Limited t/a Frankle Trimmings

I / We

Richard Toone, New Fetter Place West, 55 Fetter Lane, London, EC4A 1AA

Kevin Murphy, New Fetter Place West, 55 Fetter Lane, London, EC4A 1AA

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986.

The Progress Report covers the period from 11/03/2016 to 10/03/2017

Signed



Date

3/5/17

CVR Global LLP
New Fetter Place West
55 Fetter Lane
London
EC4A 1AA

Ref: BFRA60693/RHT/BC/CW

THURSDAY



A14 *A65R9H2B* 04/05/2017 #85
COMPANIES HOUSE

**B.Frankle & Sons Limited t/a Frankle Trimmings
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs	From 11/03/2016 To 10/03/2017	From 11/03/2014 To 10/03/2017
ASSET REALISATIONS		
NIL Furniture & Equipment	NIL	NIL
Uncertain Book Debts	NIL	450.05
10,194.00 Cash at Bank	NIL	10,518.01
NIL Director's Loan	NIL	NIL
Bank Interest Gross	1,458.18	1,463.06
Settlement	2,800,000.00	2,800,000.00
	<u>2,801,458.18</u>	<u>2,812,431.12</u>
COST OF REALISATIONS		
Specific Bond	25.00	25.00
Preparation of S. of A.	NIL	5,000.00
Office Holders Fees	253,956.50	256,956.50
Legal fees & disbursements	777,309.29	777,309.29
Counsel's fees	135,225.00	135,225.00
ATE Insurance	157,745.70	157,745.70
Agents/Valuers Fees (1)	NIL	67.51
Corporation Tax	426,361.07	426,361.07
Frankle Contribution to Corporation Ta	(28,313.45)	(28,313.45)
Stationery & Postage	16.01	16.01
Accountancy Fees	3,500.00	4,000.00
Storage Costs	15.84	15.84
Statutory Advertising	147.00	147.00
Travel	140.70	140.70
Courier Fees	18.25	18.25
Insolvency Point Fees	12.00	12.00
	<u>(1,726,158.91)</u>	<u>(1,734,726.42)</u>
PREFERENTIAL CREDITORS		
(2,631.00) Director's Holiday Pay	NIL	NIL
(800.00) Director's Wage Arrears	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
UNSECURED CREDITORS		
(503.00) Trade & Expense Creditors	214.15	214.15
(976.00) Directors	NIL	NIL
(766,850.00) HM Revenue & Customs	1,044,785.85	1,044,785.85
(574.00) HM Revenue & Customs - VAT	NIL	NIL
(22,569.00) Director's Wage Arrears	NIL	NIL
(32,500.00) Director's Redundancy Pay	NIL	NIL
(13,000.00) Director's Pay in Lieu of Notice	NIL	NIL
	<u>(1,045,000.00)</u>	<u>(1,045,000.00)</u>
DISTRIBUTIONS		
(8,795.00) Ordinary Shareholders	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<u>(839,004.00)</u>	<u><u>30,299.27</u></u>	<u><u>32,704.70</u></u>
REPRESENTED BY		
Bank 1 Current		20,420.30

IN THE MATTER OF
B.FRANKLE & SONS LIMITED T/A FRANKLE TRIMMINGS – IN LIQUIDATION
(“THE COMPANY”)

COMPANY NO: 00471258

REPORT OF THE JOINT LIQUIDATOR
PURSUANT TO SECTION 104A
OF THE INSOLVENCY ACT 1986 (AS AMENDED)

CVR Global LLP
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B.FRANKLE & SONS LIMITED T/A FRANKLE TRIMMINGS – IN LIQUIDATION

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B.FRANKLE & SONS LIMITED T/A FRANKLE TRIMMINGS – IN LIQUIDATION**REPORT OF THE JOINT LIQUIDATOR****24 APRIL 2017****1. INTRODUCTION**

I, Richard Toone of CVR Global, together with my partner, Kevin Murphy, was appointed Joint Liquidator of the above Company on 11 March 2014.

In accordance with Section 104A of The Insolvency Act 1986 (as amended) I am pleased to present my report on the progress in the Liquidation. This report relates to the period from 11 March 2016 to 10 March 2017.

2. RECEIPTS AND PAYMENTS ACCOUNT

An abstract of the Joint Liquidators' Receipts and Payments Account ("R&P") for the period concerned is attached at Appendix A. This account is self-explanatory, however, I comment below on the material transactions on the R&P.

3. ASSET REALISATIONS**3.1 Bank Interest Gross**

During the reporting period the sum of £1,458.18 has been realised in respect of bank interest gross.

3.2 Settlement

Creditors may recall from my previous report that the Joint Liquidators' investigations into the affairs of the Company and the conduct of the directors resulted in proceedings being issued against the directors. As these proceedings were afoot at the time of my last report, I was unable to provide further details to the creditors. I am pleased to report these proceedings have now been settled resulting in the sum of £2.8m being realised in the liquidation. Under the terms of the settlement agreed I am prohibited from disclosing the terms of settlement.

3.3 Contribution to Corporation Tax

Under the terms of the Settlement the Respondents were required to contribute a sum of £28,313.45 on account of the Corporation tax liability due on the Property. Please see Section 4.4 for further information below.

4. COSTS OF REALISATION**4.1 Legal Fees and Disbursements**

As previously advised, Clyde & Co LLP were retained on a Conditional Fee Arrangement ("CFA") with an uplift of 50% of base costs, to assist with matters arising during the liquidation including the proceedings issued. Their fees totalling £777,309.29 have been paid as shown on the R&P.

4.2 Counsel's fees

Counsel was also retained on a CFA basis with an agreed uplift of 50%. Their costs in the sum of £135,225.00 have been paid

4.3 ATE Insurance

As there were no funds in the estate, it was necessary to obtain After The Event insurance and a premium of £157,745.70 was paid in this respect.

4.4 Corporation Tax

As stated above, the Joint Liquidators' case was that the Respondent received legal title to the Property as constructive trustees and held the beneficial interest of the proceeds on trust for the Company acting by the Liquidators.

As such, the Company was deemed to be the taxable party in respect of the proceeds (being the quantum of the settlement sum of £2.8m) from the onward sale of the Property by the Respondents. The tax liability, including interest arising from the settlement sum was calculated as £426,361.07. This sum, including the contribution made by the Respondents as stated above, has been paid to HM Revenue & Customs.

5. JOINT LIQUIDATOR'S REMUNERATION AND DISBURSEMENTS

At the Meeting of Creditors held on 11 March 2014 creditors agreed that CVR Global LLP be paid £5,000 for assistance in preparing the Director's Statement of Affairs and convening the creditors' meeting. This fee was drawn during a previous period.

At the same meeting, the creditors also passed a resolution enabling me to draw my remuneration based on my firm's time costs, and to draw Category 2 disbursements.

However, creditors may recall that the basis of the Joint Liquidators remuneration was amended in July 2015 as follows:

Resolution 1

That the Joint Liquidators' time costs incurred up to 13 July 2015 totalling £49,671.50 be agreed on a time costs basis and these fees be paid from the estate as and when funds permit without any uplift. Disbursements may also be drawn in accordance with their standard procedures.

Resolution 2

That the Joint Liquidator's future costs be agreed on the basis of their time costs incurred in dealing with matters arising in the liquidation and be subject to an uplift of 50%.

A summary of the Liquidators' time costs, covering the period since my appointment and the period covered by this report, analysed by grade of staff, are attached at Appendix B.

In accordance with the Statement of Insolvency Practice 9 issued by the Association of Business Recovery Professionals and adopted by my professional licensing body, I advise that the overall time spent and charge out value during the period of the Liquidation, from 11 March 2014 to 10 March 2017 is 603.10 hours and £190,613.50 respectively. This equates to an average hourly charge out rate of £316.06.

In relation solely to the period covered by this report, I advise that the overall time spent and charge out value of that time is 272.80 hours and £104,188.00 respectively. This equates to an average hourly charge out rate of £381.92.

These figures do not include VAT.

To date, the Joint Liquidators have drawn fees in the sum of £256,956.50, of which £253,956.50 has been drawn during this reporting period.

The work undertaken as Joint Liquidator is derived from the responsibilities placed upon me by the underlying legal and regulatory framework for work of this nature. I have been assisted by the assignment manager and administrator, together with secretarial staff and cashiers. All personnel were charged directly to the assignment for all of the time relating to the case.

I believe this case to be of complex nature in that it involves complex investigations in respect of tax schemes engaged by the Company. The majority of the Joint Liquidators' time has been spent in relation to investigations in this regard.

Disbursements represent the reimbursement of actual out-of-pocket payments made on behalf of the assignment. These are outlined in the cost breakdown attached as outlined above.

6. CHARGE OUT RATES

In common with other professional firms, my charge out rates increase from time to time over the period of the administration of the case. I enclose an explanation of office holders' charging and disbursement recovery policies for your reference as Appendix 3.

A Creditors' Guide to Joint Liquidators' Fees, which provides information for creditors in relation to the remuneration of the Joint Liquidators, can be accessed at the website of the Association of Business Recovery Professionals at <https://www.r3.org.uk/what-we-do/publications/professional/fees>. Alternatively, I can provide you with a copy on written request to my office.

7. DIVIDEND PROSPECTS

7.1 Unsecured Creditors

To date, unsecured creditor claims totalling £2,963,616.39 have been received, of which the sum of £2,963,009.10 relates to a claim from HM Revenue & Customs.

A first and final dividend was declared on 2 March 2017 at the rate of 35.26 pence in the £, and the total sum of £1,045,000.00 was distributed.

8. INVESTIGATIONS

I have complied with my statutory duty in relation to the Directors conduct report which has been submitted to the Department for Business, Innovation and Skills, in accordance with the Company Directors Disqualification Act 1986.

9. RIGHT TO REQUEST FURTHER INFORMATION

I would draw your attention to Rule 4.49E and Rule 4.131 of the Insolvency Rules 1986 (as amended), the text of which is reproduced at Appendix 4. These Rules set out the circumstances under which creditors may request further information in relation to the Joint Liquidator's remuneration and expenses and their right to challenge the Joint Liquidator's remuneration and expenses.

10. CONCLUSION

Should you require any further information, in addition to that already given, please contact Camilla Watts at this office, on 020 3794 8735 or at cwatts@cvr.global.

A handwritten signature in black ink, appearing to read 'R H Toone', with a horizontal line drawn underneath it.

R H TOONE

Joint Liquidator

Licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

**B.Frankle & Sons Limited t/a Frankle Trimmings
(In Liquidation)**

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 11/03/2014 To 10/03/2016 (£)	From 11/03/2016 To 10/03/2017 (£)	Total (£)
Book Debts	Uncertain	450.05	0.00	450.05
Cash at Bank	10,194.00	10,518.01	0.00	10,518.01
Bank Interest Gross		4.88	1,458.18	1,463.06
Settlement		0.00	2,800,000.00	2,800,000.00
Frankle Contribution to Corporation Tax		0.00	28,313.45	28,313.45
		10,972.94	2,829,771.63	2,840,744.57
PAYMENTS				
Specific Bond		0.00	25.00	25.00
Preparation of S. of A.		5,000.00	0.00	5,000.00
Office Holders Fees		3,000.00	253,956.50	256,956.50
Legal fees & disbursements		0.00	777,309.29	777,309.29
Counsel's fees		0.00	135,225.00	135,225.00
ATE Insurance		0.00	157,745.70	157,745.70
Agents/Valuers Fees (1)		67.51	0.00	67.51
Corporation Tax		0.00	426,361.07	426,361.07
Stationery & Postage		0.00	16.01	16.01
Accountancy Fees		500.00	3,500.00	4,000.00
Storage Costs		0.00	15.84	15.84
Statutory Advertising		0.00	147.00	147.00
Travel		0.00	140.70	140.70
Courier Fees		0.00	18.25	18.25
Insolvency Point Fees		0.00	12.00	12.00
Trade & Expense Creditors	(503.00)	0.00	214.15	214.15
HM Revenue & Customs	(766,850.00)	0.00	1,044,785.85	1,044,785.85
		8,567.51	2,799,472.36	2,808,039.87
Net Receipts/(Payments)		2,405.43	30,299.27	32,704.70
MADE UP AS FOLLOWS				
Vat Receivable		1,713.50	265,542.05	267,255.55
Bank 1 Current		691.93	19,728.37	20,420.30
Vat Control Account		0.00	(254,971.15)	(254,971.15)
		2,405.43	30,299.27	32,704.70

APPENDIX B

Summary of Joint Liquidators' Remuneration & Disbursements

B FRANKLE & SONS CVL - BFRA60880

Time and Chargeout Summary for the period 11/03/2014 to 10/03/2017

Classification of work function	Hours					Time Cost £	Average hourly rate £
	Partner / Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & Planning							
(A)Appointment Documents	0.00	0.80	0.00	0.00	0.80	236.00	295.00
(A)Case Reviews	3.70	5.70	6.40	1.70	17.50	5,090.00	290.86
(A)Cashing	0.00	1.90	0.30	11.30	13.50	2,496.50	184.93
(A)General Administration	42.60	11.20	44.90	35.40	134.10	40,574.50	302.57
(A)General advice/meetings	0.20	0.00	0.00	0.00	0.20	99.00	495.00
(A)JA Correspondence	0.20	0.00	0.00	2.20	2.40	410.50	171.04
(A)Money Laundering & ethics	0.00	0.00	0.00	0.10	0.10	8.50	85.00
(A)Pension Matters	0.00	0.00	0.50	0.00	0.50	195.00	390.00
(A)Statutory Filing, advertising & bordereau	0.20	1.10	0.00	0.50	1.80	518.00	287.78
Total for Administration & Planning	46.90	20.70	52.10	51.20	170.90	49,628.00	290.39
Investigations							
(I)Antecedent Transactions	12.00	4.90	46.80	4.80	68.50	14,622.50	213.47
(I)D Conduct reports/returns	1.70	0.80	16.40	0.00	18.90	3,362.50	177.91
(I)Investigations (not SIP2/CDDA)	83.70	12.50	13.40	0.00	109.60	39,066.00	356.44
Total for Investigations	97.40	18.20	76.60	4.80	197.00	57,051.00	289.60
Realisation of Assets							
(R)Agents & Valuations	0.20	0.00	0.00	0.00	0.20	95.00	475.00
(R)Book Debts	0.00	0.40	9.40	0.00	9.80	1,378.00	140.61
(R)Cash at Bank	0.00	0.80	2.30	0.00	3.10	554.00	178.71
(R)Contributions	1.50	0.00	0.00	0.00	1.50	714.50	476.33
(R)Other Assets	0.60	0.90	18.10	0.00	19.60	7,611.00	388.32
(R)Property	0.10	0.10	1.60	0.00	1.80	302.50	168.06
(R)WIP/Stock	0.00	0.00	0.10	0.00	0.10	13.50	135.00
Total for Realisation of Assets	2.40	2.20	31.50	0.00	36.10	10,668.50	295.53
Creditors							
(C)Claims & Proofs	0.10	1.50	2.40	0.00	4.00	1,399.50	349.87
(C)Correspondence	7.10	1.00	1.90	0.00	10.00	3,794.50	379.45
(C)Dividends	3.40	5.70	0.00	0.50	9.60	3,176.50	330.89
(C)Meetings	0.00	0.00	1.60	0.00	1.60	216.00	135.00
(C)Pension Creditors	0.00	1.10	0.00	0.00	1.10	341.00	310.00
(C)Reports & Circulars	1.80	1.80	0.60	5.00	9.20	1,827.00	198.59
(C)Sec Correspondence	0.00	0.20	0.00	0.00	0.20	59.00	295.00
Reports to Creditors	17.10	4.30	0.10	0.00	21.50	9,477.00	440.79
Total for Creditors	29.50	15.60	6.60	5.50	57.20	20,290.50	354.73
Case Specific Matters							
(CS)Legal Matters (non invest)	35.30	28.20	1.00	3.50	68.00	26,148.50	384.54
(CS)Other Special Issues	20.70	18.40	0.00	3.20	42.30	15,789.50	373.27
(CS)Post appointment tax returns	1.40	3.90	16.80	4.60	26.70	8,969.00	335.92
(CS)Pre Appointment Taxation	1.50	0.00	3.40	0.00	4.90	2,068.50	422.14
Total for Case Specific Matters	58.90	50.50	21.20	11.30	141.90	52,975.50	373.33
Total Hours	235.10	107.20	188.00	72.80	603.10	190,613.50	316.06

B FRANKLE & SONS CVL - BFRA60880

Time and Chargeout Summary for the period 11/03/2016 to 10/03/2017							
Classification of work function	Hours					Time Cost £	Average hourly rate
	Partner / Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & Planning							
(A)Case Reviews	2.20	2.70	2.20	0.00	7.10	2,752.50	387.68
(A)Cashing	0.00	1.70	0.30	8.80	10.80	2,100.00	194.44
(A)General Administration	14.30	6.40	38.10	1.70	60.50	23,658.00	391.04
(A)General advice/meetings	0.20	0.00	0.00	0.00	0.20	99.00	495.00
(A)JA Correspondence	0.20	0.00	0.00	1.40	1.60	344.00	215.00
(A)Pension Matters	0.00	0.00	0.50	0.00	0.50	195.00	390.00
(A)Statutory Filing, advertising & bordereau	0.20	1.10	0.00	0.40	1.70	510.00	300.00
Total for Administration & Planning	17.10	11.90	41.10	12.30	82.40	29,658.50	359.93
Investigations							
(I)Antecedent Transactions	4.40	0.00	0.70	0.00	5.10	2,293.50	449.71
(I)Investigations (not SIP2/CDDA)	20.70	0.00	13.00	0.00	33.70	13,300.50	394.67
Total for Investigations	25.10	0.00	13.70	0.00	38.80	15,594.00	401.91
Realisation of Assets							
(R)Other Assets	0.40	0.00	18.10	0.00	18.50	7,246.50	391.70
Total for Realisation of Assets	0.40	0.00	18.10	0.00	18.50	7,246.50	391.70
Creditors							
(C)Claims & Proofs	0.10	1.50	2.20	0.00	3.80	1,372.50	361.18
(C)Correspondence	3.50	0.60	1.00	0.00	5.10	2,256.00	442.35
(C)Dividends	3.40	5.70	0.00	0.50	9.60	3,176.50	330.89
(C)Pension Creditors	0.00	1.10	0.00	0.00	1.10	341.00	310.00
(C)Reports & Circulars	0.20	0.00	0.00	1.00	1.20	274.00	228.33
Reports to Creditors	15.90	2.30	0.00	0.00	18.20	8,384.00	460.66
Total for Creditors	23.10	11.20	3.20	1.50	39.00	15,804.00	405.23
Case Specific Matters							
(CS)Legal Matters (non invest)	23.90	16.50	1.00	0.00	41.40	17,335.50	418.73
(CS)Other Special Issues	7.50	11.30	0.00	3.20	22.00	7,615.50	346.16
(CS)Post appointment tax returns	1.40	3.90	16.40	4.10	25.80	8,865.50	343.62
(CS)Pre Appointment Taxation	1.50	0.00	3.40	0.00	4.90	2,068.50	422.14
Total for Case Specific Matters	34.30	31.70	20.80	7.30	94.10	35,885.00	381.35
Total Hours	100.00	54.80	96.90	21.10	272.80	104,188.00	381.92

APPENDIX C

Chargeout Rates & Disbursements Recovery Policy

CVR GLOBAL LLP

CHARGE-OUT RATES AND DISBURSEMENT RECOVERY POLICIES

Charge-out Rates

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), the firm's charge-out rates applicable to this appointment, exclusive of VAT, are as follows:

	From 6 January 2016 £ per hour	From 1 January 2015 £ per hour	From 1 August 2013 £ per hour	From 1 August 2011 £ per hour
Partners / Office Holders	390 - 495	370 - 475	350 - 450	350 - 450
Consultants	390 - 495	370 - 475	350 - 450	350 - 450
Directors	360 - 390	340 - 370	325 - 350	325 - 340
Senior Manager	330 - 360	315 - 340	300 - 325	300 - 315
Managers	300 - 330	295 - 315	280 - 295	280 - 295
Assistant Managers	290 - 310	275 - 295	260 - 280	260 - 275
Senior Executive / Analyst	240 - 275	230 - 265	220 - 250	220 - 250
Executive	155 - 190	150 - 190	135 - 180	125 - 175
Cashier	135 - 185	130 - 175	125 - 165	120 - 160
Secretaries / Support / Junior Analyst	90 - 125	85 - 120	80 - 115	80 - 110

Charge-out rates are normally reviewed annually when rates are adjusted to reflect such matters as inflation; increases in direct wage costs; and changes to indirect costs such as Professional Indemnity Insurance. It is the firm's policy for the cashier's time spent on an assignment to be charged to the case. However, secretarial and office admin support time is charged only in respect of identifiable blocks of time devoted to the case where we consider it to be viable to do so. All time is recorded in 6 minute units.

Direct expenses ("Category 1 Disbursements")

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case, will be charged to the estate at cost, with no uplift. These include but are not limited to such items as advertising our appointment, meetings and requesting claims from creditors, storage in relation to the books and records of the company or individuals and the assignment records, online reporting facilities in relation to the uploading of documents and reports for creditors, bonding and other insurance premiums to protect the estate and its assets, and properly reimbursed expenses incurred by personnel in connection with the case.

Indirect expenses ("Category 2 Disbursements")

It is our normal practice to also charge the following indirect disbursements ("Category 2 Disbursements as defined by SIP 9) to the case, where appropriate:

Circulars to creditors

Plain/headed paper including photocopying	12p per side
Envelopes	12p each
Postage	Actual cost

Room Hire

For the convenience of creditors and to save the cost of booking an outside hotel room, meetings of creditors are occasionally held internally at our offices. Where meetings of creditors are held in one of our internal meeting rooms, a charge of £100 plus VAT may be levied to cover the cost of booking the room.

Travel

Mileage incurred as a result of any necessary travelling is charged to the estate at the H M Revenue & Customs approved rate, currently 40p per mile.

All of the above costs are subject to amendment by the firm at any time and if amended will be notified to creditors with the next circular sent to all creditors.

Company Searches & Electronic Verification of Identity

Included in expense and/or disbursements, Company Searches and electronic Verification of Identity include an element of shared costs. Such expenses are of an incidental nature but are generally incurred on each case. In line with the cost of the external provision of such services, a charge of £15 plus VAT is levied to cover the cost of these searches.

Work involved in the administration of the case

The main work involved relates to realisation of the assets of the company or individual, agreement of claims and payment of dividends or distributions to creditors and where possible members. As part of this work the office holder is required by statute and best practice to undertake work in providing reports, convening meetings and investigating the affairs of the company or indeed individual, prior to the commencement of the insolvency process.

In order to provide an explanation of the work involved by the office holder such work is broadly split into six categories, a narrative explanation of the work involved in each of these is provided below. The office holders' remuneration can be approved on a set fee, percentage or time cost basis, or indeed a combination of these. Where remuneration is requested on a time costs basis, creditors are provided with information regarding time intended to be spent in administering the insolvency process, and in some instances are provided with an overall estimate of the cost. Depending on the type and age of the case, creditors may be contacted to approve an increased estimated cost and will be provided with the reasons for the increase.

Administration and Planning

Work involved in this category relates mainly to routine and statutory functions. It does not necessarily provide financial benefit to creditors, but ensures that the case is managed and administered in accordance with legislation and in a professional manner. It includes but is not limited to the following areas: statutory and general notifications, advertising, filing of statutory forms, case management, cashiering requirements and management of estate funds, general tax and VAT matters, pension matters, general correspondence, case reviews, and reporting.

Investigation

The office holders are required to undertake an investigation in to the affairs of the company or individual prior to the commencement of the insolvency process. In the case of Creditors Voluntary Liquidations and Administrations an office holder is required to submit a report on the conduct of the Directors who were in office in the period three years prior to the commencement of the insolvency process, to the Insolvency Service, in accordance with legislation. Occasionally such investigations identify further potential asset recoveries.

Assets

This involves work in realising assets of the company or individual, which are known and stated in the statement of affairs. It may also include work involved in asset recoveries identified post appointment, which were either unknown or identified during the office holders' investigations.

Creditors

This involves work in dealing with creditor queries and correspondence, including reports and where funds permit agreeing creditor claims and provision of dividends to creditors. This may also involve assisting employees with the calculation of their statutory entitlements and agreeing subsequent claims of employees and of the redundancy payments service and payment of any dividend, should funds allow. The category may also include work in connection with secured creditors, including correspondence and reporting.

Trading

In some instances it will be necessary to assist in the trading of a business post commencement of an insolvency process. Should this be necessary, detailed further information will be provided.

Case specific matters

This category includes areas of work of a specific nature and may include legal matters and preparation of tax returns and payment of tax liabilities.

CVR GLOBAL LLP

Updated 6 January 2016

CVR GLOBAL is a limited liability partnership registered in England and Wales (NoOC398681) whose registered office is at New Fetter Place West, 55 Fetter Lane, London, EC4A 1AA. The term "partner" denotes a member of a limited liability partnership. A list of members of CVR Global LLP is available at our registered office.

APPENDIX D

Extracts of 4.49E and 4.131 of the Insolvency Rules 1986 (as amended)

APPENDIX 4

Extracts of 4.49E and 4.131 of The Insolvency Rules 1986 (as amended)

4.49E Creditors' and Members' request for further information

4.49E(1) [Duty of Liquidator re remuneration or expenses] If-

- (a) within the period mentioned in paragraph (2)-
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (iii) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company, or
- (b) with the permission of the court upon an application made within that period mentioned in paragraph (2)-
 - (i) any unsecured creditor, or
 - (ii) any member of the company in a members' voluntary winding up,

makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4.49B(1)(e) or (f) (including by virtue of Rule 4.49C(5)) or in a draft report under Rule 4.49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter in a draft report under Rule 4.49D or a progress report required by Rule 4.108 which (in either case) was previously included in a progress report not required by Rule 4.108.

4.49E(2) [Period for compliance with r.4.49E(1)] The period referred to in paragraph (1)(a) and (b) is-

- (a) 7 business days of receipt (by the last of them in the case of an application by more than one member) of the progress report which it is required by Rule 4.108, and
- (b) 21 days of receipt (by the last of them in the case of an application by more than one member) of the report or draft report in any other case.

4.49E(3) [How liquidator to comply] The liquidator complies with this paragraph by either-

- (a) providing all the information asked for, or

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(b) so far as the liquidator considers that-

- (i) the time or cost of preparation of the information would be excessive, or
- (ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
- (iii) the liquidator is subject to an obligation of confidentiality in respect of the information,

giving reasons for not providing all of the information.

4.49E(4) [Application to court by creditors and members] Any creditor, and any member of the company in a members' voluntary winding up, who need not be the same as the creditors or members who asked for the information, may apply to the court within 21 days of-

- (a) the giving by the liquidator of reasons for not providing all of the information asked for, or
- (b) the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just.

4.49E(5) [Court may extend period in rr.4.131(1B), 4.148C(2)] Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks or, as the case may be, 4 weeks provided for in Rule 4.131(1B) or 4.148C(2) by such further period as the court thinks just.

4.49E(6) [Non-application to official receiver] This Rule does not apply where the liquidator is the official receiver.

4.131 Creditors' claim that remuneration is or other expenses are excessive

4.131(1) [Secured or certain unsecured creditors may apply to court] Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4).

4.131(1A) [Grounds for application] Applications may be made on the grounds that-

- (a) the remuneration charged by the liquidator,
- (b) the basis fixed for the liquidator's remuneration under Rule 4.127, or
- (c) expenses incurred by the liquidator,

is or are, in all circumstances, excessive or, in the case of an application under sub-

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paragraph (b), inappropriate.

4.131(1B) [Time limit for application] The application must, subject to any order of the court under Rule 4.49E(5), be made no later than 8 weeks (or, in the case falling within Rule 4.108, 4 weeks) after receipt by the applicant of the progress report, or the draft report under Rule 4.49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

4.131(2) [Power of court to dismiss etc.] The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application; but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice but which is without notice to any other party.

If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly.

4.131(3) [Notice to liquidator] The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it.

4.131(4) [Court order] If the court considers the application to be well-founded, it must make one or more of the following orders-

- (a) an order reducing the amount of remuneration which the liquidator was entitled to charge;
- (b) an order fixing the basis of remuneration at a reduced rate or amount;
- (c) an order changing the basis of remuneration;
- (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation;
- (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify;

and may make any other order that it thinks just; but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report.

4.131(5) [Costs of application] Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the liquidation.