

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 02236833

Company name in full Lorlec Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Nick

Surname Morgan

3 Liquidator's address

Building name/number Suite 4, Second Floor, Aus Bore House

Street 19-25 Manchester Road

Post town Wilmslow

County/Region Cheshire

Postcode SK91BQ

Country

4 Liquidator's name ①

Full forename(s) James

Surname Kaye

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Suite 4, Second Floor, Aus Bore House

Street 19-25 Manchester Road

Post town Wilmslow

County/Region Cheshire



Postcode SK91BQ

Country

② Other liquidator
Use this section to tell us about
another liquidator.

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6	Period of progress report							
From date	^d 1	^d 4	^m 0	^m 2	^y 2	^y 0	^y 2	^y 3
To date	^d 1	^d 3	^m 0	^m 2	^y 2	^y 0	^y 2	^y 4
7	Progress report							
<input checked="" type="checkbox"/> The progress report is attached								
8	Sign and date							
Liquidator's signature	Signature 							
Signature date	^d 0	^d 6	^m 0	^m 3	^y 2	^y 0	^y 2	^y 4

LIQ03

Notice of progress report in voluntary winding up



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

James Kaye

Company name

NTF Corporate Solutions Limited

Address

Suite 4, Second Floor, Aus Bore House

19-25 Manchester Road

Post town

Wilmslow

County/Region

Cheshire

Postcode

S K 9 1 B Q

Country

DX

Telephone

01625 540744



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

Lorlec Limited – In Members' Voluntary Liquidation

LIQUIDATORS' PROGRESS REPORT TO MEMBERS

For the year ending 13 February 2024

EXECUTIVE SUMMARY

I, James Kaye, together with Nick Morgan of NTF Corporate Solutions, Suite 4, 2nd Floor, Aus-Bore House, 19-25 Manchester Road, Wilmslow, SK9 1BQ, was appointed as Joint Liquidator of Lorlec Limited ("the company") on 14 February 2023.

The company commenced trading in 1988 as a manufacture of other fabricated metal products. The trading address was Horninglow Road North Burton upon Trent Staffordshire DE13 0SF.

The registered office of the company was changed to c/o Suite 4, 2nd Floor, Aus-Bore House, 19-25 Manchester Road, Wilmslow, SK9 1BQ on 24 February 2023.

STATUTORY INFORMATION

Company name:	Lorlec Limited
Registered office:	Aus-Bore House 19-25 Manchester Road Wilmslow Cheshire SK9 1BQ
Former registered office:	Horninglow Road North Burton Upon Trent Staffordshire DE13 0SF
Registered number:	02236833
Joint Liquidators' names:	Nick Morgan and James Kaye
Joint Liquidators' address:	Suite 4, Second Floor, Aus Bore House, 19-25 Manchester Road, Wilmslow, Cheshire, SK9 1BQ, GB
Joint Liquidators' date of appointment:	14 February 2023
Actions of Joint Liquidators'	Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both of the Liquidators acting jointly or alone.

LIQUIDATORS' ACTIONS SINCE DATE OF COMMENCEMENT OF LIQUIDATION

There is certain work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the members. A description of the routine work undertaken since the date of the commencement of the Liquidation is contained in Appendix 1.

In addition to the usual work I have been liaising with HMRC and the company's accountant in relation to the filling of final corporation and VAT return. In addition I had to contact HMRC to arrange a set off of corporation tax due against a subsequent losses.

Finally I was made aware of an issues in relation to company's pension and so I instructed courts trustees a specialist in pension provider and a sum was due which I have paid outside the period of this report.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 14 February 2023 to 13 February 2024 is attached at Appendix 2. All amounts are shown inclusive 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

Cash at Bank

There were no assets of the company, other than cash held at the bank.

LIABILITIES

There are no outstanding liabilities to date. However, after appointment we became aware that a return had not been filed. I advised the director HMRC confirmed all returns had been submitted previous sum due was off set against losses.

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.

Preferential Creditors

The Declaration of Solvency no preferential creditors.

Crown Creditors

The Declaration of Solvency showed no non-preferential unsecured creditors.

Non-preferential unsecured Creditors

The Declaration of Solvency showed no non-preferential unsecured creditors, however as above a sum due to the company pension was discovered, which has been paid.

Share Capital

There were no creditors to pay and so the following distributions were made to the Members holding ordinary shares.

Date	Amount distribution	Rate of distribution per share
22/03/2023	£100,000.00	100,000 per share

PRE-APPOINTMENT REMUNERATION

No pre-appointment remuneration was agreed or taken.

LIQUIDATORS' REMUNERATION

My remuneration was previously authorised by Members at a meeting held on 14 February 2023 on fixed fee £3,500.00 plus VAT, this has been drawn

LIQUIDATORS' 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 £198.00, I have drawn £198.00 to 13 February 2024

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

Type of expense	Amount incurred/ accrued in the reporting period
Bond	£198.00

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

I am required to seek approval before I can pay any expenses to associates, or pay expenses where there is an element of shared costs, which are known as category 2 expenses. I have obtained approval to pay the following category 2 expenses. I have incurred the following category 2 expenses in the period since the commencement of the Liquidation:

Type of category 2 expense	Amount incurred/ accrued in the reporting period
N/A	£0.00

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

FURTHER INFORMATION

A Member may, with the permission of the court or with at least 5% of the total voting rights of all the Members having the right to vote at general meetings of the company request further details of the Joint Liquidators' remuneration and expenses, within 21 days of receipt of this report.

A Member may, with the permission of the court or with at least 10% of the total voting rights of all the Members having the right to vote at general meetings of the company, apply to Court to challenge the amount of remuneration charged by the Joint Liquidators as being excessive, and/or the basis of the Joint Liquidators' remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report.

The Liquidation will remain open until have received a VAT reclaim from HMRC and confirmation of closure of the pension scheme. I estimate that this will take approximately 6 months and once resolved the Liquidation will be finalised and our files will be closed.

If members 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 Anthony Joyce on 01625 540744, or by email at anthony.joyce@ntffs.co.uk.



James Kaye
JOINT LIQUIDATOR

Appendix 1

1. Administration

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- 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 physical/electronic case files.
- Setting up 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 and holding a general meeting of Members (as applicable).
- Dealing with all routine correspondence and emails relating to the case.
- 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.
- 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 Members.
- Filing returns at Companies House.

Lorlec Limited
Creditor Voluntary Liquidation
Abstract Receipts and Payments Statement
For the period 14 February 2023 to 13 February 2024

	14 February 2023 - 13 February 2024	Estimated to Realise
Receipts		
Cash at bank	£116,898.46	£0.00
Assets	£320.48	£0.00
Interest	£218.82	
Total :	£117,437.76	
Payments		
2021 Corporation Tax	£796.37	
Statutory Interest		
Bond	£198.00	
Distribution to shareholder	£100,000.00	
Drax Debrt inc Stat int	£242.00	
Liquidators Fee inc VAT	£4,200.00	
Pension specialist invoice	£480.00	
Statutory Advertisements inc VAT	£356.40	
Total :	£106,272.77	
Bank Balance	£11,164.99	

Any balance held at bank is currently held in a separate interest bearing account.

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/>.
A creditors' guide to the "Insolvency Practitioners Fees in a Voluntary Arrangement" is available for download from the R3 website :
[www.r3.org.uk/media/documents/technical_library/Guides_to/Guide to Voluntary Arrangement Fees Nov2011.pdf](http://www.r3.org.uk/media/documents/technical_library/Guides_to/Guide_to_Voluntary_Arrangement_Fees_Nov2011.pdf)

Appendix 3

LIQUIDATION - A MEMBERS' GUIDE TO FEES IN ENGLAND AND WALES

1 Introduction

1.1 When a Company goes into Members' Voluntary Liquidation, the costs of the proceedings are paid out of its assets. A declaration of solvency is sworn by the directors indicating that the creditors will be paid in full with statutory interest from the Company's assets, with the remaining assets being distributed to the members. As a result, it is the members who have a direct interest in the level of costs, and in particular the remuneration of the Insolvency Practitioner appointed to act as Liquidator. The insolvency legislation recognises this interest by providing a mechanism for members to fix the basis of the Liquidator's fees. This guide is intended to help members be aware of their rights to approve and monitor fees, explains the basis on which fees are fixed and how members can seek information about expenses incurred by the Liquidator and challenge those they consider to be excessive.

2 Liquidation procedure

2.1 Liquidation (or 'winding up') is the most common type of corporate insolvency procedure. Liquidation is the formal winding up of a Company's affairs entailing the realisation of its assets and the distribution of the proceeds in a prescribed order of priority. Liquidation may be either voluntary, when it is instituted by resolution of the shareholders, or compulsory, when it is instituted by order of the Court.

2.2 Voluntary Liquidation is the more common of the two. A solvent voluntary liquidation is called a Members' Voluntary Liquidation (often abbreviated to 'MVL'). In this type of liquidation an Insolvency Practitioner acts as Liquidator throughout and the members appoint the Liquidator at a general meeting of the Company.

2.3 In an MVL all creditors must be paid in full with statutory interest within the period stated in the declaration of solvency otherwise the Liquidator will have to convene a meeting of creditors and convert it to a Creditors' Voluntary Liquidation, i.e. an insolvent liquidation.

3 Fixing the Liquidator's remuneration

3.1 Basis

The basis for fixing the Liquidator's remuneration is set out in Rule 18.16 of The Insolvency (England and Wales) Rules 2016. The Rule states that the remuneration shall be fixed:

- as a percentage of the value of the assets which are realised or distributed or both,
- by reference to the time properly given by the Liquidator and his staff in attending to matters arising in the liquidation, or
- as a set amount.

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the Liquidator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the Liquidator.

3.2 Who fixes the remuneration?

Rule 18.19 indicates that it is for the members at a general meeting of the Company to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the members to determine the percentage or percentages to be applied and Rule 18.16(9) says that in arriving at their decision the members shall have regard to the following matters:

- the complexity (or otherwise) of the case;
- any responsibility of an exceptional kind or degree which falls on the Liquidator in connection with the winding up;
- the effectiveness with which the Liquidator

appears to be carrying out, or to have carried out, his or her duties; and • the value and nature of the assets with which the Liquidator has to deal.

3.3 A resolution specifying the terms on which the Liquidator is to be remunerated may be taken at the general meeting of the Company which appoints the Liquidator.

3.4 If the remuneration is not fixed as above, it will be fixed by the Court on application by the Liquidator, but the Liquidator may not make such an application unless he has first tried to get his or her remuneration fixed by the members as described above, and in any case not later than 18 months after his or her appointment.

4 Review of remuneration

Where there has been a material and substantial change in circumstances since the basis of the liquidator's fees were fixed, the liquidator may request that it be changed. The request must be made to the same body as initially approved the fees, and the same rules apply as to the original approval.

5 What information should be provided by the Liquidator?

5.1 General principles

5.1.1 The Liquidator should provide those responsible for approving his or her remuneration with sufficient information to them to make an informed judgement about the reasonableness of the Liquidator's request. The information should be presented in a manner which is transparent, consistent throughout the life of the case and useful to members, while being proportionate to the circumstances of the case.

5.1.2 The Liquidator should disclose:

- payments, remuneration and expenses arising from the administration paid to the Liquidator or his or her associates;
- any business or personal relationships with parties responsible for approving the Liquidator's remuneration or who provide services to the Liquidator in respect of the insolvency appointment where the relationship could give rise to a conflict of interest.

The Liquidator should inform members of their rights under insolvency legislation, and should advise them how they may access suitable information setting out their rights within the first communication with them and in each subsequent report.

5.1.3 Where the Liquidator sub-contracts out work that could otherwise be carried out by the Liquidator or his or her staff, this should be drawn to the attention of members with an explanation of why it is being done.

5.2 Key issues

5.2.1 The key issues of concern to those with a financial interest in the level of payments from the insolvency estate will commonly be: • the work the Liquidator anticipates will be done, and why that work is necessary; • the anticipated cost of that work, including any expenses expected to be incurred in connection with it; • whether it is anticipated that the work will provide a financial benefit to members, and if so what benefit (or if the work provided no direct financial benefit, but was required by statute); • the work actually done and why that work was necessary; • the actual costs of the work, including any expenses incurred in connection with it, as against any estimate provided; • whether the work has provided a financial benefit to members, and if so what benefit (or if the work provided no direct financial benefit, but was required by statute).

When providing information about payments, fees and expenses, the Liquidator should do so in a way which facilitates clarity of understanding of these key issues. Narrative explanations should be provided to support any numerical information supplied.

5.2.2 When approval for a fixed amount or a percentage basis is sought, the Liquidator should explain why the basis requested is expected to produce a fair and reasonable reflection of the work that the Liquidator anticipates will be undertaken.

5.3 Disbursements

5.3.1 Costs met by and reimbursed to the Liquidator in connection with the liquidation will fall into two categories:

- Category 1 disbursements: These are payments to independent third parties where there is specific expenditure directly referable to the liquidation. Category 1 disbursements can be drawn without prior approval, although the Liquidator should be prepared to disclose information about them in the same way as any other expenses.
- Category 2 disbursements: These are costs that are directly referable to the liquidation but not to a payment to an independent third party. They may include shared or allocated costs that may be incurred by the Liquidator or their firm, and that can be allocated to the liquidation on a proper and reasonable basis.

When seeking approval, the Liquidator should explain, for each category of cost, the basis on which the charge is being made. If the Liquidator has obtained approval for the basis of Category 2 disbursements, that basis may continue to be used in a sequential appointment where further approval of the basis of remuneration is not required, or where the Liquidator is replaced.

5.3.2 The following are not permissible as disbursements:

- a charge calculated as a percentage of remuneration; • an administration fee or charge additional to the Liquidator's remuneration; • recovery of basic overhead costs such as office and equipment rental, depreciation and finance charges.

6. Progress reports and requests for further information

6.1 The Liquidator is required to send annual progress reports to members. In addition to the items described above and especially those in paragraph 5.2.1, the reports must include:

- details of the basis fixed for the fee of the liquidator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it);
- if the basis has been fixed, the fee charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report);
- if the report is the first to be made after the basis has been fixed, the fee charged during the periods covered by the previous reports, together with a description of the things done during those periods, irrespective of whether payment was actually made during the period of the report;
- a statement of the expenses incurred by the liquidator during the period of the report, irrespective of whether payment was actually made during that period;
- details of progress during the period of the report, including a summary of the receipts and payments during the period;
- details of what remains to be done;

- where appropriate, a statement setting out whether, at the date of the report: o the expenses incurred or expected to be incurred are likely to exceed, or have exceeded, the details given to the creditors prior to the determination of the basis of fees; and o the reason for that excess.

- a statement of the members' rights to request further information, as explained in paragraph 6.2, and their right to challenge the Liquidator's fees and expenses.

6.2 Within 21 days of receipt of a progress report, a member may request the Liquidator to provide further information about the remuneration and expenses set out in the report. A request must be in writing, and may be made by a member or members representing at least 5% in value of the total voting rights of members (including himself), or any member with the permission of the Court.

6.3 The Liquidator must provide the requested information within 14 days, unless he or she considers that:

- the time and cost involved in preparing the information would be excessive; or
- disclosure would be prejudicial to the conduct of the liquidation or might be expected to lead to violence against any person; or
- the Liquidator is subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing the information.

6.4 Any member may apply to the Court within 21 days of the Liquidator's refusal to provide the requested information, or the expiry of the 14 days' time limit for the provision of the information.

7. Provision of information – additional requirements

7.1 The Liquidator must provide certain information about the time spent on the case, free of charge, upon request by any creditor, director or member of the Company. The information which must be provided is –

- the total number of hours spent on the case by the Liquidator or staff assigned to the case;
- for each grade of staff, the average hourly rate at which they are charged out;
- the number of hours spent by each grade of staff in the relevant period.

7.2 The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the Liquidator's appointment, or where he has vacated office, the date that he vacated office.

7.3 The information must be provided within 28 days of receipt of the request by the Liquidator, and requests must be made within two years from vacation of office.

8 What if a member is dissatisfied?

8.1 If a member believes that the basis of the Liquidator's remuneration is inappropriate, or the remuneration charged or expenses incurred by the Liquidator are in all the circumstances excessive he may, provided certain conditions are met, apply to the Court.

8.2 Application may be made to the Court by any member or members representing at least 10 per cent in value of voting rights (including himself), or by any member with the permission of the Court. Any such application must be made within 8 weeks of the applicant receiving the Liquidator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 6.1 above). If the Court does not dismiss the application (which it may if it considers that insufficient cause is shown), the applicant must give the Liquidator a copy of the application and supporting evidence at least 14 days before the hearing.

8.3 If the Court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the Court orders otherwise, the costs of the application must be paid by the applicant and not out of the assets of the Company being wound up.

9. What if the Liquidator is dissatisfied?

9.1 If the Liquidator considers that the remuneration fixed by the members is insufficient or that the basis used to fix it is inappropriate, he or she may apply to the Court for the amount or rate to be increased or the basis changed.

9.2 If he or she decides to apply to the Court he must give at least 14 days' notice to the members, or such one or more of the members as the Court may direct, to appear or be represented at the Court hearing. The Court may order the costs of the application or of any member appearing at the Court hearing to be paid out of the assets.

10. Other matters relating to remuneration

10.1 Where two (or more) joint Liquidators are appointed, it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute between them may be referred to the Court or a meeting of members.

10.2 If the appointed Liquidator is a solicitor and employs his or her own firm to act in the winding up, profit costs may not be paid unless authorised by the members or the Court.

10.3 If a new Liquidator is appointed in place of another, any determination or Court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new Liquidator until a further determination by the members, or Court order, is made.

10.4 Where the basis of the remuneration is a set amount, and the Liquidator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing Liquidator. The application must be made to the same body as approved the remuneration, i.e. either to the members or the Court. Where the outgoing Liquidator and the incoming Liquidator are from the same firm, they will usually agree the apportionment between themselves.

10.5 There may also be occasions when members will agree to make funds available themselves to pay for the Liquidator to carry out tasks which cannot be paid for out of the assets, either because they are deficient or because it is uncertain whether the work undertaken will result in any benefit to members. Arrangements of this kind are sometimes made to fund litigation. Any arrangements of this nature will be a matter for agreement between the Liquidator and the members concerned and will not be subject to the statutory rules relating to remuneration.

11. Effective date

This guide applies where a Liquidator is appointed on or after 1 October 2015, or where information is provided by the Liquidator about fees, expenses or other payments after 6 April 2017.

LIQUIDATION - A MEMBERS' GUIDE TO FEES IN ENGLAND AND WALES

NTF Corporate Solutions Limited

Rates and Disbursements Policy

Charge-out Rates

Summary of Charge out Rates (excluding VAT) as 1 July 2020

Grade of Staff	£ Per Hour
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Insolvency Practitioner	400
Senior Manager	290
Manager	260
Case Administrator	180
Administration & Support	110

Charge out rates are reviewed annual on 1 April and in common with other professional firms, may increase over the period of the administration of the case. The rates are appropriate to the skills and experience of the team member and the work they perform. All staff that work on the case, including cashiers, support and secretarial staff charge their time directly to the assignment and time is recorded in 6-minute units.

Disbursements

Some of the expenses incurred in this matter are likely to be paid by NTF Corporate Solutions Limited in the first instance and subsequently re-charged to the estate. Such disbursements fall into 2 categories as follows;

Category 1: These are payments to independent third parties where there is specific expenditure directly referable to the case and as such can be drawn without prior approval.

Category 2: These are costs that are directly referable to the case but not to a payment to an independent third party. They may include shared or allocated costs that may be incurred by the Joint Trustees, and that can be allocated to the case on a proper and reasonable basis. Such disbursements require approval in the same manner as remuneration.

We are therefore seeking approval for the payment of Category 2 disbursements in accordance with our Disbursement policy, as follows;

1. Photocopying at 5p per sheet copied.
2. Mileage will be charged at the relevant Inland Revenue rates, currently 45p per mile.
3. File setup fee £25.
4. Computer Management fee £10 a month.

All other disbursements at cost