

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

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

### 1 Company details

Company number 0 2 5 6 4 5 5 7

Company name in full Driveline Golf Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Michael

Surname Solomons

### 3 Liquidator's address

Building name/number 82 St John Street

Street

Post town London

County/Region

Postcode E C 1 M 4 J N

Country

### 4 Liquidator's name ①

Full forename(s) Andrew

Surname Pear

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 82 St John Street

Street

Post town London

County/Region

Postcode E C 1 M 4 J N


Country

#### ② Other liquidator

Use this section to tell us about  
another liquidator.

# LIQ03

## Notice of progress report in voluntary winding up

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

**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 **Sam Constable**

Company name **Moorfields**

Address **82 St John Street**

Post town **London**

County/Region

Postcode **E C 1 M 4 J N**

Country

DX

Telephone **020 7186 1144**

**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](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)**



TO ALL MEMBERS AND KNOWN CREDITORS

Our ref: DRI001MS

16 February 2023

Dear Sirs

**Driveline Golf Limited – In Creditors’ Voluntary Liquidation (“the Company”)**

As you are aware, Andrew Pear and I were appointed Joint Liquidators of the Company on 20 December 2017. I have prepared my fifth annual progress report on the Company for the period 20 December 2021 to 19 December 2022 (the reporting period). Statutory information regarding the Company is attached at Appendix I.

The Liquidators have acted jointly and severally in all matters relating to the Liquidation and there have been no changes in the office holders since my last report. Since the last report, BM Advisory LLP and Moorfields Advisory Limited merged on 21 February 2022 and now trade as Moorfields. This had no impact on the management of the Liquidation. This report should be read in conjunction with my previous reports, copies of which are available on request. Further information can also be found at [www.creditorinsolvencyguide.co.uk](http://www.creditorinsolvencyguide.co.uk) which is designed to provide creditors with a step by step guide to the insolvency process.

**CONDUCT OF LIQUIDATION**

Please refer to previous reports for a history of the Company and the events leading up to the Liquidation.

During this reporting period efforts have continued to reach a conclusion with the Company’s pre appointment pension provider regarding whether further potential claims in respect of pension arrears are still outstanding and whether these are to be treated as preferential or unsecured. Once this matter can be resolved and processed with both the pension provider and the Redundancy Payments Service (“RPS”) it will be possible to agree whether a further preferential or and unsecured distribution is appropriate.

Furthermore, all statutory matters incumbent upon all Liquidators have been adhered to, including but not limited to, drafting and issuing reports to creditors and submitting all relevant tax returns.

Once the above matter is resolved the surplus funds can be distributed appropriately to creditors and then the Liquidation can be brought to a close.

**RECEIPTS AND PAYMENTS ACCOUNT**

A receipts and payments account for the reporting period, and the whole period of the Liquidation, is attached at Appendix II and shows a balance on hand of £12,237. The funds were previously held in an interest bearing estate account however due to changes in the service by the bank they are currently held in a non-interest bearing account. The account has been reconciled to all necessary financial records.

**Moorfields, 82 St John Street, London EC1M 4JN**

**+44 (0)20 71861144**

**moorfieldscr.com**

**info@moorfieldscr.com**

## ASSETS

There have been no further asset realisations during this reporting period.

## LIABILITIES

### Secured creditor

The Company's mortgage register held by the Registrar of Companies shows that the Company has no current charges over its assets.

### Preferential creditors

The Company had four employees, all of whom were made redundant prior to the appointment. Preferential claims totalling £5,285 were received and a 100p in the £ dividend has been paid in a previous period.

### Unsecured creditors

The director's statement of affairs indicated trade and expense creditors totalled £349,722, with a further £113,904 owed to consumer creditors. Furthermore, it was anticipated that there would be claims totalling £15,848 in respect of unsecured employee entitlements.

To date claims received total £296,596 in respect of trade and expense creditors, £4,370 in respect of consumer creditors and £13,923 from HM Revenue & Customs.

Some claims were received in EUR and have been converted to GBP at the rate of 0.8865 which was the stated Bank of England exchange rate as at the date of Liquidation.

## DIVIDENDS

A distribution to unsecured creditors will be dependent on the whether any further funds are due to preferential creditors in respect of outstanding pension contributions.

The following distribution has been paid to preferential creditors:

Date	Amount of Distribution	Rate of Distribution
22 August 2018	£5,284	100 pence in the £

## PRESCRIBED PART

The Prescribed Part Fund is created out of the Company's net floating charge property pursuant to Section 176A of the Insolvency Act 1986, as long as the floating charge was registered later than 15 September 2003.

As previously advised, there is no floating charge registered after 15 September 2003 and therefore the prescribed part does not apply.

## JOINT LIQUIDATORS' INVESTIGATIONS

Under the insolvency legislation, the Liquidators have a duty to consider the conduct of those persons who have been directors of the Company, shadow directors or de facto directors at any time within three years preceding the Liquidation and consider whether any civil proceedings should be taken.

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking into account public interest and the potential recoveries and costs involved. I concluded that there were no matters that justified further investigation.

## PRE-APPOINTMENT REMUNERATION

The directors and creditors have previously authorised the payment of fees for assistance with preparing the statement of affairs in the sum of £5,000 and facilitating the creditors' decision in the sum of £5,000, plus VAT and

disbursements. Of this, £1,000 was paid to Gordon Brothers for its assistance with preparing a valuation of the Company's assets in connection with the statement of affairs. These fees were paid by the Company prior to appointment.

## JOINT LIQUIDATORS' REMUNERATION

At a meeting of creditors on 20 December 2017, it was agreed that the Joint Liquidators be remunerated by a combination of a fixed fee of £10,000 plus VAT and by reference to time properly spent by them and their staff in attending to matters arising from the Liquidation of the Company.

The work to be undertaken in respect of the fixed fee relates to the administration and planning, statutory compliance and asset realisation aspects of the Liquidation, whilst time costs refer to the investigation and creditor aspects.

Following the merger between BM Advisory and Moorfields on 21 February 2022, the firm's fee policy changed and as such both policies are provided at Appendix III. For the aspects of the Liquidation to be remunerated by timecosts a total of 1.1 hours has been spent in this reporting period from at a cost of £550, resulting in an average hourly charge out rate of £500 and all time has been incurred post-merger. During the course of the Liquidation a total of 147.4 hours has been spent at a total cost of £42,093, resulting in an average hourly rate of £286. A summary of time costs for this reporting period is attached at Appendix III, together with time costs for the whole period of the Liquidation.

The current fee cap has been drawn in full in prior reporting periods. As a result of the case requiring more senior staff involvement than originally anticipated, time costs have exceeded the original estimate. However due to insufficient asset realisations it is not intended that the Liquidators will seek further fee approval at this time and they have not drawn remuneration in excess of the original estimate.

A guide to fees can be found at [www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/](http://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/) and provides information relating to Liquidators' remuneration. A hard copy is available on request.

Please note that a secured creditor, or unsecured creditor with the permission of the Court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), may request further details of the Joint Liquidators' remuneration and expenses, within 21 days of receipt of this report.

Furthermore, a secured creditor, or unsecured creditor with the permission of the Court or with the concurrence of 10% in value of the creditors (including the creditor in question), may apply to Court to challenge the amount and/or basis of the Joint Liquidators' fees and the amount of any proposed expenses or expenses already incurred, within eight weeks of receipt of this report.

## JOINT LIQUIDATORS' EXPENSES

On 20 December 2017, creditors agreed category 2 expenses as detailed in this firm's policy on fees. Category 1 expenses do not need approval and can be drawn at the Liquidators' discretion without authority.

Detailed below are the expenses I expected to incur during the Liquidation and what I have incurred in this reporting period and to date, together with details of what has been paid in this period and what remains unpaid.

		Estimated total cost £	Incurred in period £	Incurred to date £	Paid during period £	Remains unpaid £
Statutory advertising	Category 1	137.40	-	137.40	-	-
Printing	Category 2	30.00	-	9.60	-	5.25
Postage	Category 1	55.00	15.77	60.84	-	53.43
Virtual meeting	Category 1	10.00	-	19.95	-	-
Land Registry search	Category 1	3.00	-	-	-	-
Storage	Category 1	90.00	9.00	42.88	-	10.50
Bond	Category 1	108.00	-	162.00	-	-
<b>TOTAL</b>		<b>433.40</b>	<b>24.77</b>	<b>432.67</b>	<b>-</b>	<b>69.18</b>

During the Liquidation, professional advisors were instructed to assist with a potential dispute raised by the pre-appointment bankers as well as the collation of employee records. Detailed below are the fee arrangements agreed in each instance, the estimated total cost, and the costs incurred in this period and to date, together with fees paid in this period and what remains unpaid. The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of this assignment and the basis of my fee arrangement with them. The fees charged were reviewed and I was satisfied that they were reasonable in the circumstances. Where specialists have been instructed, remuneration will not be charged by the Liquidators in respect of such work, other than in respect of supervising and monitoring their work.

	Fee arrangement	Estimated total cost £	Incurred in period £	Incurred to date £	Paid during period £	Remains unpaid £
Clifford Harris & Co, solicitors	Time costs	5,000	-	3,354	-	-
ACG Accounting Services	Fixed fee	80	-	80	-	-

The expenses incurred have not exceeded the estimate previously given to creditors, although they as the Liquidation cannot yet be closed. The main additional cost will be additional advertising if an unsecured distribution is announced and the current cost of this would be £94 plus VAT.

## SUMMARY

I shall report again on the next anniversary of my appointment, or the closure of the Liquidation, whichever is sooner.

To comply with the Provision of Services Regulations, some general information about Moorfields, including our complaints policy and Professional Indemnity Insurance, can be found at [www.moorfieldscr.com/terms-and-conditions](http://www.moorfieldscr.com/terms-and-conditions).

In accordance with the provisions of the General Data Protection Regulations the lawful basis for processing personal data is in order to comply with our legal obligations set out in the Insolvency Legislation, the purpose of processing the data is to administer the insolvent estate. Personal data will be retained for 6 years and 3 months following our vacation of office. Further details regarding how we process personal data can be found in our Privacy policy at [www.moorfieldscr.com/privacy-policy](http://www.moorfieldscr.com/privacy-policy).

Yours faithfully



Michael Solomons  
Joint Liquidator

## STATUTORY INFORMATION

Company name:	Driveline Golf Limited
Registered office:	82 St John Street, London, EC1M 4JN
Former registered office:	8th Floor, Becket House, 36 Old Jewry, London, EC2R 8DD
Former trading address:	3 Brewers Yard, Ivel Road, Shefford, Bedfordshire, SG17 5GY
Registered number:	02564557
Joint Liquidators' names:	Michael Solomons and Andrew Pear
Joint Liquidators' address:	82 St John Street, London, EC1M 4JN
Liquidators' date of appointment:	20 December 2017



**Driveline Golf Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £		From 20/12/2021 To 19/12/2022 £	From 20/12/2017 To 19/12/2022 £
	ASSET REALISATIONS		
	Bank interest (gross)	NIL	21.50
56,752.00	Cash at bank	NIL	50,371.36
400.00	Furniture & equipment	NIL	NIL
		NIL	50,392.86
	COST OF REALISATIONS		
	Accountancy fees	NIL	80.00
	Joint Liquidators' expenses	NIL	262.41
	Joint Liquidators' fees	NIL	27,328.00
	Legal fees	NIL	3,354.00
	Pre-appointment Agents' fees	NIL	1,000.00
	Statutory advertising	NIL	137.40
	Storage costs	NIL	32.38
		NIL	(32,194.19)
	PREFERENTIAL CREDITORS		
(4,052.06)	Employees/Former employees	NIL	NIL
	Redundancy Payments Service	NIL	5,284.52
		NIL	(5,284.52)
	UNSECURED CREDITORS		
(113,903.94)	Consumer creditors	NIL	NIL
(15,848.05)	Employees/Former employees	NIL	NIL
(349,722.35)	Trade & expense creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(50,000.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
<b>(476,374.40)</b>		<b>NIL</b>	<b>12,914.15</b>
	REPRESENTED BY		
	Estate account - non interest bearing		12,236.87
	VAT receivable		677.28
			<b>12,914.15</b>

DRIVELINE GOLF LIMITED - IN LIQUIDATION  
Summary of work undertaken during the period 20 December 2021 to 19 December 2022

REMUNERATION APPROVED ON A FIXED FEE BASIS

As agreed, the Joint Liquidators are to be remunerated by a fixed fee for certain tasks and details of this fee are set out in the report. A summary of the work undertaken in this reporting period, which is to be remunerated on a fixed fee basis, is detailed below and was required to be undertaken to deal meet our statutory duties and obligations.

ADMINISTRATION AND PLANNING

Maintaining and managing the office holder's estate bank account.  
Maintaining and managing the office holder's cashbook.  
Undertaking regular reconciliations of the office holder's estate bank account.

STATUTORY COMPLIANCE

Dealing with all correspondence and emails relating to the case.  
Reviewing the adequacy of the specific penalty bond on a quarterly basis.  
Undertaking periodic reviews of the progress of the case.  
Overseeing and controlling the work done.  
Preparing, reviewing and issuing progress reports to creditors and members.  
Filing returns at Companies House and/or Court (as applicable).  
Preparing and filing VAT returns.  
Preparing and filing Corporation Tax returns.

REMUNERATION APPROVED ON A TIME COST BASIS

Task	ORIGINAL ESTIMATE			REPORTING PERIOD			WHOLE PERIOD OF LIQUIDATION		
	Estimated hours hrs	Estimated cost £	Average charge out rate £	Actual hours in period hrs	Actual costs in period £	Average charge out rate £	Actual hours to date hrs	Actual costs to date £	Average charge out rate £
Investigation:	14.70	2,606.00	177.28	-	-	-	11.10	3,543.00	319.19
Creditors	79.10	16,024.50	202.59	1.10	550.00	500.00	136.30	38,549.50	282.83
TOTAL	93.80	18,630.50	198.62	1.10	550.00	500.00	147.40	42,092.50	285.57

A summary of the work undertaken in this reporting period, which is to be remunerated on a time cost basis, is detailed below and was required to be undertaken to meet our statutory obligations and identify potential recoveries for the benefit of creditors:

CREDITORS

Completing documentation for submission to the Redundancy Payments Office.  
Liaising with the Redundancy Payments Office regarding employee claims.  
Dealing with all creditor correspondence, emails and telephone conversations regarding their claims.  
Liaising with pension provider regarding claims.

Notes:

- 'Administration and planning' represents the work involved in the routine administrative functions of the case. It does not give direct financial benefit to the creditors, but has to be undertaken to meet our statutory requirements and obligations under the insolvency legislation and the Statements of Insolvency Practice.
- 'Statutory compliance and reporting' represents the work involved in the statutory functions of the case, together with the necessary control and supervision by senior staff. It does not give direct financial benefit to the creditors, but has to be undertaken to meet our statutory obligations.
- 'Creditors' represents the work required to deal with the various creditors of the Company and maintain records of each claim. All queries and correspondence are dealt with as part of our statutory obligations.

## BM ADVISORY

### STATEMENT OF POLICY ON FEES

#### Introduction

This statement has been prepared in accordance with guidelines set out in Statement of Insolvency Practice 9 issued by the Association of Business Recovery Professionals (R3). The following information applies to all appointments of partners, directors, consultants or staff of BM Advisory, to act as any of the following:-

Liquidator, Receiver, Administrator or Administrative Receiver of a Limited Company or Limited Liability Partnership  
Trustee in Bankruptcy  
Supervisor of an Individual, Company or Partnership Voluntary Arrangement  
Administrator under the Insolvent Estates Order

When acting as Nominee, the provisions of the Insolvency Act 1986 ("the Act") require that the amount of the fees payable to the office holder be specified within the Debtor's proposals. Such fees will nevertheless be fixed to take account of the office holder's expected time costs arising as referred to below.

#### Policy on fees

In accordance with the Act, the office holder may seek approval of their remuneration either on a fixed fee basis, on a percentage basis or on a time costs basis. When an office holder's fees are approved by reference to time costs, they will be charged at the firm's usual rates applicable at the time the work is carried out. Rates may be varied from time to time, at the sole discretion of BM Advisory, and such changes will be notified in retrospect with each report to Creditors. It is the policy of BM Advisory to use as junior grade of staff as compatible with the efficient conduct of the matter in order to ensure costs are kept to a minimum. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken. Where an office holder's fees are approved on a percentage of realisations and/or a fixed fee basis the direct costs (such as staff costs, costs of case management system etc.) incurred in undertaking that work will be included in the remuneration and will not separately recover sums already included in the fixed fee or percentage basis.

As at 1 March 2020 the hourly rates applicable are:

Grade	£
Partner 1	430
Partner 2	380
Associate Director	360
Senior Manager	340
Manager	310
Assistant Manager	285
Senior Administrator	240
Administrator	185
Junior Administrator	125
Cashier	115
Support staff	85

Rates vary between individuals, reflecting experience and qualification. For certain more complex tasks, BM Advisory may seek to apply a higher rate in respect of work undertaken, but subject to prior authorisation in accordance with the Act. Further information on the manner in which an office holder's fees may be fixed, can be found in the guidance notes on our website: [www.bm-advisory.com/resources/](http://www.bm-advisory.com/resources/).

#### Expenses

Expenses are any payments from the insolvent estate that are neither the office holder's remuneration nor a distribution to members/creditors. Expenses also include disbursements that are payments that are first paid by the office holder and then reimbursed from the insolvent estate.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the case or BM Advisory; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the case. These expenses are recoverable in full from the case without the prior approval of creditors either by a direct payment from the case or, where BM Advisory has made payment on behalf of the case, by a recharge of the amount invoiced by the third party. Examples of category 1 expenses are professional advisors (that are not associates), statutory advertising, external meeting room hire (specifically for that case), external storage and specific bond insurance.

Category 2 expenses are either payments to associates or costs incurred by BM Advisory that have an element of shared costs and recharged to the case. These expenses are recoverable in full from the case, subject to the basis of the disbursement charge being approved by creditors in advance. It is proposed that the following category 2 disbursements are recovered:

Mileage (per mile)	at the HMRC approved mileage rate at the time the mileage was incurred
Photocopying/printing (per sheet)	£0.15

Professional advisors such as lawyers, agents, pension specialists may be instructed to assist the office holder on a case where such assistance is considered necessary to properly administer the case. The fees charged will be recharged at cost to the case. Where the professional advisor is not as associate of the office holder it will be for the office holder to agree the basis of the fees charged. Where the professional advisor is an associate of the office holder, those responsible for fixing the basis of the office holder's remuneration will be responsible for approving payments to the professional advisors.

**Moorfields**  
**Statement of Policy on Charging Remuneration and Expenses January 2022**

In accordance with best practice we provide below details of Moorfields' policies, in respect of fees and expenses for work in relation to insolvency estates.

The Partners will engage managers and other staff to work on the insolvent estate and statutory compliance diaries. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the estate's bank accounts. Work carried out by all staff is subject to the overall supervision of the Partners.

All time spent by staff working directly on case related matters is charged to a time code established for the case. Each member of staff has a specific hourly rate, which is subject to change over time.

The current charge out rates per hour of staff within the firm who may be involved in working on the insolvency follows: this in no way implies that staff at all such grades will work on the case.

<b>GRADE</b>	<b>£</b>
Partner	475-650
Director	400-550
Senior Manager	375-530
Manager	345-500
Assistant Manager	315-450
Senior Associate	265-375
Associate	205-250
Junior Associate	140-200
Cashier/ Support	95-195

The rates charged by Moorfields are reviewed periodically in January & July each year and are adjusted to take account of inflation and the firm's overheads.

Our rates increased on 1 January 2022. The charge out rates per hour for the period from 1 January 2021 to 31 December 2021 were:

<b>GRADE</b>	<b>£</b>
Partner	625
Director	550
Senior Manager	530
Manager	500
Assistant Manager	450
Senior Associate	375
Associate	250
Junior Associate	200
Cashier/ Support	195

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time in units of 6 minutes.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time cost basis the time invoiced will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors, the report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs. The current hourly rates may be higher than the average rates, if hourly rates have increased over the period covered by the fee request.

Approved remuneration will be drawn at such times that sufficient funds are available.

## **EXPENSES**

In accordance with SIP 9, 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 divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

### **Category 1 Expenses**

Separate charges are made in respect of directly attributable expenses (Category 1 expenses) such as travelling, postage, photocopying (if external provider), statutory advertising and other expenses made on behalf of the assignment. These are payments made to persons providing the service to which the expense relates who are not an associate of the office holder.

Such expenses can be paid from the estate without approval from the Creditors' Committee or the general body of creditors. In line with SIP 9, it is our policy to disclose Category 1 expenses drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the expenses drawn.

### **Category 2 Expenses**

Category 2 expenses do require approval from creditors.

These 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. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

It is our policy, in line with the Statement, to seek approval for Category 2 expenses before they are drawn.

The following Category 2 expenses are currently charged by this firm:

- Mileage allowances are paid at HM Revenue & Customs approved rates. For personnel using their own vehicles, these are currently 45 pence per mile for the first 10,000 miles and 25 pence per mile thereafter.

It should be noted that expenses might increase from time to time, however, increases would only be in line with inflation or increases from our supplier.