

WU07

Notice of progress report in a winding-up by the court



Companies House

TUESDAY



A88V0CEG

A07

02/07/2019

#114

COMPANIES HOUSE

1 Company details

Company number 0 2 7 6 4 2 2 3

Company name in full Formark Developments Limited

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

2 Liquidator's name

Full forename(s) Nicholas W

Surname Nicholson

3 Liquidator's address

Building name/number Haslers

Street Old Station Road

Post town Loughton

County/Region Essex

Postcode I G 1 0 4 P L

Country

4 Liquidator's name ①

Full forename(s) Dominic

Surname Dumville

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

5 Liquidator's address ②

Building name/number Haslers

Street Old Station Road

Post town Loughton

County/Region Essex

Postcode I G 1 0 4 P L

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 2	^d 6	^m 0	^m 4	^y 2	^y 0	^y 1	^y 8
To date	^d 2	^d 5	^m 0	^m 4	^y 2	^y 0	^y 1	^y 9

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X 

X

Signature date

^d	^d	^m	^m	^y	^y	^y	^y
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**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 **Nicholas W Nicholson**

Company name **Haslers**

Address **Old Station Road**
Loughton

Post town **Essex**

County/Region

Postcode **I G 1 0 4 P L**

Country

DX

Telephone **020 8418 3333**

**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

Formark Developments Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 26/04/2018 To 25/04/2019 £	From 26/04/2017 To 25/04/2019 £
COST OF REALISATIONS		
O.R. Debit Balance	NIL	1,140.20
Bank Charges	88.00	132.00
	(88.00)	(1,272.20)
	<u>(88.00)</u>	<u>(1,272.20)</u>
REPRESENTED BY		
ISA NIB		(1,272.20)
		<u>(1,272.20)</u>

FORMARK DEVELOPMENTS LIMITED – IN COMPULSORY LIQUIDATION
FORMERLY FORMARK PROPERTY LIMITED

LIQUIDATORS' PROGRESS REPORT TO CREDITORS AND MEMBERS
FOR THE YEAR ENDING 25 APRIL 2019

EXECUTIVE SUMMARY

A Winding-Up Order was made against the Company on 24 September 2012, following a petition presented by HM Revenue & Customs ("HMRC"). The Official Receiver remained in office until the Company was dissolved in 2014. Upon the application of HMRC the Company was restored to the register in September 2016 and I was subsequently appointed Joint Liquidator on 26 April 2017.

The handover papers provided by the Official Receiver did not include details of any known assets and an investigation into the Company's affairs ensued to establish whether there were any hidden assets which could be recovered. These investigations have not, to date, identified any potential recoveries and, absent the receipt of any additional information leading to recoveries, I propose that this liquidation now be brought to a close.

STATUTORY INFORMATION

Company name:	Formark Developments Limited		
Company number:	02764223		
Trading address:	128 -130 Frant Road, Thornton Heath, Surrey CR7 7JU		
Registered office:	Haslers, Old Station Road, Loughton, Essex IG10 4PL		
Principal trading activity:	Develop & Sell Real Estate		
Liquidators' names:	Nicholas W Nicholson	Stratford Hamilton	Dominic Dumville
Date of appointment:	26 April 2017	26 April 2017	13 October 2017
Date of resignation:	13 October 2017		
Liquidators' address	Old Station Road, Loughton, Essex IG10 4PL		
Court name and reference	County Court of Croydon 1260 of 2012		
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 LAST REPORT

In the period since my last report I have continued to review the circumstances surrounding the disposal of a property before the date 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 creditors. A description of the routine work undertaken since my progress report is contained in Appendix A.

RECEIPTS AND PAYMENTS

My Receipts & Payments Account for the period from 26 April 2018 to 25 April 2019 is enclosed.

There is currently a debit balance in the estate account operated by the Insolvency Service.

ASSETS

Despite a thorough investigation into the Company's affairs, to date I have been unable to locate any hidden assets that might have been available for the benefit of creditors.

LIABILITIES

SECURED CREDITORS

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has granted the following charges:

<u>Description:</u>	<u>Created:</u>	<u>In favour of:</u>	<u>Status</u>
Legal charge	20 April 1995	Dunbar Bank PLC	Released
Debenture	20 April 1995	Dunbar Bank PLC	Satisfied
Legal charge	15 September 1995	Dunbar Bank PLC	Released
Charge	15 September 1995	Dunbar Bank PLC	Satisfied
Charge	21 November 1995	Dunbar Bank PLC	Satisfied
Legal charge	21 November 1995	Dunbar Bank PLC	Released
Debenture	13 July 2006	HSBC Bank plc	Outstanding
Mortgage	18 August 2009	HSBC Bank plc	Outstanding
Legal charge	4 October 2010	Joan Foster	Outstanding

HSBC Bank plc has confirmed that no balances remain outstanding.

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

PREFERENTIAL CREDITORS

The handover papers received from the Official Receiver did not anticipate any preferential claims and as such, no preferential claims have been received to date.

CROWN CREDITORS

The handover papers received from the Official Receiver included £136,298.05 owed to HMRC. HMRC's final claim of £136,268.05 has been received.

UNSECURED CREDITORS

Not including HMRC, the handover papers received from the Official Receiver did not include details of any other unsecured creditors and no other claims have been received.

DIVIDEND PROSPECTS

Due to the lack of assets available for realisation, it is unlikely that a dividend will be paid to unsecured creditors.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

As previously reported, I made enquiries in relation to the Company's lending. It has been confirmed that no interest rate swaps or other complex arrangements had been entered into by the Company.

I have also been reviewing the property most recently owned by the Company and its sale. To date, my review has not resulted in the identification of any claims which might be made.

LIQUIDATORS' REMUNERATION

My remuneration was approved on a time cost basis based on a fees estimate of £25,030. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors.

My total time costs to 25 April 2019 amount to £9,566.50 representing 45.95 hours of work at a blended charge out rate of £208.19 per hour, of which £3,115.50 representing 15.70 hours of work, was charged in the period since 26 April 2018 at a blended charge out rate of £198.44 per hour. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £201.85 in my fees estimate. There is a difference in the blended rate charged, compared with the estimated blended rate because to date some of the work has been undertaken by more experienced staff at a higher charge out rate.

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

Detailed schedules of my time costs incurred to date and since 26 April 2018, together with a comparison with my original fees estimate is enclosed.

As at 25 April 2019 I do not anticipate that the total time costs I will incur in this matter in respect of the categories of work for which I am being remunerated on a time cost basis will exceed the total estimated remuneration I set out in my fees estimate when my remuneration was authorised by the creditors.

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 copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, is available at the link <https://www.haslers.com/services/insolvency/> and under the tab 'Tools and Resources'. An explanatory note which shows Haslers' fee policy is enclosed with this report. Please note that there are different versions of the Guidance Notes and, in this case, you should refer to the April 2017 version.

LIQUIDATORS' EXPENSES

I have incurred expenses to 25 April 2019 of £107.60 of which £3.00 was incurred in the period since 26 April 2018.

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

I have incurred the following expenses in the period since my last progress report:

Type of expense	Amount incurred/ accrued in the reporting period:
Land Registry	£3.00

As at 25 April 2019 I do not anticipate that the expenses I will incur in this matter will exceed the total expenses I estimated I would incur when my remuneration was authorised by the creditors.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Liquidators' remuneration and expenses within 21 days of their receipt of this report. Any secured creditor may request the same details in the same time limit.


An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidators as being excessive, and/or the basis of the Liquidators' remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Haslers can be found in the attached summary sheet.

SUMMARY

The Liquidation will now move towards closure unless I receive any additional relevant information, accordingly, the Liquidation will now be finalised and my files will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Aimee Mohsen by email at Aimee.Mohsen@Haslers.com, or by phone on 020 8418 3432.



NICHOLAS W NICHOLSON
JOINT LIQUIDATOR

Appendix A

1. Administration

- Dealing with all routine correspondence and emails relating to the case.
- Maintaining and managing the office holder's estate bank account.
- Maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- 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 an annual progress report to creditors and members.
- Filing returns at Companies House.

2. Creditors

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

Formark Developments Limited
(In Liquidation)

Joint Liquidators' Summary of Receipts and Payments

RECEIPTS	Statement of Affairs (£)	From 26/04/2017 To 25/04/2018 (£)	From 26/04/2018 To 25/04/2019 (£)	Total (£)
		0.00	0.00	0.00
PAYMENTS				
O.R. Debit Balance		1,140.20	0.00	1,140.20
Bank Charges		44.00	88.00	132.00
		1,184.20	88.00	1,272.20
Net Receipts/(Payments)		(1,184.20)	(88.00)	(1,272.20)
MADE UP AS FOLLOWS				
ISA NIB		(1,184.20)	(88.00)	(1,272.20)
		(1,184.20)	(88.00)	(1,272.20)

Formark Developments Limited

HASSELLERS

Restructuring & Insolvency

Analysis of time costs from 26/04/18 to 25/04/19

Categories	Time recorded (Hours)					Total Time	Total Sum of Charge	Average Hourly Rate
	Partner	Manager	Senior Administrator	Administrator	Junior			
GENERAL CASE ADMINISTRATION								
Case Planning		1.50		8.00		9.50	1,440.00	151.58
Maintenance of Records		0.10		0.20		0.30	54.50	181.67
Statutory Reporting		2.80		1.10		3.90	1,001.00	256.67
Total		4.40		9.30		13.70	2,495.50	182.15
INVESTIGATIONS								
Investigating Antecedent Transactions		1.90				1.90	608.00	320.00
Total		1.90				1.90	608.00	320.00
CASE SPECIFIC MATTERS								
Case Specific Matters				0.10		0.10	12.00	120.00
Total				0.10		0.10	12.00	120.00
		6.30		9.40		15.70	3,115.50	198.44

Formark Developments Limited

Analysis of time costs from 26/04/17 to 25/04/19

Categories	Time recorded (Hours)						Total Sum of Charge	Average Hourly Rate
	Partner	Manager	Senior Administrator	Administrator	Junior	Total Time		
GENERAL CASE ADMINISTRATION								
Case Planning	2.00	5.40	0.10	8.10	15.10	30.70	5,853.00	190.65
Administrative Set-up		0.30				0.30	96.00	320.00
Appointment Notification		1.50				1.50	480.00	320.00
Maintenance of Records		0.30	0.60	1.05	0.50	2.45	404.50	165.10
Statutory Reporting		2.90		1.10	0.70	4.70	1,131.00	240.64
INS Cashiering				0.70	0.10	0.80	84.00	105.00
Total	2.00	10.40	0.70	10.95	16.40	40.45	8,048.50	198.97
INVESTIGATIONS								
Investigating Antecedent Transactions	0.60	3.00			1.50	5.10	1,410.00	276.47
Total	0.60	3.00			1.50	5.10	1,410.00	276.47
CREDITORS								
Communications With Creditors		0.30				0.30	96.00	320.00
Total		0.30				0.30	96.00	320.00
CASE SPECIFIC MATTERS								
Case Specific Matters				0.10		0.10	12.00	120.00
Total				0.10		0.10	12.00	120.00
	2.60	13.70	0.70	11.05	17.90	45.95	9,566.50	208.19

HASLERS RESTRUCTURING & INSOLVENCY
FEE ESTIMATE COMPARISON
Formark Developments Limited

HASLERS
RESTRUCTURING & INSOLVENCY

	FEE ESTIMATE			ACTUAL TO DATE		
	Estimated time in hours to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £	Actual time in hours to undertake the work	Actual value of the time costs to undertake the work £	Blended charge out rate to undertake the work £
SUMMARY						
General Case Administration	79.00	15,410.00	195.00	40.45	8,048.50	198.97
Realisation of assets	NIL	NIL	NIL	0.00	0.00	
Investigations	16.00	4,740.00	296.00	5.10	1,410.00	276.47
Creditors	29.00	4,880.00	168.00	0.30	96.00	320.00
Case specific matters:	NIL	NIL	NIL	0.10	12.00	120.00
	124.00	25,030.00	201.85	45.95	9,566.50	208.19

Please refer to report for an explanation on any difference between the time recorded to date and the fee estimate

PROVISION OF SERVICES REGULATIONS SUMMARY SHEET FOR HASLERS

The following information is designed to draw the attention of interested parties to the information required to be disclosed by the Provision of Services Regulations 2009.

Licensing Body

Nicholas Nicholson and Dominic Dumville are licensed to act as Insolvency Practitioners in the United Kingdom by the Institute of Chartered Accountants in England and Wales.

Nicholas Nicholson is a Member of the Insolvency Practitioners Association. Dominic Dumville is a Member of the Association of Chartered Certified Accountants.

Haslers is also a member of the ICAEW, Institute of Chartered Accountants in England and Wales.

Rules Governing Actions

All IPs are bound by the rules of their professional body, including any that relate specifically to insolvency. The rules of the professional body that licences Haslers' IPs <https://www.icaew.com/-/media/corporate/files/members/regulations-standards-and-guidance/master--insolvency-regulations-and-guidance-notes-010518.ashx?la=en>. In addition, IPs are bound by the Statements of Insolvency Practice (SIPs), details of which can be found at <https://www.r3.org.uk/what-we-do/publications/professional/statements-of-insolvency-practice>.

Ethics

All IPs are required to comply with the Insolvency Code of Ethics and a copy of the Code can be found at <https://www.icaew.com/-/media/corporate/files/members/regulations-standards-and-guidance/ethics/code-of-ethics-part-d-insolvency-practitioners-1-jan-2011.ashx>. IPA - <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/ethics-code>.

Complaints

At Haslers we always strive to provide a professional and efficient service. However, we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. As such, should you have any comments or complaints regarding the administration of a particular case then in the first instance you should contact the IP acting as office holder.

If you consider that the IP has not dealt with your comments or complaint appropriately you should then put details of your concerns in writing to our complaints officer Jon O'Shea, Haslers, Old Station Road, Loughton, Essex IG10 4PL. This will then formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner; or you can email insolvency.enquiryline@insolvency.gov.uk; or you may phone 0300 678 0015. Information on the call charges that apply is available at <http://www.gov.uk/call-charges>.

Professional Indemnity Insurance

Haslers' Professional Indemnity Insurance is provided by Axis Speciality SE, of Willis Limited, 51 Lime Street, London EC3M 7DQ. This professional indemnity insurance provides worldwide coverage.

VAT

Haslers is registered for VAT under registration no. 978 0506 90.

Bribery Act 2010

Haslers is committed to applying the highest standards of ethical conduct and integrity in its business activities. Every employee and individual acting on Haslers' behalf is responsible for maintaining our reputation and for conducting company business honestly and professionally.

Haslers take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate.

Haslers requires all those who are associated with it to observe the highest standards of impartiality, integrity and objectivity.

Haslers prohibits anyone acting on its behalf from:

- *bribing another person. A bribe includes the offering, promising or giving of any financial or other type of advantage;*
- *accepting a bribe. This includes requesting, agreeing to receive or accepting any financial, or another kind of advantage;*
- *bribing a foreign public official; and*
- *condoning the offering or acceptance of bribes.*

Haslers will:

- *avoid doing business with others who do not accept our values and who may harm our reputation;*
- *maintain processes, procedures and records that limit the risk of direct or indirect bribery;*
- *promote awareness of this policy amongst its staff, those acting on its behalf and entities with which it has any commercial dealings;*
- *investigate all instances of alleged bribery, and will assist the police, and other authorities when appropriate, in any resultant prosecutions. In addition, disciplinary action will be considered against individual members of staff;*
- *review this policy regularly and update it when necessary.*

PRACTICE FEE RECOVERY POLICY FOR HASLERS

Introduction

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

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <http://www.haslers.com/services/insolvency/>. Alternatively a hard copy may be requested from Haslers, Old Station Road, Loughton, Essex IG10 4PL. Please note that we have provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

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

Time cost basis

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

Chargeout Rates

Grade of staff	Current charge-out rate per hour, effective from 1 April 2019 £	Previous charge-out rate per hour, effective from 1 January 2018 £
Partner – appointment taker	375-510	375-510
Manager	285-320	285-320
Senior Administrator	195-250	195-250
Case Administrator	95-165	95-165
Cashier	100	100

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

These charge-out rates charged are reviewed on 1 January each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Administration and Planning.
- Maintenance of records
- Investigations.
- Realisation of Assets.
- Creditors.
- Case specific matters.
- Statutory reporting.

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and on new appointments we seek time costs for all categories of work

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken, or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Members' voluntary liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Disbursements

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Haslers; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable *in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party.* Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. *It is not Haslers' policy to charge for such costs.*