

LIQ03

Notice of progress report in voluntary winding up



Companies House

FRIDAY



A08 *A7YUZMLJ* 08/02/2019 #157
COMPANIES HOUSE

1 Company details

Company number 0 4 8 7 4 1 6 7

Company name in full Edenvale Property Management (UK) Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Molly

Surname Monks

3 Liquidator's address

Building name/number The Old Bank

Street 187a Ashley Road

Post town Hale

County/Region Cheshire

Postcode W A 1 5 9 S Q

Country

4 Liquidator's name ①

Full forename(s) Darren

Surname Brookes

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number The Old Bank

Street 187a Ashley Road

Post town Hale

County/Region Cheshire

Postcode W A 1 5 9 S Q

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 2	^m 0	^m 1	^y 2	^y 0	^y 1	^y 8
To date	^d 2	^d 1	^m 0	^m 1	^y 2	^y 0	^y 1	^y 9

7 Progress report

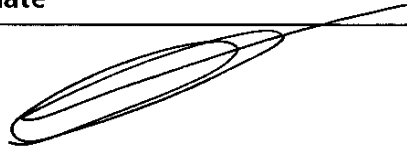
☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 0	^d 7	^m 0	^m 2	^y 2	^y 0	^y 1	^y 9
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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	Molly Monks
Company name	Milner Boardman & Partners
Address	The Old Bank 187a Ashley Road
Post town	Hale
County/Region	Cheshire
Postcode	W A 1 5 9 S Q
Country	
DX	
Telephone	0161 927 7788



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.



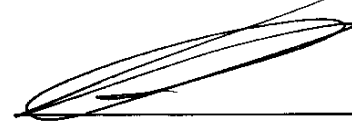
Further information

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

Edenvale Property Management (UK) Ltd
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 22/01/2018 To 21/01/2019 £	From 22/01/2018 To 21/01/2019 £
Uncertain	ASSET REALISATIONS		
	Directors Loan Account	NIL	NIL
	Cash in Hand	400.00	400.00
	Business Rates Refund	2,167.07	2,167.07
		<u>2,567.07</u>	<u>2,567.07</u>
	COST OF REALISATIONS		
	Specific Bond	44.00	44.00
	Office Holders Fees	1,956.87	1,956.87
	Statutory Advertising	153.18	153.18
	Land Registry Search Fee	11.00	11.00
	Bank Charges	21.40	21.40
		<u>(2,186.45)</u>	<u>(2,186.45)</u>
	UNSECURED CREDITORS		
(16,602.00)	Trade & Expense	NIL	NIL
(35,000.00)	HM Revenue & Customs (PAYE)	NIL	NIL
(65,000.00)	HM Revenue & Customs (VAT)	NIL	NIL
(1.00)	HM Revenue & Customs (CT)	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(116,604.00)</u>		<u>380.62</u>	<u>380.62</u>
	REPRESENTED BY		
	VAT Receivable		70.00
	Current Account		310.62
			<u>380.62</u>



Molly Monks
Joint Liquidator



MILNER BOARDMAN
& PARTNERS
Corporate Recovery

**EDENVALE PROPERTY MANAGEMENT (UK) LTD-
IN LIQUIDATION**

Joint Liquidators' Progress Report

Covering the Period
22 January 2018 to 21 January 2019

7 February 2019

Milner Boardman and Partners
The Old Bank
187A Ashley Road
Hale
Cheshire
WA15 9SQ

Our Ref: DTB/MM/AR/2627/24

Joint Liquidators'
Progress Report

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2. Milner Boardman and Partners' Time Analysis regarding Investigations and Practice Fee Recovery Policy
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1. Statutory Information

Company Name:	Edenvale Property Management (UK) Ltd
Trading Name:	As above
Company No:	04874167
Trading Address:	Ground Floor Unit Skyline II 10 - 12 Rochdale Road Northern Quarter Manchester M4 4JR
Registered Office:	The Old Bank 187a Ashley Road Hale Cheshire WA15 9SQ
Former Registered Office:	Reedham House 31 King Street Manchester M3 2PJ
Principal Trading Activity:	An estate agency and lettings agency.
Joint Liquidators' Names:	Darren Brookes and Molly Monks
Joint Liquidators' Address:	Milner Boardman & Partners ("MBP") The Old Bank 187a Ashley Road Hale Cheshire WA15 9SQ
Joint Liquidators' Contact Details:	office@milnerboardman.co.uk and 0161 927 7788
Date of Appointment:	22 January 2018
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.

2. Case Overview

- 2.1 The reasons for the failure of the Company, according to the director, were:
- The loss of a large client
 - Ill health in 2016
 - Falling behind with payments due to HM Revenue & Customs ("HMRC")
 - Issues with the leasehold premises
- 2.2 According to the director's statement of affairs, the only asset of the Company was a director's loan account. Further details of which can be found at section 5.
- 2.3 The case remains open as investigations are continuing into the director's loan account. Further details will be provided in the next report to creditors.

3. Joint Liquidators' Actions Since Appointment

- 3.1 Our duties and functions as Joint Liquidators are the realisation of the Company's assets, the agreement of the claims of creditors, the investigation of the directors' conduct and the Company's affairs generally, and if applicable, the eventual distribution of the liquidation funds between the creditors in accordance with their legal entitlements.
- 3.2 In addition to the investigations as detailed at section 7 and pursuing the business rates refund, as detailed at section 5, we have undertaken routine statutory work and dealt with a number of administrative matters including regular reviews of the case. These are tasks that are required by statute or regulatory guidance or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any financial benefit for creditors, they still have to be carried out.
- 3.3 A description of the work which has been carried out in this reporting period is detailed below:
- 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 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 requirements on appointment as office holders, including gazetting the office holders' appointment.
 - Obtaining a specific penalty bond.
 - Dealing with all routine correspondence and emails relating to the case.
 - Reviewing the adequacy of the specific penalty bond on a regular 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 post appointment report.
- Filing returns at Companies House.
- Preparing and filing Corporation Tax ("CT") returns.
- Maintaining up to date creditor information on the case management system.
- Recovering the books and records for the case.
- Listing the books and records recovered.
- Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act.

4. Receipts and Payments

- 4.1 A receipts and payments account for the period 22 January 2018 to 21 January 2019 is enclosed within this report at appendix 1. The balance of the funds is held in a non interest bearing account.
- 4.2 Receipts for this period are £2,567.07 and relate to cash in hand and a business rates refund.
- 4.3 Payments for this period are £2,186.45 and relate to the specific bond, office holders' fees, statutory advertising, Land Registry search fee and bank charges.

5. Assets

- 5.1 **Director's Loan Account:** According the statement of affairs an amount of £467,039 was outstanding in respect of the director's loan account, as shown in accounts prepared for the year ended 29 January 2016, however this amount was disputed by the director. The Joint Liquidators are currently liaising with the Company's accountants and the director to verify the correct position of the overdrawn loan account and further details will be provided in the next report to creditors. We are also looking to establish the financial position of the director to ascertain the prospect of recovery.
- 5.2 **Cash in Hand:** The sum of £400 has been received from agents acting for the Company's former landlord in respect of funds found at the Company's former trading premises.
- 5.3 **Business Rates Refund:** A total of £2,167.07 has been received from Manchester City Council in respect of a business rates refund, relating to the Company's trading premises.
- 5.4 **Tangible Assets:** As advised in our post appointment report, the Company's tangible asset were listed with a book value of £4,149 in the accounts as at 29 February 2016. Investigations have been carried out and no realisations are anticipated.
- 5.5 **Book Debts:** According to the Company's accounts for the year ended 29 February 2016, there were trade debtors with a book value of £1,412,709, but it was understood

that, other than potential monies owed in respect of the outstanding directors' loan account as stated above, there were no other monies due to the Company. The position has been investigated and the Joint Liquidators are satisfied that there are no other monies due to the Company.

5.6 There are no further known assets.

6. Liabilities

6.1 Secured Creditors

6.1.1 According to Companies House there is a letter of pledge over a deposit granted in favour of The Governor and Company of the Bank of Scotland ("BOS"), which was created on 26 July 2006 and registered on 15 August 2006. However the director has advised that the Bank were not owed any money by the Company and that the merchant banking facility was closed in 2016, and the charge should have been satisfied.

6.2 Prescribed Part

6.2.1 The legislation requires that if the Company has created a floating charge after 15th 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 the unsecured creditors.

6.2.2 A company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. A liquidator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property up to a maximum of £600,000.

6.2.3 In this case, the Prescribed Part does not apply as there were no creditors secured by a qualifying floating charge.

6.3 Preferential Creditors

6.3.1 There have been no preferential creditor claims as expected in this matter.

6.4 Unsecured Creditors

6.4.1 The statement of affairs anticipated that circa £16,602 was owed to two trade creditors. Claims received to date total £32,991.95, including claims from two additional creditors.

6.4.2 **HMRC (PAYE/VAT/CT):** The directors' statement of affairs estimated that £65,000 was owed to HMRC in respect of VAT, £35,000 in relation to PAYE/NIC and the CT liability was nominal. A VAT integrated claim in the sum of £161,011.89 has been received from HMRC, of which £106,012.19 is claimed in respect of VAT, £13,510.79 in relation to PAYE and £1,746.94 in relation to NIC. Penalties and interest of £39,741.97 were also applied. It should be noted that the claim has not been adjudicated upon yet.

6.5 Dividend Prospects

- 6.5.1 On the basis of current information, there is no prospect of a dividend to unsecured creditors and for this reason, creditor claims will neither be acknowledged nor adjudicated upon at present. However, as investigations are ongoing, should the position change we will advise creditors accordingly.

7. Investigation into the Affairs of the Company

- 7.1 We 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.
- 7.2 Specifically, we obtained and reviewed copy bank statements from the Company's bankers; and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the liquidation and made enquiries about the reasons for the changes.
- 7.3 Investigations are ongoing, specifically in respect of establishing the director's loan account position and further details will be provided in the next report.
- 7.4 Within three months of our appointment as Joint Liquidators, we are required to submit a confidential report to the Secretary of State to include any matters which have come to our attention during the course of our work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company. We would confirm that our report has been submitted.

8. Pre-appointment Remuneration

- 8.1 The Board previously authorised the payment of a fee of £5,000 plus VAT for our assistance with preparing the statement of affairs and arranging the deemed consent procedure for creditors to appoint Joint Liquidators, of this £1,000 plus VAT was to be paid to Freedman Frank & Taylor ("FFT") for their assistance with the provision of information in connection with the statement of affairs. I can confirm that £5,000 plus VAT was paid by the director prior to the Joint Liquidators' appointment, out of this amount, £1,000 plus VAT has been paid to FFT.

9. Joint Liquidators' Remuneration

- 9.1 The Joint Liquidators' remuneration was authorised by creditors, on 23 February 2018, on a mixture of a fixed fee, a % of realisations and distributions and time costs in respect of the investigations.

- 9.2 We were authorised to draw a fixed fee of £10,000 for work in respect of administration and planning and dealing with creditors. A total of £1,956.87 has been drawn in this reporting period, in respect of work done for which fees were approved as a fixed fee.
- 9.3 We were authorised to draw 25% of realisations for work in respect of the realisation of assets. Based on realisations, we are entitled to £641.77. We have not drawn any fees, in respect of work done for which the Joint Liquidators' fees were approved on a % basis.
- 9.4 We were authorised to draw time costs for our work in respect of investigations. This approval was based on our fee estimate of £10,562.50 at a blended rate of £242.82 per hour. The fee estimates acts as a cap and we cannot draw remuneration in excess of that amount without first seeking approval from creditors. Total time costs to date in respect of investigations amounts to £4,483 as detailed at appendix 2, which represents 15.40 hours at an average charge out rate of £291.10. The actual average charge out rate incurred compares with the estimated charge out rate of £242.82 in our fees estimate. The difference in the blended rate is due to the fact that the Senior Manager has been required to deal with the complex investigations. We have not drawn any fees in respect of work done for which the Joint Liquidator's fees were approved on a time cost basis, and the balance of £4,483 remains outstanding. As at 21 January 2019, I do not anticipate that total time costs we will incur in respect of the investigations will exceed the total estimated remuneration as set out in our fee estimate approved by the creditors.
- 9.5 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 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 Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at <http://www.milnerboardman.com> by clicking on 'useful links' and then 'Creditors Guide to Fees' and 'Guide to Liquidator's Fees'. There are different versions of these Guidance Notes, and in this case please refer to the April 2017 version 4. Please note that we have also provided further details in the Practice Fee Recovery Sheet at appendix 2.

10. Joint Liquidators' Disbursements

- 10.1 With regard to disbursements, specific expenditure relating to the administration of the insolvent's estate and payable to an independent third party is recoverable without creditor approval. Payments made in respect of the above are defined as "Category 1 disbursements". Since our appointment, we have incurred category 1 disbursements totalling £479.58, of which £229.58 have been drawn.

10.2

Type of expense	Amount incurred in reporting period (£)	Paid by MBP (£)
Specific bond	44.00	44.00
Statutory advertising	153.18	153.18



Land Registry search fee	11.00	11.00
Bank charges	21.40	21.40
Agents fee	250.00	0.00

10.3 We have used the following agents in this reporting period:

Agent/Professional Advisor	Nature of work	Basis of fees
Wignall Brownlow LLP ("WB")	Valuer	Fixed Fee

10.4 WB were instructed to assist with a valuation of a lease and the Company's assets left at the former trading premises. Their fee remains unpaid.

10.5 The professional advisers were selected on a basis of our perception of their experience and ability to perform this type of work and nature and complexity and nature of the assignment. We also considered that the basis of our fee arrangement with them represented value for money. The fees charged have been reviewed and we were satisfied they are reasonable in the circumstances.

10.6 Expenditure incidental to the administration of the insolvent's estate, which by its nature includes an element of shared or allocated costs, are recoverable with creditors' approval. Payments in respect of this type of expense are referred to as "Category 2 disbursements". Category 2 disbursements require creditor authorisation before they can be drawn. Category 2 disbursements include staff mileage costs. MBP have not charged Category 2 disbursements.

10.7 The Company was VAT registered, to date £352.02 has been reclaimed for the benefit of the estate and a further £70 can be reclaimed.

11. Further Information

11.1 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 Liquidator's 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.

11.2 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 Liquidator's as being excessive, and/or the basis of the Liquidator's 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.

11.3 To comply with the Provision of Services Regulations, some general information about MBP is in the attached summary sheet at appendix 3.

12. Summary

- 12.1 This concludes the Joint Liquidators' progress report for the year ended 22 January 2019. The liquidation will remain open until the investigations are concluded and the overdrawn loan account position is verified. Once these matters have been resolved, the liquidation will be finalised and the files closed. If the liquidation has not been finalised, the next report is due within 2 months of the next year's anniversary, i.e. before 21 March 2020.
- 12.2 If creditors have any queries regarding the conduct of the liquidation, they should contact Anna Rayson by email at annar@milnerboardman.co.uk or by phone on 0161 927 7788.

Yours faithfully
for and on behalf of
Edenvale Property Management (UK) Ltd



Molly Monks
Joint Liquidator

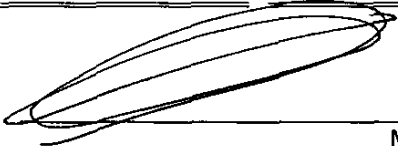


Appendix 1

Receipts and Payments Account

**Edenvale Property Management (UK) Ltd
(In Liquidation)**

JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 22/01/2018 To 21/01/2019 £	From 22/01/2018 To 21/01/2019 £
RECEIPTS			
Directors Loan Account	Uncertain	NIL	NIL
Cash in Hand		400.00	400.00
Business Rates Refund		2,167.07	2,167.07
		<u>2,567.07</u>	<u>2,567.07</u>
PAYMENTS			
Specific Bond		44.00	44.00
Office Holders Fees		1,956.87	1,956.87
Statutory Advertising		153.18	153.18
Land Registry Search Fee		11.00	11.00
Bank Charges		21.40	21.40
Trade & Expense	(16,602.00)	NIL	NIL
HM Revenue & Customs (PAYE)	(35,000.00)	NIL	NIL
HM Revenue & Customs (VAT)	(65,000.00)	NIL	NIL
HM Revenue & Customs (CT)	(1.00)	NIL	NIL
Ordinary Shareholders	(1.00)	NIL	NIL
		<u>2,186.45</u>	<u>2,186.45</u>
Net Receipts/(Payments)		<u>380.62</u>	<u>380.62</u>
MADE UP AS FOLLOWS			
VAT Receivable		70.00	70.00
Current Account		310.62	310.62
		<u>380.62</u>	<u>380.62</u>
			
			Molly Monks Joint Liquidator



Appendix 2

Milner Boardman & Partners' Time Analysis Regarding Investigations and Practice Fee Recovery Policy Sheet

Milner Boardman & Partners
TIME & CHARGEOUT SUMMARIES
22 January 2018 to 21 January 2019

Edenvale Property Management (UK) Ltd

HOURS

Classification of work function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Investigations	0.00	14.90	0.00	0.50	15.40	4,483.00	291.10

PRACTICE FEE RECOVERY POLICY FOR MILNER BOARDMAN & PARTNERS

Introduction

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

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at www.insolvency-practitioners.org.uk. Alternatively a hard copy may be requested from Milner Boardman & Partners. Please note, however, that the guides have not yet been updated for the revised legislation, so 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.

Charge Out Rates

Grade of staff	Current charge-out rate per hour, effective from 1 June 2017 £	Previous charge-out rate per hour, effective from 1 April 2015 £	Previous charge-out rate per hour, effective from 1 November 2008 £
Director	370	370	295 to 370
Appointment Taker	295	N/A	N/A
Senior Manager	255	255	N/A
Manager	215	215	215
Case Administrator	175	175	175
Support Staff	175	175	175

These charge-out rates charged are reviewed each year and may be 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
- Investigations
- Realisation of Assets
- Creditors
- Trading
- Case specific matters

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 now only seek time costs for the following categories, where applicable:

- Investigations
- Distributions
- Trading

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.

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, 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 we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

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

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Fixed fee

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, 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 we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

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

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Members' Voluntary Liquidations and Voluntary Arrangements

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

All bases

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

Agent's Costs

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

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

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

Disbursements

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

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Milner Boardman & Partners; 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, bank charges and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements incurred in administering the case will be charged as follows:

Room Hire	£30 per hour
Mileage	0.45p per mile (in accordance with HMRC approved rates)
Photocopying	10p per sheet (circulars to creditors only)



Appendix 3

Provision of Services Regulations Summary Sheet

PROVISION OF SERVICES REGULATIONS SUMMARY SHEET FOR MILNER BOARDMAN & PARTNERS

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

Darren Brookes and Molly Monks are licensed to act as Insolvency Practitioners in the United Kingdom by the Insolvency Practitioners Association ("IPA").

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 Darren Brookes and Molly Monks of Milner Boardman & Partners can be found at - <http://www.insolvency-practitioners.org.uk>. 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 <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/ethics-code>.

Complaints

In the first instance, you should contact the Insolvency Practitioner ("IP") acting as office holder. Please note that within Milner Boardman & Partners there are two Licensed Insolvency Practitioners; Darren Brookes and Molly Monks.

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 Molly Monks. However, if your complaint is regarding Molly Monks then please contact Darren Brookes.

We will lodge your complaint and open a file, this will be done immediately. We will then investigate your complaint and report to you as soon as possible, usually within five business days.

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.gsi.gov.uk; or you may phone 0300 678 0015. Information on the call charges that apply is available at <https://www.gov.uk/call-charges>.