

In accordance with Rule 6.28 of the Insolvency (England & Wales) Rules 2016 and Section 106(3) of the Insolvency Act 1986.

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

THURSDAY



A21

A8274LWR

28/03/2019

COMPANIES HOUSE

#294

1	Company details	
Company number	0 8 0 0 3 9 3 2	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Craftsman Building & Carpentry Limited	
2	Liquidator's name	
Full forename(s)	Mark Elijah Thomas	
Surname	Bowen	
3	Liquidator's address	
Building name/number	11 Roman Way	
Street	Berry Hill	
Post town	Droitwich Spa	
County/Region	Worcestershire	
Postcode	W R 9 9 A J	
Country		
4	Liquidator's name ①	
Full forename(s)		① Other liquidator Use this section to tell us about another liquidator.
Surname		
5	Liquidator's address ②	
Building name/number		② Other liquidator Use this section to tell us about another liquidator.
Street		
Post town		
County/Region		
Postcode		
Country		

LIQ14

Notice of final account prior to dissolution in CVL

6

Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

7

Final account

☒ I attach a copy of the final account.

8

Sign and date

Liquidator's signature

Signature

X

[Handwritten Signature]

X

Signature date

^d2^d6 ^m0^m3 ^y2^y0^y1^y9

LIQ14

Notice of final account prior to dissolution in CVL



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	Sophie Murcott				
Company name	MB Insolvency				
Address	11 Roman Way				
	Berry Hill				
Post town	Droitwich Spa				
County/Region	Worcestershire				
Postcode	W	R	9	9	A J
Country					
DX					
Telephone	01905 776771				



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:

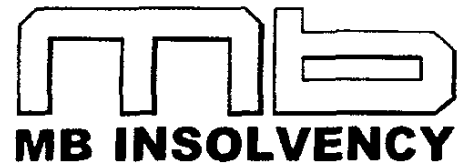
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



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



Your reference:
Our Reference: METB/SM/CBC01/8
Case Manager: Sophie Murcott

11 Roman Way, Berry Hill,
Droitwich Spa, Worcs, WR9 9AJ
T: 01905 776771
F: 01905 507596
E: information@mb-i.co.uk
www.mb-i.co.uk

TO ALL KNOWN MEMBERS & CREDITORS

25 January 2019

Dear Sirs,

Craftsman Building and Carpentry Limited- In creditors' voluntary liquidation

Registered Address: 11 Roman Way, Berry Hill, Droitwich, Worcestershire, WR9 9AJ
Previous Registered Address: 2 Princess Street, Dorchester, Dorset, DT1 1TP
Trading Address: 2 Princess Street, Dorchester, Dorset, DT1 1LP
Registered number: 08003932
Liquidator: Mark Elijah Thomas Bowen
Liquidator's Address: 11 Roman Way, Berry Hill, Droitwich, Worcestershire, WR9 9AJ
Date of Appointment: 4 July 2017
Change in officeholder: None

I am now in a position to conclude the Liquidation of the Company and therefore I enclose the following:

- Notice of no dividend;
- Notice that the Company's affairs are fully wound up; and

My final account of the Liquidation can be accessed at the following address:

<http://www.mb-i.co.uk>


To access the report, click on the area titled 'Client Login' and you will be asked for a user name and password which are as follows;

User name: CRAFTSMAN
Password: CBC001

This document may not be copied, reproduced, republished, posted, broadcast or transmitted in any way except for your own personal use. Prior consent must be obtained for any other use of the material.

Creditors requiring a hard copy of the report should contact Sophie Murcott of this office.

Yours faithfully
For Craftsman Building & Carpentry Limited


Mark Elijah Thomas Bowen
Liquidator

MET Bowen is licensed to act as an Insolvency Practitioner by the Insolvency Practitioners Association

NOTICE OF NO DIVIDEND

Company Name: Craftsman Building & Carpentry Ltd ("the Company")
Company Number: 08003932

This Notice is given under Rule 14.36 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Liquidator of the Company, Mark Bowen, of MB Insolvency, 11 Roman Way, Berry Hill, Droitwich, WR9 9AJ (telephone number: 01905 776 771), who was appointed by the members and creditors.

The Liquidator gives notice confirming that no dividend will be declared in the Liquidation of the Company.

No funds have been realised.

The Liquidator will now proceed to conclude the Liquidation.



Signed:
Mark Bowen - Liquidator

Dated: 25 January 2019

NOTICE THAT THE COMPANY'S AFFAIRS ARE FULLY WOUND UP

Company Name: Craftsman Building & Carpentry Limited (In Liquidation) ("the Company")
Company Number: 08003932

This Notice is given under Rule 6.28 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Liquidator of the Company, Mark Bowen, of MB Insolvency, 11 Roman Way, Berry Hill, Droitwich, WR9 9AJ (telephone number: 01905 776 771), who was appointed by the members and creditors.

The Liquidator gives notice that the Company's affairs are fully wound up.

Creditors have the right:

- (i) to request information from the Liquidator under Rule 18.9 of the Rules;
- (ii) to challenge the Liquidator's remuneration and expenses under Rule 18.34 of the Rules; and
- (iii) to object to the release of the Liquidator by giving notice in writing below before the end of the prescribed period to:

Mark Bowen
MB Insolvency
11 Roman Way, Berry Hill, Droitwich, Worcestershire, WR9 9AJ
mark@mb-i.co.uk
01905 776 771

The prescribed period ends at the later of: (i) eight weeks after delivery of this notice, or (ii) if any request for information under Rule 18.9 of the Rules or any application to court under that Rule or Rule 18.34 of the Rules is made, when that request or application is finally determined.

The Liquidator will vacate office under Section 171 of the Insolvency Act 1986 ("the Act") on delivering to the Registrar of Companies the final account and notice saying whether any creditor has objected to release.

The Liquidator will be released under Section 173 of the Act at the same time as vacating office unless any of the Company's creditors objected to release.

Relevant extracts of the Rules referred to above are provided overleaf.

Signed: 
Mark Bowen - Liquidator

Dated: 25 January 2019

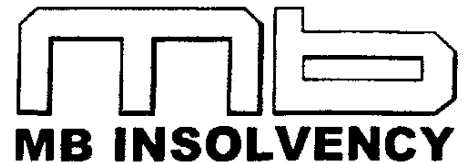
**RELEVANT EXTRACTS OF RULES 18.9 AND 18.34 OF
THE INSOLVENCY (ENGLAND & WALES) RULES 2016**

Rule 18.9

- (1) The following may make a written request to the office-holder for further information about remuneration or expenses set out in a final report under rule 18.14:
- a secured creditor;
 - an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question); or
 - any unsecured creditor with the permission of the court.
- (2) A request or an application to the court for permission by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one creditor.

Rule 18.34

- (1) This rule applies to an application in a winding-up made by a person mentioned in paragraph (2) on the grounds that:
- the remuneration charged by the office-holder is in all the circumstances excessive;
 - the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
 - the expenses incurred by the office-holder are in all the circumstances excessive.
- (2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable:
- a secured creditor; or
 - an unsecured creditor with either
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court.
- (3) The application by a creditor must be made no later than eight weeks after receipt by the applicant of the final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question.



Your reference:
Our Reference: METB/SM/CBC01/8
Case Manager: Sophie Murcott

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Droitwich Spa, Worcs, WR9 9AJ
T: 01905 776771
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TO ALL KNOWN MEMBERS & CREDITORS

25 January 2018

Dear Sirs,

Craftsman Building and Carpentry Limited- In creditors' voluntary liquidation

Registered Address: 11 Roman Way, Berry Hill, Droitwich, Worcestershire, WR9 9AJ

Previous Registered Address: 2 Princess Street, Dorchester, Dorset, DT1 1TP

Trading Address: 2 Princess Street, Dorchester, Dorset, DT1 1LP

Registered number: 08003932

Liquidator: Mark Elijah Thomas Bowen

Liquidator's Address: 11 Roman Way, Berry Hill, Droitwich, Worcestershire, WR9 9AJ

Date of Appointment: 4 July 2017

Change in officeholder: None

I am now in a position to conclude the Liquidation of the Company and therefore I enclose the following:

- Notice of no dividend;
- Notice that the Company's affairs are fully wound up; and

My final account of the Liquidation can be accessed at the following address:

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User name: CRAFTSMAN
Password: CBC001

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Creditors requiring a hard copy of the report should contact Sophie Murcott of this office.

Yours faithfully
For Craftsman Building & Carpentry Limited

Mark Elijah Thomas Bowen
Liquidator

MET Bowen is licensed to act as an Insolvency Practitioner by the Insolvency Practitioners Association

MET Bowen appointed liquidator on 4 July 2017

Craftsman Building & Carpentry Limited (In Liquidation)

LIQUIDATOR'S FINAL ACCOUNT

Period: 4 July 2017 (commencement of liquidation) to 26 March 2019 (conclusion of winding up)

Contents

- ☐ Company and Liquidator's details
- ☐ Case Strategy
- ☐ Receipts and payments account
- ☐ Creditor claims
- ☐ Dividends
- ☐ Investigations & Other relevant information
- ☐ Creditors' right to challenge
- ☐ Key outcomes for creditors
- ☐ Matters outstanding
- ☐ Appendices
 1. *Liquidator's final account of receipts and payments for the period of the liquidation.*
 2. *Liquidator's time costs*
 3. *Liquidator's expenses*

1. Company and Liquidator's Details

Company registered number:	08003932
Nature of business:	Builders & Carpenters
Former trading address:	2 Princess Street, Dorchester, Dorset, DT1 1TP
Date winding up commenced:	4 July 2017
Names of Liquidator:	Mark Bowen
Date of liquidators' appointment:	4 July 2017
Changes in office holder (if any):	None
Registered office address:	11 Roman Way Business Centre, Berry Hill, Droitwich, Worcestershire, WR9 9AJ

This report should be read in conjunction with my last report to creditors dated 31 August 2018. I am obliged by Statute to deliver this final account to all known creditors of the Company and following the date of this final account I will be obliged to file it as a final account with the Registrar of Companies.

Case Strategy

My overall strategy for the liquidation has been and remained throughout to realise the Company's assets as expeditiously as possible (which work also includes carrying out investigations to ensure that all valuable assets have been identified). This work is concluded.

In this case my investigations did not identify any matters that it was in the interests of the creditors of the Company to pursue. Accordingly, my investigations are concluded.

I have been supported in the performance of my duties by a Case Manager, a Case Administrator and by Support Staff, who had and have the day to day conduct of it and who help me to ensure that work done was and is carried out at the appropriate grade, having regard to its complexity. This core team is supported by the practice Cashier. I have not used and do not envisage using any sub-contractors on this case.

Liquidator's actions

The liquidator has completed the following tasks during the liquidation period:

- Requested and examined all relevant books and records
- Arranged a specific bond commensurate with the asset level
- Opened a liquidation bank account
- Issued statutory notices to The Registrar of Companies, creditors, shareholders, & H M Revenue & Customs
- Changed the registered office to 11 Roman Way, Berry Hill, Droitwich, Worcestershire, WR9 9AJ
- Circulated the report prepared for the Creditors decision procedure mon 4 July 2017 to all creditors and contributories
- Advertised the appointment in the London Gazette with confirmation of Resolutions passed on 4 July 2017 and requested information from Creditors and proofs of debt.
- Written to Directors informing of cessation of powers, duty to co-operate, completion of questionnaire and the restriction on re-use of Company name
- Collated information received from Creditors/answered on-going enquiries
- Investigated asset levels and reconciled with position detailed within the Company records
- Submitted report to Department for Business, Energy & Industrial Strategy & assisted with their further enquiries
- Prepared and circulated to all known creditors reports annually
- Issued this final account

2. Receipts and Payments Account

Attached at Appendix 1 is my account of receipts and payments from the commencement of the winding-up to 26 March 2019, showing asset realisations in the Liquidation and how they have been disbursed. My comments on items appearing in the account are as follows.

RECEIPTS

Transactions with connected parties

In accordance with the guidance given in SIP13, details of the Company's transactions with connected parties during the two years prior to the Liquidator's appointment, which have come to his attention, are provided below:

- All assets of the Company were sold by way of an invoice dated 12 June 2017 to Craftsman Builders Limited, a company associated by way of common director and shareholder, for £4,000 plus VAT.
- The sum of £4,800 was detailed on the director's statement of affairs as a book debt due to the Company.
- Despite repeated request for payment proposals the purchaser has failed to pay these monies.
- As far as the Liquidator is aware, the purchaser was not independently advised.

The Liquidator reviewed the transaction and is of the opinion the sale was not an undervalue. The debt was however not paid despite repeated requests.

The purchasing Company has made representations that they are unable to repay the debt and there was no retention of title provision included within the sales invoice as it was raised pre-appointment by the Director. In any event, the costs of recovering the assets via these means would have been disproportionate to the benefit.

Repeated attempts at recovery have been made however it has been concluded that the costs of continuing to pursue the debt are likely to exceed any benefit. In any event there would be no benefit to creditors as any proceeds would contribute toward the associated costs of recovery.

Accordingly, there have been no receipts in this matter.

PAYMENTS

There have been no payments in this matter.

Liquidators' Remuneration

The director authorised the costs of convening the meetings of members and creditors and the preparation of the statement of affairs at £4,000 plus VAT and expenses and disbursements. These fees have not been approved by creditors and I have not sought their approval as there have been no asset realisations from which to discharge MB Insolvency's fees.

I have also not sought approval of my post appointment fees and disbursements as Liquidator from creditors as there have been no asset realisations from which to discharge these costs.

My time records show that since the date of my appointment, the total time spent on this assignment, amounts to 40.6 hours at an average composite rate of £177.51 per hour resulting in total time costs of £7,207. The amount of the composite rate reflects the complexity of the matters dealt with and the expertise of the staff required.

I have attached a breakdown of time costs and expenses at Appendix 2 and Appendix 3. I am required to provide the information in this format by Statement of Insolvency Practice 9.

The following further information as regards time costs is also set out at Appendix 2:

- ☐ MB INSOLVENCY policy for re-charging expenses
- ☐ MB Insolvency charge-out rates

Creditors' Guide to Fees and statement of creditors' rights

If you require further information relating to Liquidator's remuneration, expenses and disbursements please see Appendix 3. This also gives details of your rights as a creditor in this regard.

The payments have been made in accordance with the Rules and Regulations generally as to the payment of costs and expenses in the liquidation.

3. Creditor Claims

Secured creditors

The Company has not granted any charges over its assets.

Preferential creditors

I am not aware of any employees' preferential claims.

Unsecured creditors

HMRC was shown to be owed £77,833. A claim of £68,377 has been received.

Total unsecured creditors totalled £116,354 as per the director's statement of affairs. I have not taken steps to agree these claims as there are no available funds for distribution to creditors.

4. Dividends

The Prescribed Part provisions of S176A of the Insolvency Act 1986 do not apply to this company as there was not a qualifying charge.

Notice was given pursuant to 14.36 of The Insolvency (England & Wales Rules) 2016 on 25 January 2019 that no dividend would be declared in respect of non-preferential creditors in this matter for the reason that no funds had been realised.

5. Investigations & Other Relevant Information

As part of my investigations I have undertaken the following:

- Reconciled all asset movements for the period from the last set of accounts to cessation of trade.
- Issued questionnaires to the Company's office holders and reviewed their responses.
- Carried out a detailed analysis of the Company's bank account including a review of all transactions entered into in the two years prior to the Company's demise.
- Requested information from the Company's creditors and reviewed their responses.
-

During the Review Period, I have carried out an initial review of the Company's affairs in the period prior to appointment. This included seeking information and explanations from the directors by means of questionnaires; reviewing information received from creditors; and collecting and examining the Company's bank statements, accounts and other records.

The director provided a Statement of Affairs and a completed questionnaire however did not provide a complete set of books and records.

The information gleaned from this process enabled me to meet my statutory duty to submit a confidential report on the conduct of the directors (past and present) to the Insolvency Service.

This work was also carried out with the objective of making an initial assessment of whether there were any matters that may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

Whilst there were certain aspects of the director's conduct that required further review there were no matters that it was considered would result in additional asset realisations for the benefit of creditors.

Accordingly, my investigations are concluded.

6. Creditors' Rights to Challenge

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 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 creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

Further information or a full copy of the relevant rules is available on receipt of a written request.

7. Key outcomes for creditors

Comprehensive investigations were conducted into the conduct of the Company's affairs by its Directors prior to the liquidation. Whilst those investigations did not reveal any matters that it was in the interests of creditors for me to pursue, creditors can be assured that they have been conducted.

Creditors can also be assured that at all times the liquidation has been and is being performed in accordance with Statutory and Regulatory requirements.

To all practical intents and purposes, the liquidation has been concluded within 18 months.

8. Matters outstanding

The only matters outstanding are to deliver this final account to the members and creditors of the Company and the administrative and documentary formalities of concluding these proceedings.

The Liquidator will vacate office under Section 71 of The Insolvency Act 1986 ("the Act") on delivering to the Registrar of Companies the final account and notice saying whether any creditor has objected to the Liquidator's release.

The Liquidator will be released under Section 173 of The Act at the same time as vacating office unless any of the Company's creditors objected to release.

My proposal is that the Liquidation will conclude, and that I will obtain my release as Liquidator, on 26 March 2019.



MET Bowen - Liquidator
Dated: 25 January 2019

**Craftsman Building & Carpentry Limited
(In Liquidation)**

Liquidator's Summary of Receipts and Payments

RECEIPTS	Statement of Affairs (£)	From 04/07/2017 To 03/07/2018 (£)	From 04/07/2018 To 28/03/2019 (£)	Total (£)
Book Debt	4,800.00	0.00	0.00	0.00
		0.00	0.00	0.00
PAYMENTS				
Trade & Expense Creditors	-35,520.51	0.00	0.00	0.00
HSBC Bank Plc	-3,000.00	0.00	0.00	0.00
HM Revenue & Customs	-77,833.02	0.00	0.00	0.00
Ordinary Shareholders	-200.00	0.00	0.00	0.00
		0.00	0.00	0.00
Net Receipts/(Payments)		0.00	0.00	0.00
 MADE UP AS FOLLOWS				
		0.00	0.00	0.00

Craftsman Building & Carpentry Limited (In Liquidation)

Summary of Remuneration for period 4 July 2017 - 26 March 2019

Classification of Work	Partner	Manager	Other Senior Professionals	Assistant & Support Staff	Total Units	Time Cost £	Average Rate £/Hr
Stat Compliance / Admin & Planning	29.00			204.00	233.00	3,324.00	142.66
Investigations	20.00	70.00		33.00	123.00	2,833.00	230.33
Realisation of Assets				4.00	4.00	60.00	150.00
Creditors	20.00			26.00	46.00	990.00	215.22
Case Specific Matters							
Total	69.00	70.00		267.00	406.00	7,207.00	177.51

All time is recorded in units of six minutes. Therefore 1 unit equates to six minutes of time recorded

Charge out rates:

From 13 February 2013

Rates depend on the complexity of the case

Partner

£300

Managers

£225 - £250

Assistant Managers

£200

Senior Administrator

£175

Administrator

£150

Senior Assistant / Cashier

£150

Support Staff

£90

Standard Activity:

Administration & Planning

Statutory reporting and compliance
Compliance with other regulatory requirements
Case planning
Administrative set up
Appointment notification
Maintenance of records

Investigations

Statement of Insolvency Practise 2 review
CDDA Reporting
Investigating antecedent transactions

Realisation of Assets

Identifying, securing, insuring assets
Retention of title claims
Debt collection
Property, business and asset sales

Trading

Management of operations
Accounting for trading
On-going employees issues

Creditors

Communication with creditors
Creditors claims (including employees)
Other preferential creditors

Craftsman Building & Carpentry Limited (In Liquidation)

Category 1 Disbursements

	Incurred	Paid	Unpaid
	£	£	£
Bond	24.00	-	24.00
Advertising	138.00	-	138.00
Postage	9.10	-	9.10
Telephone			-
Car Mileage			-
Travel			-
Subsistence			-
External Room Hire			-
External Photocopying			-
External Records Removal			-
Mail Re-direction			-
Swear Fee			-
Company Search			-
Professional Fees			-
Other			

Category 2 Disbursements

	Incurred	Paid	Unpaid
	£	£	£
Photocopying / Printing	19.04	-	19.04
Registered Office Fee			-
IPS Charge			-
Mileage			-
Room Hire			-

Category 2 Disbursement Rates

Photocopying / Printing	£0.17 per sheet
Registered Office Fee	£125 per annum
IPS Charge	£125 per case
Mileage	£0.45 per mile
Room Hire	£60 per hour where held at MBI Offices

Craftsman Building & Carpentry Limited (In Liquidation)

Summary of (Liquidation) Expenses for period 4 July 2017 - 26 March 2019

Nature of Expense

	Provider	Basis of Remuneration
None		

Expenses Incurred and Paid

	Incurred	Paid	Unpaid
	£	£	£
None			-
			-



Practice fee and disbursement recovery policy

Introduction

The insolvency legislation was changed in April 2010 for insolvency appointments commenced from that time in order to allow more flexibility on how an office holder's fees are charged to a case. This sheet explains how we may apply the alternative fee bases. The new legislation allows different fee bases to be used for different tasks within the same appointment. The basis or combination of bases set for a particular appointment 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 details about how an office holder's fees are approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP9). A copy of the relevant circulation listed in reports to creditors and is also available upon request.

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 and time costs incurred and will also enable the recipients to see the average rates of such costs. Under the new 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 the 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

This is the basis that we use in the majority of cases using charge out rates appropriate to the skills and experience of each 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. Cashiers, secretarial and support staff charge all the time they work as such work has not been allowed for in calculating the hourly rates charged by the partners and other staff. If such time were not charged our charge out rates for Partners and other staff would be approximately 20% higher. Time billed is normally subject to Value Added Tax (VAT) at the applicable rate (see below).

Staff allocation and the use of sub-contractors

The office holder's general approach to resourcing assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.



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The case team will usually consist of partner, senior manager/manager and administrator. The exact case team will depend on the anticipated size and complexity of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. The Office holder's charge out rate schedule below provides details of all grades of staff.

With regard to support staff, the Office Holder advises that time spent by our Treasury department in relation to specific tasks on an assignment is charged.

The following services are being provided on this assignment by external sub-contractors:

Service Type	Service Provider	Basis of fee arrangement	Cost to date£
n/a			

Charge out rates

Our charge out rates are reviewed periodically, our charge out rates are summarised below.

Charge out rates per hour effective from February 2013

Grade	Hourly Rate (£)
Insolvency Practitioner	300
Managers	225-250
Assistant Managers	200
Senior Administrator	175
Administrator	150
Senior Assistant/Cashier	150
Support Staff/Secretary	90

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. Each unit of time is 6 minutes. The work is recorded under the following categories:

Administration and planning - which includes work such as planning how the case will be administered and progressed; the administrative set up of the case; notifying creditors and others of the appointment; keeping the records relating to the case up to date; case review; case progression meetings; and reporting on progress of the case to creditors and others.



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Investigations - which includes work such as undertaking an initial review of the financial affairs of the company and bankrupt; undertaking a detailed investigation with a view to making recoveries for the benefit of creditors where matters such as preferences or wrongful trading come to light as a result of the initial review; and reporting to the Insolvency Service on the conduct of the directors.

Realisation of assets - which includes work such as identifying, securing and insuring assets; dealing with retention of title claims; collecting debts; and selling assets.

Employee matters - which includes work such as dealing with employees; and liaising with the redundancy payments office.

Creditors - which includes work such as communicating with creditors; dealing with creditors' claims; and where funds permit, paying dividends to creditors.

Trading - which includes work such as managing and controlling all aspects of the business; and maintaining financial records and information relating to that trading.

Percentage basis

The new legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal. Different percentages can be used for different assets or types of assets. Where we would like to realise any asset or type of assets on a percentage basis we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

Fixed fee

The new legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. Where we would like to charge a set amount for a task or different set amounts for different tasks we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

Value Added Tax

The office holder's remuneration invoiced to the insolvent estate will normally be subject to VAT at the prevailing rate. The only exception to this is for services rendered in relation to Voluntary Arrangement assignments where a VAT Tribunal has ruled that such services are exempt supplies.

Agent's costs

Charged at cost based on the amount billed by the Agent instructed, the term Agent includes:

Solicitors, Legal Advisors, Debtor recovery specialists

Auctioneers, Valuers, Accountants



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Quantity Surveyors

Estate Agents

Document Storage Agents

Other Specialist Advisors

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) 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 MB Insolvency; 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 postage, mail redirection, travel, swear fee, company searches, land registry searches, statutory advertising, external meeting room hire, external storage, specific bond insurance and subsistence,.

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.

The category 2 disbursements that MB Insolvency apply, when seeking recovery, are as follows;

<u>Type</u>	<u>Rate</u>
Photocopying	17p per sheet
Room Hire (where MB insolvency room is used for formal meetings with external parties)	£60 per hour
Registered Office Fee	£125 per annum
Mileage	60p per mile
Insolvency Practitioners System	£125 per case

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Professional advisors

On this assignment the office holder has used the professional advisers listed below. The Office holder has also indicated the basis of their fee arrangement with them, which is subject to review on a regular basis.

Name of professional advisor	Basis of fee arrangement
n/a	

The office holder's choice was based on his perception of the professional adviser's experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of his fee arrangement with them.

A CREDITORS' GUIDE TO LIQUIDATORS' FEES

ENGLAND AND WALES

1 Introduction

- 1.1 When a company goes into liquidation the costs of the proceedings are paid out of its assets. The creditors, who hope to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as liquidator. The insolvency legislation recognises this interest by providing mechanisms for creditors to fix the basis of the liquidator's fees. This guide is intended to help creditors be aware of their rights to approve and monitor fees, explains the basis on which fees are fixed and how creditors can seek information about expenses incurred by the liquidator and challenge those they consider to be excessive.

2 Liquidation procedure

- 2.1.1 Liquidation (or 'winding up') is the most common type of corporate insolvency procedure. Liquidation is the formal winding up of a company's affairs entailing the realisation of its assets and the distribution of the proceeds in a prescribed order of priority. Liquidation may be either voluntary, when it is instituted by resolution of the shareholders, or compulsory, when it is instituted by order of the court.
- 2.1.2 Voluntary liquidation is the more common of the two. An insolvent voluntary liquidation is called a creditors' voluntary liquidation (often abbreviated to 'CVL'). In this type of liquidation an insolvency practitioner ('IP') acts as liquidator throughout.
- 2.1.3 In a compulsory liquidation on the other hand, the function of liquidator is, in most cases, initially performed not by an insolvency practitioner but by an official called the official receiver. The official receiver is an officer of the court and an official belonging to The Insolvency Service. In most compulsory liquidations, the official receiver becomes liquidator immediately on the making of the winding-up order. Where the specialist skills of an insolvency practitioner are required or the majority of creditors request the appointment of an insolvency practitioner, an insolvency practitioner will usually be appointed to act as liquidator in place of the official receiver. Where an insolvency practitioner is not appointed the official receiver remains liquidator.
- 2.1.4 Where a compulsory liquidation follows immediately on an administration the court may appoint the former administrator to act as liquidator. In such cases the official receiver does not become liquidator. An administrator may also subsequently act as liquidator in a CVL.

3 The liquidation committee

- 3.1.1 In a liquidation (whether voluntary or compulsory) the creditors have the right to appoint a committee called the liquidation committee, with a minimum of 3 and a maximum of 5 members, to monitor the conduct of the liquidation and approve the liquidator's fees. An invitation to decide on whether a committee is to be established will be sent to creditors at the same time as a decision is sought on the appointment of a liquidator. In cases where a liquidation follows immediately on an administration any committee established for the purposes of the administration will continue in being as the liquidation committee.
- 3.1.2 The liquidator must call the first meeting of the committee within 6 weeks of its establishment (or his appointment if that is later), and subsequent meetings must be held either at specified dates agreed by the committee, or when requested by a member of the committee, or when the liquidator decides he needs to hold one. The liquidator is required to report to the committee at least every 6 months on the progress of the liquidation, unless the committee directs otherwise. This provides an

opportunity for the committee to monitor and discuss the progress of the insolvency and the level of the liquidator's fees.

4 Fixing the liquidator's remuneration

4.1 Basis

4.1.1 The basis for fixing the liquidator's remuneration is set out in Rules 18.16, 18.17, 18.19 and 18.20 of the Insolvency (England and Wales) Rules 2016. The Rules state that the basis of remuneration must be fixed:

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

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

4.2 Advance information where remuneration not based on time costs

4.2.1 Prior to the determination of the basis of remuneration, the liquidator must give the creditors details of the work the liquidator proposes to undertake, and the expenses he considers will be, or are likely to be, incurred. However, where the liquidator proposes to take any part or all of his remuneration on a time cost basis, he must provide more detailed information in the form of a 'fees estimate', as explained below.

4.3 Fees estimates where remuneration to be based on time costs

4.3.1 Where the liquidator proposes to take remuneration based on time costs, he must first provide the creditors with detailed information in the form of a 'fees estimate'. A fees estimate is a written estimate that specifies –

- details of the work the liquidator and his staff propose to undertake;
- the hourly rate or rates the liquidator and his staff propose to charge for each part of that work;
- the time the liquidator anticipates each part of that work will take;
- whether the liquidator anticipates it will be necessary to seek approval or further approval under the Rules; and
- the reasons it will be necessary to seek such approval.

In addition, the liquidator must give the creditors details of the expenses he considers will be, or are likely to be, incurred.

4.4 Who fixes the remuneration

4.4.1 It is for the liquidation committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the committee to determine the percentage or percentages to be applied. Rule 18.16 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case;
- any responsibility of an exceptional kind or degree which falls on the liquidator in connection with the insolvency;
- the effectiveness with which the liquidator appears to be carrying out, or to have carried out, his duties;

- the value and nature of the property which the liquidator has to deal with.
- 4.4.2 If there is no liquidation committee, or the committee does not make the requisite determination, the liquidator's remuneration may be fixed by a decision of the creditors. The creditors take account of the same matters as apply in the case of the committee.
- 4.4.3 *If the remuneration is not fixed as above, it will be fixed in one of the following ways. In a CVL, it will be fixed by the court on application by the liquidator, but the liquidator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 18 months after his appointment. In a compulsory liquidation, it will be in accordance with a scale set out in the Rules.*
- 4.4.4 Where the liquidation follows directly on from an administration in which the liquidator had acted as administrator, the basis of remuneration fixed in the administration continues to apply in the liquidation (subject to paragraph 8 below).

5. Review of remuneration

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

6 What information should be provided by the liquidator?

6.1 General principles

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

- 6.1.2 A proposed liquidator may issue a fees estimate to creditors prior to being appointed liquidator.

- 6.1.3 The liquidator should disclose:

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

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

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

6.2 Key issues

- 6.2.1 The key issues of concern to those with a financial interest in the level of payments from the insolvency estate will commonly be:

- the work the liquidator anticipates will be done, and why that work is necessary;
- the anticipated cost of that work, including any expenses expected to be incurred in connection with it;
- whether it is anticipated that the work will provide a financial benefit to creditors, and if so what benefit (or if the work provided no direct financial benefit, but was required by statute);
- the work actually done and why that work was necessary;
- the actual costs of the work, including any expenses incurred in connection with it, as against any estimate provided;
- whether the work has provided a financial benefit to creditors, and if so what benefit (or if the work provided no direct financial benefit, but was required by statute).

When providing information about payments, fees and expenses, the liquidator should do so in a way which facilitates clarity of understanding of these key issues. Narrative explanations should be provided to support any numerical information supplied. Where it is practical to do so, the liquidator should provide an indication of the likely return to creditors when seeking approval for the basis of his remuneration.

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

6.3 Fee estimates and subsequent reports

- 6.3.1 When providing a fee estimate, the liquidator should supply that information in sufficient time to facilitate that body making an informed judgement about the reasonableness of the liquidator's requests. The estimate should clearly describe what activities are anticipated to be conducted in respect of the estimated fee. When subsequently reporting to creditors, the actual hours and average rate (or rates) of the costs charged for each activity should be provided for comparison.

6.4 Disbursements

- 6.4.1 Costs met by and reimbursed to the liquidator in connection with the liquidation will fall into two categories:
- Category 1 disbursements: These are payments to independent third parties where there is specific expenditure directly referable to the liquidation. Category 1 disbursements can be drawn without prior approval, although the liquidator should be prepared to disclose information about them in the same way as any other expenses.
 - Category 2 disbursements: These are costs that are directly referable to the liquidation but not to a payment to an independent third party. They may include shared or allocated costs that may be incurred by the liquidator or their firm, and that can be allocated to the liquidation on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as a liquidator's remuneration.

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

- 6.4.2 The following are not permissible as disbursements:

- a charge calculated as a percentage of remuneration;
- an administration fee or charge additional to the liquidator's remuneration;

- recovery of basic overhead costs such as office and equipment rental, depreciation and finance charges.

6.5 Payment of pre appointment expenses

6.5.1 The following categories of expenses may be paid out of the company's assets, either before or after the commencement of the winding up, as an expense of the winding-up:

- Any reasonable and necessary expenses of preparing the statement of affairs.
- Any reasonable and necessary expenses of the decision procedure or deemed consent procedure to seek a decision from the creditors on the nomination of a liquidator under R6.14.

6.5.2 If payment has not been made pre-commencement of the liquidation, payment may not be made to the liquidator or any associate of the liquidator, otherwise than with the approval of the liquidation committee, the creditors or the court.

6.5.3 Disclosure should be made in the fees estimate of amounts already paid to the liquidator in respect of pre-appointment costs, giving the amounts paid, the name of the payer and its relationship to the estate and the nature of the payment.

6.5.4 Disclosure should follow the principles and standards as set out in this guidance.

6.6 Realisations for secured creditors

6.6.1 Where the liquidator realises an asset on behalf of a secured creditor and receives remuneration out of the proceeds (see paragraph 11.1 below), he should disclose the amount of that remuneration to the committee (if there is one), to creditors when considering a decision for the purpose of determining his fees, and in any reports he sends to creditors.

7. Exceeding the amount set out in the fees estimate

7.1 Remuneration cannot be drawn in excess of the fees estimate without approval by the body which fixed the original basis of the remuneration. The request for approval must specify –

- the reason why the liquidator has exceeded, or is likely to exceed, the fees estimate;
- the additional work the liquidator has undertaken or proposes to undertake;
- the hourly rate or rates the liquidator proposes to charge for each part of that additional work;
- the time that additional work has taken or the liquidator anticipates that work will take;
- whether the liquidator anticipates that it will be necessary to seek further approval; and
- the reasons it will be necessary to seek further approval.

8. Progress reports and requests for further information

8.1.1 The liquidator is required to send annual progress reports to creditors. The reports must include:

- details of the basis fixed for the remuneration of the liquidator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it);
- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except

where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report);

- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report;
- a statement of the expenses incurred by the liquidator during the period of the report, irrespective of whether payment was actually made during that period;
- details of progress during the period of the report, including a summary of the receipts and payments during the period;
- details of what remains to be done;
- where appropriate, a statement –
 - that the remuneration anticipated to be charged is likely to exceed the fees estimate or any approval given for remuneration exceeding the estimate;
 - that expenses incurred or anticipated to be incurred are likely to exceed, or have exceeded, the details given to the creditors prior to the determination of the basis of remuneration; and
 - the reason for that excess.
- a statement of the creditors' rights to request further information, as explained in paragraph 8.2, and their right to challenge the liquidator's remuneration and expenses.

8.1.2 Within 21 days of receipt of a progress report a creditor may request the liquidator to provide further information about the remuneration and expenses set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

8.1.3 The liquidator must provide the requested information within 14 days, unless he considers that:

- the time and cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the liquidation or
- the liquidator is subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing some or all of the information.

8.1.4 Any creditor may apply to the court within 21 days of the liquidator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

9 What if a creditor is dissatisfied?

9.1.1 Except in cases where there is a liquidation committee it is the creditors as a body who have authority to approve the liquidator's fees.

9.1.2 If a creditor believes that the liquidator's remuneration is excessive, the basis is inappropriate, or the expenses incurred by the liquidator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court.

9.1.3 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the liquidator's progress report in which the charging of the remuneration or incurring of the expenses in question is first

reported (see paragraph 8.1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the liquidator a copy of the application and supporting evidence at least 14 days before the hearing.

- 9.1.4 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not out of the assets of the insolvent company.

- 9.1.5 On receipt of the liquidator's final account creditors have 8 weeks in which they may challenge the liquidator's remuneration and expenses under R18.34

10. What if the liquidator is dissatisfied?

- 10.1 If the liquidator considers that the remuneration fixed by the liquidation committee, the creditors, in the preceding administration or in accordance with the statutory scale is insufficient, or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court he must give at least 14 days' notice to the members of the committee and the committee may nominate one or more of its members to appear or be represented at the court hearing. If there is no committee, the liquidator's notice of his application must be sent to such of the creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid out of the assets.

11 Other matters relating to remuneration

- 11.1 Where the liquidator realises assets on behalf of a secured creditor he is entitled to be remunerated out of the proceeds of sale in accordance with a scale set out in the Rules. Usually, however, the liquidator will agree the basis of his fee for dealing with charged assets with the secured creditor concerned.
- 11.2 Where two (or more) joint liquidators are appointed it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute between them may be referred to the court, the committee or a meeting of creditors.
- 11.3 If the appointed liquidator is a solicitor and employs his own firm to act in the insolvency, profit costs may not be paid unless authorised by the committee, the creditors or the court.
- 11.4 If a new liquidator is appointed in place of another, any determination, decision or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new liquidator until a further determination, decision or court order is made.
- 11.5 Where the basis of the remuneration is a set amount, and the liquidator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing liquidator. The application must be made to the same body as approved the remuneration. Where the outgoing liquidator and the incoming liquidator are from the same firm, they will usually agree the apportionment between them.
- 11.6 There may also be occasions when creditors will agree to make funds available themselves to pay for the liquidator to carry out tasks which cannot be paid for out of the assets, either because they are deficient or because it is uncertain whether the work undertaken will result in any benefit to creditors. Arrangements of this kind are sometimes made to fund litigation or investigations into the affairs of the insolvent company. Any arrangements of this nature will be a matter for agreement between

the liquidator and the creditors concerned and will not be subject to the statutory rules relating to remuneration.

12. Effective date

This guide applies where a company goes into liquidation on or after 6 April 2017.

Appendix

Suggested format for the provision of information

Professional guidance issued to insolvency practitioners sets out the following suggested format for the provision of information when seeking approval of remuneration. However, the level of disclosure suggested below may not be appropriate in all cases, and will be subject to considerations of proportionality. In larger or more complex cases the circumstances of each case may dictate the information provided and its format.

Narrative overview of the case

In all cases, reports on remuneration should provide a narrative overview of the case. Matters relevant to an overview are:

- the complexity of the case;
- any exceptional responsibility falling on the liquidator;
- the liquidator's effectiveness;
- the value and nature of the property in question.

The information provided will depend upon the basis or bases being sought or reported upon, and the stage at which it is being provided. An overview might include:

- an explanation of the nature, and the liquidator's own initial assessment, of the assignment (including the anticipated return to creditors) and the outcome (if known);
- initial views on how the assignment was to be handled, including decisions on staffing or subcontracting and the appointment of advisers;
- any significant aspects of the case, particularly those that affect the remuneration and cost expended;
- the reasons for subsequent changes in strategy;
- the steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, and fee drawing;
- any existing agreement about remuneration;
- details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees;
- in a larger case, particularly if it involved trading, considerations about staffing and managing the assignment and how strategy was set and reviewed;
- details of work undertaken during the period;
- any additional value brought to the estate during the period, for which the liquidator wishes to claim increased remuneration.

Time cost basis

Where any part of the remuneration is or is proposed to be calculated on a time costs basis, requests for and reports on remuneration should provide:

- An explanation of the liquidator's time charging policy, clearly stating the units of time that have been used, the grades of staff and rates that have been charged to the assignment, and the policy for recovering the cost of support staff. There is an expectation that time will be recorded in units of not greater than 6 minutes.
- A description of work carried out, which might include:
 - details of work undertaken during the period, related to the table of time spent for the period;
 - an explanation of the grades of staff used to undertake the different tasks carried out and the reasons why it was appropriate for those grades to be used;
 - any comments on any figures in the summary of time spent accompanying the request the liquidator wishes to make.
- Time spent and charge-out summaries, in an appropriate format.

It is useful to provide time spent and charge-out value information in a tabular form for each of the time periods reported upon, with work classified (and sub-divided) in a way relevant to the circumstances of the case

The following areas of activity are suggested as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff:

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The level of disclosure suggested above will not be appropriate in all cases, and considerations of proportionality will apply:

- where cumulative time costs are, and are expected to be, less than £10,000 the liquidator should, as a minimum, state the number of hours and average rate per hour and explain any unusual features of the case;
- where cumulative time costs are, or are expected to be, between £10,000 and £50,000, a time and charge-out summary similar to that shown above will usually provide the appropriate level of detail (subject to the explanation of any unusual features);
- where cumulative time costs exceed, or are expected to exceed, £50,000, further and more detailed analysis or explanation will be warranted.