

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 8 9 2 3 2 9 5

Company name in full Social Wine And Tapas Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

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)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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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



X

Signature date

d

2

d

2

n

0

n

2

y

2

y

0

y

2

y

1

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Presenter information

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

Contact name **Thomas Bowen**

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 **information@mb-i.co.uk**

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

FINAL ACCOUNT

SOCIAL WINE AND TAPAS LTD - IN CREDITORS' VOLUNTARY LIQUIDATION

Period: 24 January 2020 (commencement of liquidation) to 22 February 2021 (conclusion of winding up)

Contents

- Executive Summary
- Administration and Planning
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- Realisation of Assets
- Trading
- Creditors
- Ethics
- Fees and Expenses
- Creditors' Rights
- EU Regulations
- Conclusion

Appendices

- Appendix I - Statutory Information
- Appendix II – Receipts and Payments account for the period 24/01/2020 to 22/02/2021
- Appendix III - Detailed list of work undertaken in the period
- Appendix IV - Time cost information for period 24/01/2020 to 22/02/2021
- Appendix V - Expenses summary for period

EXECUTIVE SUMMARY

A summary of key information in this report is detailed below.

Assets

Asset	Estimated to realise per Statement of Affairs	Realisations to date	Anticipated future realisations	Total anticipated realisations
Cash at bank	Nil	5,833.10	Nil	5,833.10
Bank interest gross	-	3.15	Nil	3.15

Expenses

Expense	Amount per fees and expenses estimates	Expense incurred to date	Anticipated further expense to closure	Total anticipated expense
Liquidator's fees	8,500.00	5,579.08	Nil	5,579.08
All other expenses	529.67	257.17	Nil	257.17

Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend, based upon the above
Secured creditor	N/A	N/A
Preferential creditors	N/A	N/A
Unsecured creditors	Op in the £	Op in the £

Closure

There are no further matters in the liquidation to be progressed and the liquidation may now be concluded.

This report should be read in conjunction with my last report to creditors dated 24 January 2020. 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.

ADMINISTRATION AND PLANNING

Statutory information

Statutory information may be found at Appendix I.

The Liquidator is required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found in Appendix III.

Reporting

The Liquidator has met his statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

During the Review Period, the following key documents have been issued:

[Delete those not applicable]

- The report presented to presented to the meeting of creditors;
- *This final account*

Other administration tasks

During the Review Period, the following material tasks in this category were carried out:

- 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, WR9 9AJ
- Circulated the report prepared for the Creditors meeting on 24/01/2020 to all creditors and contributories
- Issued his Statutory Estimates of Fees and Liquidation expenses to the Company's creditors
- Advertised the appointment in the London Gazette with confirmation of Resolutions passed at the creditors' meeting on 24/01/2020 and requested information from Creditors and proofs of debt.
- Chaired a meeting by correspondence convened to fix the basis of his remuneration
- Investigated asset levels and reconciled with position detailed within the Company records
- Reconciled bank account at monthly intervals
- Reconciled Corporation Tax liabilities
- Paid/Reclaimed VAT as applicable

- Case and bond reviews
- Issued this final account

ENQUIRIES AND INVESTIGATIONS

During the Period, the Liquidator has carried out an initial review of the Company's affairs in the period prior to appointment. This included seeking information and explanations from the director (and senior employees) by means of questionnaires (and interviews); making enquiries of the Company's accountants; reviewing information received from creditors; and collecting and examining the Company's bank statements, accounts and other records.

The directors provided the books and records and a completed questionnaire as well as a Statement of Affairs.

The information gleaned from this process enabled the Liquidator to meet his 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.

This initial assessment has been completed and the Liquidator did not identify any further assets or actions which might lead to a recovery for creditors.

Although this work did not generate any financial benefit to creditors, it was necessary to meet the statutory duties as well as conduct appropriate enquiries and investigations into potential rights of actions to enhance realisations.

REALISATION OF ASSETS

Attached at Appendix 1 is my account of receipts and payments from the commencement of the winding-up to 23 December 2020, showing asset realisations in the Liquidation and how they have been disbursed. The receipts and payments detailed in the attached schedule are considered self-explanatory. More details about the work undertaken may be found at Appendix III.

CREDITORS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Liquidator has had to carry out key tasks which are detailed in the list at Appendix III. The following sections explain the anticipated outcomes to creditors and any distributions paid.

Secured creditors

The Company had granted the following security: -

Type of charge	Date created	Beneficiary
Debenture	14/05/2015	Coutts & Company

The debt due to Coutts & Company (the Bank) at the date of appointment was made up of various loans and overdrafts. At the date of liquidation, it was advised there were no amounts due and so the charge was not called upon.

Preferential creditors

There were no preferential creditors in this matter.

Unsecured creditors

HMRC was shown to be owed £40,664.57. No claim has been received to date.

The trade and expense creditors as per the statement of affairs totalled £12,469.85. Please be advised that proofs of debt are still being received and therefore the total value of unsecured claims is not known at present.

Dividend prospects

The realisations have been utilised to defray the cost of the liquidation. There is no dividend to creditors in this matter.

ETHICS

Please also be advised that Mark Bowen is bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

General ethical considerations

Prior to the Liquidator's appointment, a review of ethical issues was undertaken and no ethical threats were identified. A further review has been carried out and no threats have been identified in respect of the management of the insolvency appointment over the Review Period.

Specialist Advice and Services

When instructing third parties to provide specialist advice and services or having the specialist services provided by the firm, the Liquidator is obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work undertaken. The firm reviews annually the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed below.

FEES AND EXPENSES

Pre-Appointment Costs

A fixed fee of £10,000 was agreed and paid by the director prior to the meetings.

The Liquidator's fees

The basis of the Liquidator's fees was approved by creditors on 21 September 2020 in accordance with the following resolution:

"That the Liquidator's fees be fixed by reference to his fee estimate."

My fees were approved by creditors as a set fee of £8,500. Detailed below is a summary of that fee estimate, including my *illustrative* allocation of that fee between the various activities in the liquidation. I am also providing details of time spent as recorded in the time records I am obliged to maintain by the Insolvency Practitioner Regulations (irrespective of the agreed basis of my remuneration).

Proposed remuneration for the Liquidator (please see assumptions)	Basis	Note	Incurred £	Projected £	Total £
Case planning and administration	Set fee	14	2,500.00	3,500.00	6,000.00
Realisation of assets	Milestone	15	0.00	0.00	0.00
Preliminary investigation & report	Set fee	16	1,500.00	0.00	1,500.00
Detailed investigation	Milestone	17	0.00	0.00	0.00
Creditors	Set fee	18	500.00	500.00	1,000.00
Payment of a dividend	Milestone	19	0.00	0.00	0.00
Additional reports	Milestone	20	0.00	0.00	0.00
Total			4,500.00	4,000.00	8,500.00

It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day-to-day administration on cases and a manager and (director/partner) then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a (senior) manager or (director/partner).

The time costs for the period 24/01/2020 to 22/02/2021 total £1,530, representing 14.10 hours at an average hourly rate of £108.51. The time costs for the period are detailed at Appendix IV.

Having regard for the costs that are likely to be incurred in bringing this Liquidation to a close, the Liquidator considers that:

- the original fees estimate is unlikely to be exceeded; and
- the original expenses estimate is unlikely to be exceeded.

Disbursements

The disbursements that have been incurred and paid during the period are detailed on Appendix VI.

The category 1 disbursements paid for in the period 24/01/2020 to 22/02/2021 total £206.60 are detailed at Appendix II and represent the simple reimbursement of actual out of pocket payments made in relation to the assignment.

The category 2 disbursements for the period 24/01/2020 to 22/02/2021 total £20.57 and these may include an element of overhead charges in accordance with the resolution passed by creditors at a

meeting held on 21 September 2020. The basis of calculation of this category of disbursement was disclosed to creditors prior to the resolution being passed and is also detailed at Appendix III

Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors' Guide to Fees' together with the firm's charge-out rate and disbursement policy may be found at **www.mb-i.co.uk for guide appropriate to when appointed**. A hard copy of both the Creditors' Guide and the firm's charge-out rate and disbursement policy may be obtained on request.

CREDITORS' RIGHTS

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 **MB Insolvency'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 **MB Insolvency'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.

EU REGULATIONS (WHETHER PROCEEDINGS ARE MAIN PROCEEDINGS OR TERRITORIAL)

The Company's centre of main interest was in the UK and therefore it is considered that the EU Regulations apply. These proceedings are main proceedings as defined in the EU Regulation

7. Key outcomes for creditors

All of the assets of the Company were realised within 12 months.

Throughout, costs have been tightly controlled and have remained within original estimates.

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 12 months.

CONCLUSION

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.

FINAL ACCOUNT OF SOCIAL WINE AND TAPAS LTD - IN CREDITORS' VOLUNTARY LIQUIDATION

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 22 February 2021.

If you require any further information, please contact this office.

Signed 
Mark Bowen
Liquidator

16 December 2020

Appendix I

Statutory Information

Company Name	Social Wine and Tapas Ltd
Former Trading Name	N/A
Company Number	08923295
Registered Office	11 Roman Way Business Centre, Berry Hill, Droitwich, WR9 9AJ
Former Registered Office	14 Hollen Street, Soho, London, W1F 8AY
Officeholders	Mark Elijah Thomas Bowen, IP no. 8711
Officeholders address	MB Insolvency, 11 Roman Way Business Centre, Berry Hill, Droitwich, WR9 9AJ
Date of appointment	24 January 2020

Appendix II

Social Wine And Tapas Ltd
(In Liquidation)
Liquidator's Abstract of Receipts & Payments
From 24 January 2020 To 22 February 2021

Statement of Affairs			
£		£	£
	ASSET REALISATIONS		
	Cash at Bank	5,833.10	
	Bank Interest Gross	3.15	
			5,836.25
	COST OF REALISATIONS		
	Specific Bond	70.00	
	Office Holders Fees	5,579.08	
	Stationery & Postage	12.60	
	Photocopying	20.57	
	Statutory Advertising	154.00	
			(5,836.25)
	UNSECURED CREDITORS		
(12,469.85)	Trade & Expense Creditors	NIL	
(40,664.57)	HM Revenue & Customs	NIL	
(835,424.12)	Intercompany Loans	NIL	
			NIL
	DISTRIBUTIONS		
(4.00)	Ordinary Shareholders	NIL	
			NIL
(888,562.54)			0.00
	REPRESENTED BY		

NIL



Mark Elijah Thomas Bowen
Liquidator

Appendix III

Detailed list of work undertaken for Social Wine and Tapas Ltd in Creditors' Voluntary Liquidation for the period 24/01/2020 to 22/02/2021

Below is detailed information about the tasks undertaken by the Liquidator.

General Description	Includes
Statutory and General Administration	
Statutory/advertising	Filing of documents to meet statutory requirements including annual receipts and payments accounts Annual corporation tax returns Quarterly VAT returns Advertising in accordance with statutory requirements Bonding the case for the value of the assets
Document maintenance/file review/checklist	Filing of documents Periodic file reviews documenting strategy Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Books and records / storage	Dealing with records in storage Sending job files to storage
Pension scheme	Identifying whether there is a pension scheme Submitting the relevant notices if a pension scheme is identified Instructing agents to wind up any pension scheme Liaising and providing information to be able to finalise winding up the pension scheme
Reports	Circulating initial report to creditors upon appointment Preparing annual progress report, investigation, meeting and general reports to creditors Disclosure of sales to connected parties Circulating final report to creditors
Meeting of Creditors	Preparation of meeting notices, proxies/voting forms and advertisements notice of meeting to all known creditors Collate and examine proofs and proxies/votes to decide on resolutions Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting. Responding to queries and questions following meeting Issuing notice of result of meeting.
Closure	Review case to ensure all matters have been finalised Draft final report Obtain clearance to close case from HMRC together with submitting final tax return Obtain final accounts from agents solicitors and others instructed Convene and hold final meetings File documents with Registrar of Companies
Investigations	
SIP 2 Review	Collection and making an inventory of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions Liaising with the committee/creditors or major creditors about further action to be taken
Statutory reporting on conduct of director(s)	Preparing statutory investigation reports Liaising with Insolvency Service Submission of report with the Insolvency Service Preparation and submission of supplementary report if required

FINAL ACCOUNT OF SOCIAL WINE AND TAPAS LTD - IN CREDITORS' VOLUNTARY LIQUIDATION

General Description	Includes
	Assisting the Insolvency Service with its investigations
Examinations	Preparing brief to solicitor Liaising with solicitor(s) regarding examinations Attendance at examination Reviewing examination transcripts Liaising with solicitor(s) regarding outcome of examinations and further actions available
Litigation / Recoveries	Strategy meeting regarding litigation Seeking funding from creditors Reviewing terms of solicitors' conditional fee agreements Preparing brief to solicitors/Counsel Liaising with solicitors regarding recovery actions Dealing with ATE insurers Attending to negotiations Attending to settlement matters
Realisation of Assets	
Other assets: motor vehicles, intangibles, intellectual property, VAT/corporation tax refunds, Insurance claims	Liaising with agents to agree disposal strategy Dealing with potential purchasers Negotiating sales Liaising with solicitors to agree sales Collecting sales consideration Liaising with insurance companies and directors to pursue claims Examining company records to support tax refunds Exchanges with government departments
	Identification of potential issues requiring attention of insurance specialists Correspondence with insurer regarding initial and ongoing insurance requirements Reviewing insurance policies Correspondence with previous brokers
Creditors and Distributions	
Creditor Communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Assisting employees to pursue claims via the RPO Corresponding with the PPF and the Pensions Regulator
Dealing with proofs of debt	Receipting and filing POD when not related to a dividend Corresponding with RPO regarding POD when not related to a dividend
Processing proofs of debt	Preparation of correspondence to potential creditors inviting submission of POD Receipt of POD Adjudicating POD Request further information from claimants regarding POD Preparation of correspondence to claimant advising outcome of adjudication Seeking solicitors' advice on the validity of secured creditors' claims and other complex claims

Social Wine and Tapas Ltd - in Liquidation

Grade	Maximum chargeout rate for the period
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
Statement of Insolvency Practise 2 review
CDDA Reporting
Investigating antecedent transactions
Identifying, securing, insuring assets
Retention of title claims
Debt collection
Property, business and asset sales
Management of operations
Accounting for trading
On-going employees issues
Communication with creditors
Creditors claims (including employees)
Other preferential creditors

Investigations

Realisation of Assets

Trading

Creditors

The Liquidators Relationships

The Liquidator(s) have had no business or personal relationships with the parties who approve their fees or who provide services to the Liquidation where the relationship could give rise to conflict.

Appendix IV

Social Wine and Tapas Ltd - in Liquidation

Summary of time costs incurred in the period from 24/01/2020 to 22/02/2021

Classification of Work	Partner		Manager		Other Senior Professionals		Assistant & Support Staff		Senior Manager		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Admin & Planning	0.5	150	0	0	0	0	11.4	1170	0	0	11.9	1320
Case Specific Matters	0	0	0	0	0	0	0	0	0	0	0	0
Creditors	0	0	0	0	0	0	0.5	45	0	0	0.5	45
Investigation	0	0	0	0	0	0	1.5	135	0	0	1.5	135
Realisation of Assets	0	0	0	0	0	0	0.2	30	0	0	0.2	30
Trading	0	0	0	0	0	0	0	0	0	0	0	0
Totals	0.5	150	0	0	0	0	13.6	1380	0	0	14.1	1530
Average rate per hour		300		0		0		101.5		0		108.5

Appendix V

Social Wine and Tapas Ltd - in Liquidation

Payments to associates

No payments have been made to associates during the period of this report.

Liquidator's disbursements

The Liquidator's firm's expenses policy allows for all properly incurred expenses to be recharged to the Liquidation. Disbursements charged are split between Category 1 and Category 2.

Category 1 disbursements

These are disbursements which are reimbursed at cost.

Category 2 disbursements

These are disbursements for services provided by the Liquidator's own firm and are typically made up of services such as printing, room hire, mileage costs.

Expenses

No expenses have been incurred in the period.

Social Wine and Tapas Ltd - in Liquidation

The Liquidator has incurred the following disbursements in the period covered by this report:

Category 1 Disbursements

	Incurring	Paid	Unpaid
	£	£	£
Bond	40.00	40.00	-
Advertising	154.00	154.00	-
Postage	12.60	12.60	-
Other	-	-	-

Category 2 Disbursements

	Incurring	Paid	Unpaid
	£	£	£
Photocopying / Printing	20.57	20.57	-
Registered Office Fee	-	-	-
IPS Charge	-	-	-

Category 2 Disbursement Rates

Photocopying / Printing	£0.17 per sheet
Registered Office Fee	£125 per annum
IPS Charge	£125 per case

We have recovered disbursements of £227.17 in the period.



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



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.