

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

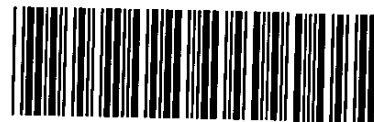
# LIQ14

## Notice of final account prior to dissolution in CVL



Companies House

THURSDAY



A26 \*A7DFF5HD\* 30/08/2018 #89  
COMPANIES HOUSE

### 1 Company details

Company number 0 7 7 0 0 5 6 9

Company name in full CIMEX DIGITAL LTD - IN LIQUIDATION

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

### 2 Liquidator's name

Full forename(s) GARY STEVEN

Surname PETTIT

### 3 Liquidator's address

Building name/number 9/10

Street SCIROCCO CLOSE

MOULTON PARK

Post town NORTHAMPTON

County/Region

Postcode N N 3 6 A P

Country

### 4 Liquidator's name ①

Full forename(s) GAVIN GEOFFREY

Surname BATES

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

### 5 Liquidator's address ②

Building name/number 9/10

Street SCIROCCO CLOSE

MOULTON PARK

Post town NORTHAMPTON

County/Region

Postcode N N 3 6 A P

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

<sup>d</sup>2

<sup>d</sup>8

<sup>m</sup>0

<sup>m</sup>8

<sup>y</sup>2

<sup>y</sup>0

<sup>y</sup>1

<sup>y</sup>8

# 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 **JAMIE COCHRANE**

Company name **PBC BUSINESS RECOVERY**

**& INSOLVENCY LIMITED**

Address **9/10 SCIROCCO CLOSE**

**MOULTON PARK**

Post town **NORTHAMPTON**

County/Region

Postcode 

N	N	3	6	A	P		
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Country **UK**

DX

Telephone

### Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- The company name and number match the information held on the public Register.
- You have attached the required documents.
- You have signed the form.

### Important information

All information on this form will appear on the public record.

### Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

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

### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

## CIMEX DIGITAL LIMITED – IN CREDITORS' VOLUNTARY LIQUIDATION

### LIQUIDATORS' FINAL ACCOUNT TO CREDITORS AND MEMBERS

#### 1 Introduction

- 1.1 This is my final account to members and creditors. This report should be read in conjunction with my previous reports.

#### 2 Statutory Information

- 2.1 The table below details key information regarding the company and the liquidation.

Company name:	Cimex Digital Limited – In Liquidation
Registered office:	9/10 Scirocco Close, Moulton Park, Northampton, NN3 6AP
Former registered office:	The Old Bakehouse, 156 Watling Street East, Towcester, NN12 6DB
Registered number:	07700569
Date of winding up resolution:	13 September 2012
Joint Liquidators' names:	Gary Pettit and Gavin Bates
Joint Liquidators' address:	PBC Business Recovery & Insolvency Ltd ("PBC"), 9/10 Scirocco Close, Moulton Park, Northampton, NN3 6AP
Joint Liquidators' date of appointment:	13 September 2012 and 22 May 2014 respectively
Former Liquidator:	Alan R Price (formerly of this firm) who acted as liquidator from 13 September 2012 until he ceased to act on 22 May 2014 pursuant to an order of the High Court.

#### 3 Liquidators' Actions Since Last Report

- 3.1 Since my last report to creditors, the joint liquidators have undertaken the following actions:
- i. Dealt with all routine correspondence and emails relating to the case.
  - ii. Maintained and managed (including regular bank reconciliations) the office holder's estate bank account and cashbook.
  - iii. Reviewed the adequacy of the specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).
  - iv. Undertaken periodic reviews of the progress of the case.
  - v. Prepared, reviewed and issued an annual progress report to creditors and members.
  - vi. Filed returns at Companies House.
  - vii. Prepared and filed VAT returns.

- viii. Prepared and filed a Corporation Tax return.
- ix. Dealt with creditor correspondence, emails and telephone conversations regarding their claims.
- x. Maintained up to date creditor information on the case management system.

3.2 The above list includes certain work that I am required by the insolvency legislation to undertake in connection with the liquidation but provides no financial benefit for the creditors.

#### 4 Receipts and Payments

4.1 My receipts & payments account for the full period of the liquidation together with the final period from 13 September 2017 to 29 June 2018 is attached.

#### 5 Assets

5.1 The following table details the asset position.

Asset Type	Estimated to realise (£)	Realisations to date (£)
Book Debts	26,513	NIL
Cash at Bank	12,407	12,392.11
Bank Interest	NIL	203.42
Factoring Surplus	25,524	37,213.42
<b>Total</b>	<b>64,444</b>	<b>49,808.95</b>

5.2 I would comment further as follows:

5.3 **Factoring Surplus & Debtors:** The statement of affairs indicated the company was owed £26,513 at the date of liquidation, plus Lloyds TSB Commercial Finance were holding £25,524.

5.4 I have received £37,213.42 from Lloyds TSB Commercial Finance which represents both the surplus held by them at the date of liquidation and book debt collections after this date. Collections were lower than realised as a result of the company ceasing to trade leading to unfinished contracts.

5.5 **Connected Debtor:** As previously reported, the company's records show it was owed approximately £73,000 by a connected company, Cimex Media Limited (which is also in liquidation and creditors should note Messrs Pettit and Bates are joint liquidators). Any return on the debt due was dependent on a dividend from the liquidation of Cimex Media Limited, which was solely reliant on the outcome of the joint liquidator's investigations. However, these investigations have been finalised and the liquidation has been closed with no return to creditors.

5.6 **Cash at Bank:** I received £12,392.11 which represents the balance held in the company's bank account with Lloyds TSB Bank Plc.

5.7 **Other Assets:** The following assets were realised in the period:

- i Bank interest of £203.42, including £0.25 in the period since 13 September 2017.

## **6 Investigation into the affairs of the company**

- 6.1 I undertook an initial investigation into the company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation and the costs involved.
- 6.2 In particular, I recovered, listed and reviewed the company's accounting records; obtained and reviewed copy bank statements for the 24 months prior to the company ceasing to trade from the company's bankers; and compared the information in the company's last set of accounts with that contained in the statement of affairs lodged in the liquidation and made enquiries about the reasons for the changes.
- 6.3 There were no matters that justified further investigation in the circumstances of this appointment.

## **7 Liabilities**

- 7.1 **Secured Creditors: Secured Creditors:** An examination of the company's mortgage register held by the Registrar of Companies, showed that the company has granted a debenture in favour of Lloyds TSB Commercial Finance. However, Lloyds were not owed any money at the date of liquidation.
- 7.2 **Preferential Creditors:** The statement of affairs anticipated £20,237 in preferential creditors. Claims totaling £27,486.48 have been received and admitted.
- 7.3 The statement of affairs included £109,809 owed to HMRC. To date, I have received a claim of £4,988 from HMRC.
- 7.4 The claim received differs from that anticipated because no claim has been received from HMRC in relation to PAYE.
- 7.5 **Non-preferential unsecured Creditors:** The statement of affairs included one unsecured trade creditor of £7,470 and I have received a claim for this amount. In addition, I have received a claim from The Redundancy Payments Office for £14,070.

## **8 Dividends**

- 8.1 A dividend will not be declared to non-preferential unsecured creditors as the funds realised have been used to make payments to preferential creditors and to meet the expenses of the liquidation.
- 8.2 A dividend of 62.69 pence in the pound was paid to preferential creditors on 20 July 2017

## **9 Pre-Appointment Remuneration**

- 9.1 The creditors previously authorised the payment of a fee of £5,000 for my assistance with preparing the statement of affairs and convening the meeting of creditors.
- 9.2 The fee for preparing the statement of affairs and convening and holding the meeting of creditors was paid from first realisations on appointment and is shown in the enclosed receipts and payments account.

## **10 Post Appointment Remuneration**

- 10.1 My remuneration was previously authorised by the creditors at a meeting held on 27 September 2012 to be drawn on a time cost basis. My total time costs to 29 June 2018 amount to £27,155.108 of which £3,463.50 representing 20 hours work was charged in the period since 13 September 2017.
- 10.2 I have drawn £25,074.15 to 29 June 2018, of which £1,592.47 was drawn in the period since 13 September 2017.
- 10.3 A schedule of my time costs incurred to date and in the period since 13 September 2017 is attached, along with the PBC Business Recovery & Insolvency fee recovery policy.
- 10.4 A description of the routine work undertaken in the liquidation to date is as follows:
1. Administration and Planning
    - Preparing the documentation and dealing with the formalities of appointment.
    - Statutory notifications and advertising.
    - Preparing documentation required.
    - Dealing with all routine correspondence.
    - Maintaining physical case files and electronic case details.
    - Review and storage.
    - Case bordereau.
    - Case planning and administration.
    - Preparing reports to members and creditors.
    - Convening and holding meetings of members and creditors.
  2. Cashiering
    - Maintaining and managing the liquidator's cashbook and bank account.
    - Ensuring statutory lodgements and tax lodgement obligations are met.
  3. Creditors
    - Dealing with creditor correspondence and telephone conversations.
    - Preparing reports to creditors.
    - Maintaining creditor information.
    - Reviewing and adjudicating on proofs of debt received from creditors.

4. Investigations

- Review and storage of books and records.
- Prepare a return pursuant to the Company Directors Disqualification Act.
- Conduct investigations into suspicious transactions.
- Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors.

5. Realisation of Assets

- Corresponding with debtors and attempting to collect outstanding book debts.
- Reviewing the likelihood of recovery of the connected debt.

6. Distributions

- Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.

## 11 Liquidators' Expenses

11.1 Creditors authorised that I could draw category 2 disbursements on 27 September 2012.

11.2 I have incurred expenses to 29 June 2018 of £1,063.07 of which £26.50 was incurred in the period since 13 September 2012.

11.3 I have drawn my expenses in full.

11.4 I have used the following agents or professional advisors in the liquidation:

<b>Professional Advisor</b>	<b>Nature of Work</b>	<b>Basis of Fees</b>
Eddisons Commercial Ltd	Valuer/Auctioneer	Fixed Fee
ERA Solutions Ltd	Employee specialists	Fixed Fee

11.5 Messrs Eddisons Commercial Ltd are experienced insolvency valuers and auctioneers and work with a number of different insolvency practitioners in respect of insolvency assignments.

11.6 Messrs ERA Solutions Ltd are employee specialists who specialise in insolvency advice. They have many years of experience and work with a number of different insolvency practitioners.

11.7 The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case. It should also be noted that insolvency is a very specialist field. Therefore agents who work for insolvency practitioners have very specialist knowledge and skill set. There are limited numbers of agents available and they are therefore likely to be acting for this firm on a number of cases.



## 12 Creditors' Rights

- 12.1 An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the joint liquidators' remuneration and expenses within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.
- 12.2 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 Joint liquidators' 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.
- 12.3 Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3 is available at <http://www.pbcbusinessrecovery.co.uk/links>. Please note that there are different versions of the guidance notes and in this case you should refer to November 2011 version. Please note we have provided further details in the attached practice fee recovery sheet.

## 13 Provision of Services Regulations

- 13.1 To comply with the Provision of Services Regulations, some general information about PBC can be found at <http://www.pbcbusinessrecovery.co.uk/provision-of-services-regulations>

## 14 Summary

- 14.1 The winding up of the company is now for all practical purposes complete and I am seeking the release of myself and Gavin Bates as joint liquidators of the company. Creditors and members should note that provided no objections to our release are received we shall obtain our release as joint liquidators following the delivery of the final notice to the Registrar of Companies, following which our case files will be placed in storage.
- 14.2 If creditors have any queries regarding the conduct of the liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Jamie Cochrane on 01604 212150 or by email at [jamiecochrane@pbcbusinessrecovery.co.uk](mailto:jamiecochrane@pbcbusinessrecovery.co.uk)



**GARY S PETTIT**  
Joint Liquidator

**Cimex Digital Limited - In Creditors Voluntary Liquidation  
Joint Liquidators' Abstract of Receipts & Payments**

**From 13 September 2017 To 29 June 2018**

S of A £		As Previously Reported	13/09/17 to 29/06/18	Total £
<b>RECEIPTS</b>				
26,513	Book Debts	NIL	NIL	NIL
12,407	Cash at Bank	12,392.11	NIL	12,392.11
NIL	Bank Interest Gross	16.85	0.25	17.10
NIL	Bank Interest Net of Tax	186.32	NIL	186.32
25,524	Factoring Surplus	37,213.42	NIL	37,213.42
<u>64,444</u>		<u>49,808.70</u>	<u>0.25</u>	<u>49,808.95</u>
<b>PAYMENTS</b>				
NIL	Statement of Affairs Fee	(5,000.00)	NIL	(5,000.00)
NIL	Office Holders Fees	(23,481.68)	(1,592.47)	(25,074.15)
NIL	Office Holders Expenses	(1,036.57)	(26.50)	(1,063.07)
NIL	Agents/Valuers Fees (1)	(1,100.00)	NIL	(1,100.00)
NIL	Corporation Tax	(29.60)	NIL	(29.60)
NIL	Storage Costs	(67.12)	(35.72)	(102.84)
NIL	Bank Charges	NIL	(25.75)	(25.75)
NIL	Vat Irrecoverable	(659.92)	523.90	(136.02)
NIL	Preferential Creditors	(13,380.17)	NIL	(13,380.17)
NIL	Income Tax	(3,291.57)	NIL	(3,291.57)
NIL	National Insurance	(559.78)	NIL	(559.78)
NIL	Specific Bond	(46.00)	NIL	(46.00)
<u>0</u>		<u>(48,652.41)</u>	<u>(1,156.54)</u>	<u>(49,808.95)</u>
<u>64,444</u>	<b>CASH IN HAND</b>	<u>1,156.29</u>	<u>(1,156.29)</u>	<u>NIL</u>

**Joint Liquidators' Remuneration Schedule  
Cimex Digital Limited  
Between 13 September 2012 and 29 June 2018**

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	13.30	19.40	37.50	52.50	122.70	18,007.71	146.76
Investigations	1.30	0.10	2.20	0.40	4.00	800.59	200.15
Realisations	0.80	0.40	2.20	0.50	3.90	792.82	203.29
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	3.30	0.70	8.60	12.00	24.60	3,563.80	144.87
Case Specific Matters	0.00	1.00	4.40	10.00	15.40	1,990.78	129.27
Distributions	0.30	1.50	12.30	0.00	14.10	1,999.48	141.81
<b>Total hours</b>	<b>19.00</b>	<b>23.10</b>	<b>67.20</b>	<b>75.40</b>	<b>184.70</b>		
<b>Time costs</b>	<b>7,063.77</b>	<b>5,689.36</b>	<b>8,508.61</b>	<b>5,893.44</b>		<b>27,155.18</b>	
<b>Average hourly rate</b>	<b>371.78</b>	<b>246.29</b>	<b>126.62</b>	<b>78.16</b>			<b>147.02</b>

Description	Total Incurred £	Total Recovered £
Mileage	1.45	1.45
Advertising	223.90	223.90
Cheque fee	35.00	35.00
Postage/Stamps/Copying/Stationery	118.72	118.72
Companies House Services	2.00	2.00
Bordereau	272.00	272.00
Insolv Case Administration Fee	110.00	110.00
Global Transfer	300.00	300.00
<b>Totals</b>	<b>1,063.07</b>	<b>1,063.07</b>

**Summary of Fees**

Time spent in administering the Assignment	<b>Hours</b>	184.70
Total value of time spent to 29 June 2018	<b>£</b>	27,155.18
Total Joint Liquidators' fees charged to 29 June 2018	<b>£</b>	25,074.15

**Joint Liquidators' Remuneration Schedule  
Cimex Digital Limited  
Between 13 September 2017 and 29 June 2018**

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	2.00	3.20	9.20	0.10	14.50	2,726.00	188.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.20	0.00	0.20	24.00	120.00
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distributions	0.00	0.50	4.80	0.00	5.30	713.50	134.62
<b>Total hours</b>	<b>2.00</b>	<b>3.70</b>	<b>14.20</b>	<b>0.10</b>	<b>20.00</b>		
<b>Time costs</b>	<b>760.00</b>	<b>995.00</b>	<b>1,704.00</b>	<b>4.50</b>		<b>3,463.50</b>	
<b>Average hourly rate</b>	<b>380.00</b>	<b>268.92</b>	<b>120.00</b>	<b>45.00</b>			<b>173.18</b>

Description	Total Incurred £	Total Recovered £
Postage/Stamps/Copying/Stationery	26.50	26.50
<b>Totals</b>	<b>26.50</b>	<b>26.50</b>

**Summary of Fees**

Time spent in administering the Assignment	<b>Hours</b>	20.00
Total value of time spent to 29 June 2018	<b>£</b>	3,463.50
Total Joint Liquidators' fees charged to 29 June 2018	<b>£</b>	25,074.15

## PRACTICE FEE RECOVERY POLICY FOR PBC BUSINESS RECOVERY & INSOLVENCY LTD

### Introduction

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

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <http://www.pbcbusinessrecovery.co.uk/links/>. The reader should note there are two versions of these guides and should refer to those titled Post-October 2015. Alternatively a hard copy may be requested from PBC Business Recovery & Insolvency Ltd, 9/10 Scirocco Close, Moulton Park, Northampton, NN3 6AP. Please note that we have provided further details in this policy document.

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

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

### Time cost basis

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

### Charge-out Rates

Grade of staff	Current charge-out rate per hour, effective from 31 March 2017 (£)	Current charge-out rate per hour, effective from 31 March 2013 (£)
Partner (Appointment Takers)	380	377
Manager		
Other Directors	275	215-271
Case Manager	230	176
Other Senior Professionals		
Senior Case Administrator	180	176
Case Administrator	120	119-120
Junior Case Administrator	75	55
Assistants & Support Staff	45	44

These charge-out rates charged are reviewed on 31 March each year and are adjusted to take account of inflation and the firm's overheads.

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

- Administration and Planning.
- Investigations.
- Realisation of Assets.
- Creditors.
- Trading
- Case specific matters.

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

- Investigations
- Trading
- Distributions of funds to creditors and/or shareholders
- Case Specific Matters

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

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

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

#### **Percentage basis**

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The

legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

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

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

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

#### **Fixed fee**

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

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



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

### **Members' voluntary liquidations and Voluntary Arrangements**

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

### **All bases**

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

### **Agent's Costs**

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

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

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

## Disbursements

In accordance with S1P 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

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

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

It is proposed that the following Category 2 disbursements are recovered:

Room Hire	40.00	Per formal meeting at firm's offices
Case File Storage & Destruction	20.00	Storage of case files for 6 years after case closure and final shredding – per case (Min. up to 4 case files). Additional files charged at £5 each.
Mileage	0.45	Per mile travelled
Card printing	0.17	Per sheet
Digital photographs	0.50	High Resolution digital photographs - each
Electoral Database Search	1.00	Use of commercial database of electoral rolls
Archive boxes	5.00	Per box
Files & dividers	3.50	Per file
Labels	0.50	Per sheet used
Photocopying	0.15	Per sheet used