

The Insolvency Act 1986

# Liquidator's Progress Report

# S.192

Pursuant to Sections 92A, 104A and 192 of the Insolvency Act 1986

To the Registrar of Companies

For official use

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Company Number

04487961
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Name of Company

Insert full name of company

04487961 LIMITED (FORMERLY MERCHANT CAPITAL LTD)
--

Insert full name(s) and address(es)

I/We (a) A J Duncan and N A Bennett  
 One Great Cumberland Place, London  
 W1H 7LW

the liquidator (s) of the Company, attach a copy of my/our Progress Report under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 13 February 2015 to 12 February 2016

Signed



Date


22/3/16

Presenter's name, address and reference (if any)

Leonard Curtis  
 One Great Cumberland Place, Marble Arch,  
 London W1H 7LW  
 (Ref CER/31)

**For Official Use**

WEDNESDAY



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COMPANIES HOUSE



**LEONARD CURTIS**  
BUSINESS RESCUE & RECOVERY

**04487961 LIMITED (FORMERLY MERCHANT CAPITAL LTD)**  
**(In Creditors' Voluntary Liquidation)**

Registered Number 04487961

**Joint Liquidators' Annual Progress Report**  
**for the period from 13 February 2015 to 12 February 2016**

**22 March 2016**

**Leonard Curtis**

**One Great Cumberland Place, Marble Arch, London W1H 7LW**

**Tel 020 7535 7000 Fax 020 7723 6059**

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**Ref L/31/CER/S04401/1010**

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TO THE REGISTRAR OF COMPANIES, ALL MEMBERS AND ALL CREDITORS

1 INTRODUCTION

1 1 A P Davidson and S B Ryman of Shipleys LLP were appointed Joint Liquidators of 04487961 Limited (Formerly Merchant Capital Ltd) ("the Company") at meetings of members and creditors held on 13 February 2013

1 2 N A Bennett and I, A J Duncan, replaced the appointed Joint Liquidators in accordance with an Order of Court dated 18 March 2015, which was made in the Manchester District Registry of the High Court of Justice. I am an insolvency practitioner licensed in the UK by the Institute of Chartered Accountants in England and Wales and N A Bennett is an insolvency practitioner licensed in the UK by the Insolvency Practitioners Association

1 3 This progress report provides an update on the conduct of the liquidation as required by Section 104(A)(1) of the Insolvency Act 1986 ("the Act"). It contains details of the progress made, the expected outcome for creditors and other information that we are required to disclose

2 PROGRESS OF THE LIQUIDATION

2 1 The Company's registered office was changed from PO BOX 60317, 10 Orange Street, London WC2H 7WR to One Great Cumberland Place, Marble Arch, London W1H 7LW following my appointment. The registered number is 04487961

2 2 This report should be read in conjunction with the former Joint Liquidators' report dated 24 March 2014 and the Joint Liquidators' report dated 8 April 2015

2 3 Book Debts

A claim has been submitted in the Special Administration of Pritchard Stockbrokers Limited in respect of outstanding book debt of £15,699. It is currently uncertain whether a dividend will be received from the Special Administration

2 4 Intercompany Debtors

2 4 1 There are inter-company debts of £13,454 and £35,372 owed to the Company by Merchant Turnaround plc ('MT') and Merchant Strategic Renewal plc ('MSR'), respectively. We have been in ongoing correspondence with James Holmes ("Mr Holmes"), a director of MT and MSR, regarding the debts owed

2 4 2 A statutory demand was served on MT on 10 March 2016 requiring payment to be made within 21 days of the demand. Mr Holmes has advised that the payment will be made by MT. Should the debt not be paid, a winding up petition will be presented

2 4 3 Mr Holmes has advised that MSR is not trading and has no means to make any proposals to settle the debt. MSR was dissolved on 5 January 2016 and no recovery is anticipated

2 4 4 There is a further inter-company debt of £443,559 owed by the Company's parent company, Merchant House Group plc ('MHG')

2 4 5 A D Cadwallader and N A Bennett, of Leonard Curtis were appointed Joint Administrators of MHG on 12 April 2013 and it was subsequently placed into liquidation during March 2014. A claim for the intercompany balance has been submitted, however, a dividend is unlikely.

## 2 5 Book of Structured Product Investors

2 5 1 As previously advised, the Book of Structured Product Investors ("the Book") was sold to Manx IFA Limited ("Manx") under a Sale & Purchase Agreement ("SPA") which completed on 23 December 2013. An initial payment structure was agreed with regards to the purchase price, however, due to difficulties Manx had experienced in accessing the data in the Book, it was agreed, at a meeting held on 1 July 2014, that the payment schedule would be amended as follows:

- £3,000 plus VAT to be paid immediately on 1 July 2014
- £4,000 plus VAT to be paid on 21 July 2014
- The greater of £25,000 plus VAT or the Net Profit for Year 1 plus VAT, with the end of Year 1 being 30 September 2014
- The greater of £50,000 plus VAT or the Net Profit for Year 2 plus VAT, with the end of Year 2 being 30 June 2015
- The greater of £50,000 plus VAT or the Net Profit for Year 3 plus VAT, with the end of Year 3 being 30 June 2016

2 5 2 During the period of this report, £2,333 plus VAT has been paid by Mr Holmes under the personal guarantee he provided for the first £10,000 of the consideration.

2 5 3 No funds have been paid by Manx and we are currently in discussions with Mr Holmes regarding the financial position of Manx. It is uncertain whether there will be any further recoveries from Manx.

2 5 4 The SPA provided that 20% of the realisations from the sale of the Book should be paid to Absolute Partners ("AP"), who had a beneficial interest in the Book. In accordance with the SPA, a payment of £480 was made to AP during this period under review.

## 2 6 Purchase of Company Name

Manx also purchased the Company name as part of the SPA of the Book to be paid in three instalments. A sum of £1,000 was paid on completion. The deferred payment of £2,000 which fell due in June 2015 has been paid by Mr Holmes under the personal guarantee he provided for the name consideration. A further payment of £2,000 is payable on or before 30 June 2016. Mr Holmes has also personally guaranteed this amount.

## 2 7 Bank Interest

During the period of this report, bank interest of £6.58 has been realised.

## 3 ASSETS THAT REMAIN TO BE REALISED

The assets which remain to be realised are the book debts, intercompany debts and the deferred consideration owed in respect of the sale of the Book and the Company name, as referred to in paragraph 2 above.

**4 RECEIPTS AND PAYMENTS ACCOUNT AND OUTCOME FOR CREDITORS****Receipts and Payments Account**

- 4.1 I attach at Appendix A a summary of the Joint Liquidators' receipts and payments during the period of this report
- 4.2 Details of expenses incurred and paid during the period of this report are shown on the receipts and payments account. Expenses incurred but not yet paid (excluding category 2 disbursements (see paragraph 6.2 below)), are as follows. Where exact sums are not available the figures have been estimated.

Nature of Expenses	Incurred This Period £	Incurred To Date £	Paid £	Unpaid £
Barker Gotelee	2,143 50	24,542 50	6,150 00	18,392 50
Postage	48 81	199 03	147 94	51 09
Storage	-	112 59	87 59	25 00
Bordereau	40 00	673 60	633 60	40 00
Costs of Block Transfer	55 56	55 56	-	55 56
Companies House Searches	1 00	1 00	-	1 00
IT Licence Fee	87 00	87 00	-	87 00
Document Hosting	7 00	7 00	-	7 00
<b>Total</b>	<b>2,382 87</b>	<b>25,678 28</b>	<b>7,019 13</b>	<b>18,659 15</b>

**Creditors****4.3 Secured Creditors**

There are no secured creditors of the Company.

**4.4 Preferential Creditors**

The only claims which are preferential are those of employees who were made redundant at the date of liquidation for unpaid wages and accrued holiday pay. These are estimated to total £20,512. A distribution to preferential creditors is dependent on future realisations.

**4.5 Unsecured Creditors**

Unsecured creditor claims totalling £3,806,536 have been received. Based on information presently available it is unlikely that there will be sufficient funds to enable a dividend to be paid to unsecured creditors.

**5 INVESTIGATIONS**

- 5.1 The former Joint Liquidators complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.
- 5.2 The former Joint Liquidators carried out enquiries that they considered to be proportionate to the circumstances of the case. Although a potential preference claim was identified against MHG, it is in liquidation and no dividend is likely therefore it is not in the best interests to pursue this claim further.

**6 JOINT LIQUIDATORS' REMUNERATION AND DISBURSEMENTS**

- 6.1 At a meeting of the Liquidation Committee 25 February 2014 it was resolved that the Joint Liquidators' remuneration be payable by reference to time properly given by the Joint Liquidators and their staff in attending to matters arising in the liquidation. As advised in my previous report dated 8 April 2015 the former Joint Liquidators' time costs at 12 February 2015 were £68,437.85, summarised in Appendix B (i). Thereafter further costs of £16,349 have been incurred during the period of this report by the current Joint Liquidators, which comprises 60.8 hours at an average rate of £268.90 per hour. These costs are summarised at Appendix B(ii). No costs were incurred by the former Joint Liquidators during the period from 13 February 2015 to 17 March 2015. In summary, total time costs in the liquidation to 12 February 2016 are £84,786.85. £1,565.91 has been paid on account of these costs, none during the period under report.
- 6.2 Details of the former Joint Liquidators', and our company's, charge out rates and policy regarding the recharge of disbursements, staff allocation, support staff and the use of subcontractors are also attached at Appendices C and D, respectively. Further information may be found in "Guide to Liquidator's Fees". This may be downloaded from [www.leonardcurtis.co.uk/resources/creditorsguides](http://www.leonardcurtis.co.uk/resources/creditorsguides) or is available from our office free of charge on request.
- 6.3 All of the above was carried out as part of the former Joint Liquidators' and the Joint Liquidators function as office holders. Whilst we recognise that the eventual outcome might be perceived as having brought little or no added value for the estate insofar as the return to creditors is concerned we have nevertheless needed to fulfil the statutory obligations and regulatory requirements that fell to us.
- 6.4 The Liquidation Committee also approved the basis for recharging disbursements that include an element of allocated cost or payments to outside parties in which the former Joint Liquidators or their company have an interest. In this case the following costs falling into the above categories have been incurred and reimbursed to Shipleys LLP.

Type	Incurred This Period	Incurred to Date £	Paid £	Unpaid £
Photocopying Charges	-	982.50	969.00	13.50
<b>Total</b>	-	<b>982.50</b>	<b>969.00</b>	<b>13.50</b>

- 6.5 During the liquidation we have used the following professional advisors, including subcontractors

Name of Professional Advisor	Service Provided	Basis of Fees
Barker Gotelee LLP	Legal Services	Time Costs Basis
James Owen & Co Limited	Valuing and sale of assets	Fixed Fee

**7 CREDITORS' RIGHTS**

- 7.1 A secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may, within 21 days of the receipt of this report, make a request in writing to us for further information about remuneration or expenses set out in this report.
- 7.2 Within 14 days of receipt of the request, we must provide all of the information asked for, except so far as we consider that -
- i) the time or cost of preparation of the information would be excessive, or

- ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
- iii) we are subject to an obligation of confidentiality in respect of the information

we must also give reasons for not providing all of the information

7.3 Any creditor of the Company, who need not be the same creditor who asked for the information, may within 21 days of our giving reasons for not providing all of the information, or if we fail to provide the information within 14 days of being so requested, apply to the Court and the Court may make such order as it thinks just

7.4 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to Court on the grounds that the basis fixed for our remuneration, the remuneration charged or the expenses incurred by us as set out in this progress report are excessive

If you require further information please contact our office in writing. Electronic communications should include a full postal address

Yours faithfully



A J DUNCAN  
Joint Liquidator

Licensed in the UK by the Institute of Chartered Accountants in England and Wales



**Summary of Joint Liquidators' Receipts and Payments  
from 13 February 2013 to 12 February 2016**

	Statement of Affairs £	13 February 2013 to 12 February 2014 £	13 February 2015 to 12 February 2016	£
<b>RECEIPTS</b>				
Book Debts	Uncertain	6 68	-	6 68
Inter-Company Debtors	492,384	-	-	-
Book of Structured Product Investors	Uncertain	7,666 67	2,333 33	10,000 00
	<u>492,384</u>	<u>7,673 35</u>	<u>2,333 33</u>	<u>10,006 68</u>
Cash at Bank		7,683 98	-	7,683 98
Bank Interest Gross		5 79	6 58	12 37
Third Party Contribution		2 00	-	2 00
Costs Relating to Name Change		580 00	-	580 00
Purchase of Company Name		1,000 00	2,000 00	3,000 00
Third Party Funds (DP Advice)		2,580 00	-	2,580 00
Output VAT		-	866 67	866 67
		<u>19,525 12</u>	<u>5,206 58</u>	<u>24,731 70</u>
<b>PAYMENTS</b>				
Agents' Fees		2,000 00	-	2,000 00
Agents' Disbursements		82 00	-	82 00
Legal Fees'		6,150 00	-	6,150 00
Statutory Advertising		169 20	-	169 20
IT Assistance		40 00	-	40 00
Postage		129 20	-	129 20
Companies House/Judgment Searches		13 00	-	13 00
Storage Costs		87 59	-	87 59
Photocopying Charges		969 00	-	969 00
Facsimile/Telephone Costs		26 10	-	26 10
Companies House Fee for Name Change		10 00	-	10 00
Sale Agreement Payment to Third Party		1,520 00	480 00	2,000 00
Preparation of Statement of Affairs		5,000 00	-	5,000 00
Statement of Affairs Disbursements		220 66	-	220 66
Joint Liquidators' Remuneration - on account		1,565 91	-	1,565 91
		<u>17,982 66</u>	<u>480 00</u>	<u>18,462 66</u>
<b>Balance in Hand</b>		<u>1,542 46</u>	<u>4,726 58</u>	<u>6,269 04</u>

04487961 Limited (Formerly Merchant Capital Limited) - In Creditors' Voluntary Liquidation

Summary of Former Joint Liquidators' Time Costs from 13th February 2013 to 12th February 2015

	Partner		Manager		Assistant Manager		Senior Administrator		Administrator		Assistant		Total	
	Time	Cost	Time	Cost	Time	Cost	Time	Cost	Time	Cost	Time	Cost	Time	Cost
<b>Administration and Planning</b>														
Case Planning	2 25	£1,057 50	10 00	£2,804 30	0 00	£0 00	0 00	£0 00	83 00	£10,302 00	0 33	£34 65	95 58	£14,198 45
Administrative Set Up	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 70	£75 00	0 70	£75 00
Appointment notification	0 00	£0 00	0 30	£92 70	0 00	£0 00	0 00	£0 00	3 50	£402 50	1 50	£159 00	5 30	£654 20
Maintenance of Records	0 50	£247 50	3 44	£962 90	0 20	£48 50	0 00	£0 00	19 75	£2,522 25	19 44	£2,209 25	43 33	£5,990 40
Statutory Reporting	1 75	£828 75	4 50	£1,314 50	0 00	£0 00	0 00	£0 00	30 90	£4,081 00	0 10	£11 00	37 25	£6,235 25
<b>Realisation of Assets</b>														
Identifying, Securing, Insuring	0 00	£0 00	1 00	£240 00	0 00	£0 00	0 00	£0 00	9 20	£1,075 50	0 00	£0 00	10 20	£1,315 50
Retention of Title	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00
Debt Collection	0 00	£0 00	0 25	£60 00	0 00	£0 00	0 00	£0 00	2 85	£370 25	0 00	£0 00	3 10	£430 25
Sales-property, business & assets	22 00	£10,218 75	25 05	£6,604 50	0 00	£0 00	0 00	£0 00	41 60	£5,626 15	0 00	£0 00	88 65	£22,449 40
<b>Creditors</b>														
Creditors – Communication with Creditors Claims	6 75	£3,075 00	5 70	£1,674 80	0 00	£0 00	0 00	£0 00	15 75	£1,918 75	0 00	£0 00	28 20	£6,668 55
	0 00	£0 00	0 40	£128 00	0 30	£72 00	0 00	£0 00	8 05	£945 75	0 00	£0 00	8 75	£1,145 75
<b>Investigations</b>														
SIP2 Review	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00	14 50	£1,693 75	0 00	£0 00	14 50	£1,693 75
CDDA Reporting	0 00	£0 00	1 20	£374 10	0 00	£0 00	0 00	£0 00	6 00	£690 00	0 00	£0 00	7 20	£1,064 10
Antecedent Transactions	5 00	£2,355 00	3 00	£927 00	0 00	£0 00	0 00	£0 00	11 15	£1,433 00	0 00	£0 00	19 15	£4,715 00
<b>Trading</b>														
Management of Operations	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00
Accounting for Trading	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00
Ongoing Employees	0 00	£0 00	0 50	£154 50	0 00	£0 00	0 00	£0 00	6 85	£802 75	0 00	£0 00	7 35	£957 25
<b>Tax</b>														
Tax	0 00	£0 00	0 00	£0 00	0 00	£0 00	2 95	£590 00	1 00	£145 00	1 00	£110 00	4 95	£845 00
<b>Average hourly charge out rate</b>	38 25	£17,782 50	55 34	£15,337 30	0 50	£120 50	2 95	£590 00	254 10	£32,008 65	23 07	£2,598 90	23 07	£2,598 90
	£464 90	£277 15	£241 00	£200 00	£125 97	£112 65								
<b>Total Hours</b>	374 21													
<b>Total Cost</b>	£68,437 85													
<b>Average</b>	£182 89													

£198 00

04487961 Limited (Formerly Merchant Capital Ltd)  
(In Creditors' Voluntary Liquidation)

Summary of Joint Liquidators' Time Costs from 18 March 2015 to 12 February 2016

	Director		Senior Manager		Manager 2		Administrator 1		Administrator 2		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	4	180.00	6	246.00	6	192.00	-	-	36	828.00	9	135.00	61	1,581.00	259.18
Receipts & Payments	-	-	-	-	-	-	-	-	11	253.00	6	90.00	17	343.00	201.76
Insurance	-	-	3	123.00	-	-	-	-	2	46.00	-	-	5	169.00	338.00
Assets	50	2,250.00	11	451.00	-	-	-	-	189	4,347.00	-	-	250	7,048.00	281.92
Liabilities	-	-	-	-	-	-	5	130.00	11	253.00	-	-	16	383.00	239.38
General Administration	-	-	7	287.00	2	64.00	-	-	75	1,725.00	-	-	84	2,076.00	247.14
Post Appointment Creditor Reporting	-	-	18	738.00	-	-	82	2,132.00	7	161.00	-	-	107	3,031.00	283.27
Creditor Committee Reporting	5	225.00	-	-	-	-	-	-	26	598.00	-	-	31	823.00	265.48
Investigations	2	90.00	-	-	-	-	-	-	35	805.00	-	-	37	895.00	241.89
<b>Total</b>	<b>61</b>	<b>2,745.00</b>	<b>45</b>	<b>1,845.00</b>	<b>8</b>	<b>256.00</b>	<b>87</b>	<b>2,262.00</b>	<b>392</b>	<b>9,016.00</b>	<b>15</b>	<b>225.00</b>	<b>608</b>	<b>16,349.00</b>	

Average Hourly Rate (£)

450.00	410.00	320.00	260.00	230.00	150.00	268.90
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All Units are 6 minutes

**Shipleys LLP**  
**10 Orange Street, Haymarket, London WC2H 7DQ**

**CREDITORS' GUIDE TO FEES**  
**EFFECTIVE FROM 1 MAY 2014**  
**CHARGE-OUT RATES**

**Staff Allocation and Support Staff**

An objective and practical approach is taken to each case which includes active Principal involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Set out below are the relevant charge-out rates per hour worked for the grades of all staff. Time is charged by reference to actual work carried out on each assignment. There has been no allocation of any general or overhead costs.

Grade	Charge-out rate (£ per hour) plus VAT where applicable
Principal*	480 - 510
Manager	250 - 325
Assistant Manager	240 - 250
Senior Administrator	220 - 240
Administrator	140 - 190
Assistant & Cashier	110 - 265

\* or equivalent

NB Time costs are calculated at 6 minute units

The time of support staff is not charged to a case except when the initial set up is being performed and appointment documentation is prepared. Support staff will also occasionally charge their time when performing a sizeable administrative task within the case. Support staff charge their time at the £110/hr Assistant rate shown on the preceding table.

Specialist departments with the firm such as Tax and VAT may sometimes charge their time if and when the Office Holders may require their expert advice. The figures below provide details of the charge-out rates per hour worked for typical staff involved in this way.

Grade	Charge-out rate (£ per hour) plus VAT where applicable
Tax Principal*	300-480
Tax Manager	250
Tax Practitioner	200
Tax Assistant	145

Details of historic charge out rates in respect of the London office are provided at the end of this guide. Should any creditor wish to receive details of the charge out rates for the London office in force prior to those shown, these can be provided upon request.

## DISBURSEMENTS

### Category 1 Disbursements

These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. Examples of equivalent costs that may be reimbursed to the office holders without uplift and do not require prior approval are given below.

Category	Basis of Charge
Indemnity Bond	At cost of mandatory cover required in accordance with the Insolvency Act 1986 for each appointment
Insurance of assets	At cost in relation to asset coverage requirements
Company searches	At cost incurred
Travel	All forms other than mileage at actual cost
Room Hire	All external venues at actual cost
Stationery	At cost incurred
Storage	Charge at actual cost incurred for storage (and retrieval, when appropriate) of records
Other	At actual cost charged

### Category 2 Disbursements

These are costs that are directly referable to the appointment in question but not to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. In the event of charging for Category 2 disbursements the following items of expenditure are recharged on the basis specified.

Category	Basis of Charge
Business Mileage	Motor vehicle at 40p per mile
Internal Room Hire	Held at Shipleys LLP, 10 Orange Street, Haymarket, London WC2H 7DQ £50
Photocopying	Specific calculation of 25 pence per sheet x number of creditors
Facsimiles	£1 for 1 <sup>st</sup> page and 10 pence for each additional page

### Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holder or his staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.

### Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery or relevant disbursements. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

	01/04/07-31/12/07	01/01/08-31/12/08	01/01/09-31/12/09	01/01/10-31/12/10	01/01/11-31/12/11	01/01/12-31/01/12
	Charge-out rate (£ per hour) plus VAT where applicable					
Principal*	360-370	375	395	395-445	410-460	460
Director	n/a	340	355	375-400	n/a	n/a
Manager	285-300	300	300	245-270	280	300-325
Assistant Manager	200-220	222	180-228	180-250	260	n/a
Senior Administrator	160-210	175-210	140-190	175-220	200-225	210-230
Administrator	110-155	127-165	100-165	75-155	85-160	125-170
Assistant & Cashier	50-95	50-100	50-215	50-240	99-245	100-245

	01/02/12-30/04/12	01/05/12-31/07/12	01/08/12-31/12/12	01/01/13-30/04/13	01/05/13-31/12/13	01/01/14-30/04/14
	Charge-out rate (£ per hour) plus VAT where applicable					
Principal*	460	400-480	400-480	450-480	465-495	465-495
Director	n/a	n/a	n/a	n/a	n/a	n/a
Manager	300-325	300-325	230-325	240-325	240-326	250-325
Assistant Manager	n/a	n/a	n/a	230-240	230-240	240-250
Senior Administrator	210-230	210-230	210-230	220-235	220-235	220-240
Administrator	125-170	125-170	125-170	125-185	125-185	140-190
Assistant & Cashier	100-250	100-250	100-250	110-260	110-260	110-265

\* or equivalent

**ADDITIONAL INFORMATION IN RELATION TO THE POLICY OF LEONARD CURTIS REGARDING FEES AND DISBURSEMENTS**

The following information relating to the policy of Leonard Curtis is considered to be relevant

**Staff Allocation and Support Staff**

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case.

Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution of the secured and/or preferential creditors, a creditors’ committee or creditors generally, that the office holders’ remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters arising in the appointment, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the office holders reserve the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

	Standard £	Complex £
Director	450	562
Senior Manager	410	512
Manager 1	365	456
Manager 2	320	400
Administrator 1	260	325
Administrator 2	230	287
Administrator 3	210	262
Administrator 4	150	187

**The Use of Subcontractors**

Details of any subcontractor(s) used are given in the attached report.

**Professional Advisors**

Details of any professional advisor(s) used are given in the attached report. Unless otherwise indicated the fee arrangement for each will be based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors will be based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

**Disbursements**

Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as a ‘category 1 disbursement’. Category 1 disbursements will generally comprise supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Where we propose to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, documents storage or communication facilities provided by us) they must be disclosed and be authorised by those responsible for approving the liquidator’s remuneration. Such expenditure is referred to as a ‘category 2 disbursement’. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision.

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Room Hire	£100
Storage of office files (6 years)	£88.75 per box
Business Mileage	45p a mile