

# Liquidator's Progress Report

# S.192

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

To the Registrar of Companies

Company Number

06252830

Name of Company

A & R Services (M & E) Limited

*/s/* We

Simon Franklin Plant  
9 Ensign House  
Admirals Way  
Marsh Wall  
London  
E14 9XQ

Daniel Plant  
9 Ensign House  
Admirals Way  
Marsh Wall  
London  
E14 9XQ

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 23/05/2012 to 22/05/2013

Signed \_\_\_\_\_

Date 21/6/13

S F P  
9 Ensign House  
Admirals Way  
Marsh Wall  
London  
E14 9XQ

Ref ARS0002/SFP/DXP

TUESDAY



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A28

25/06/2013

#32

COMPANIES HOUSE

**A & R Services (M & E) Limited  
(In Liquidation)  
Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs	From 23/05/2012 To 19/06/2013
	<b>ASSET REALISATIONS</b>
2,250 00	Sale of Business & Assets 2,250 00
	Book Debts 2,964 98
	VAT Refund 142 34
12,402 16	Transfer of funds from Admin 12,402 16
	Bank Interest Gross 3 45
	<u>17,762 93</u>
	<b>COST OF REALISATIONS</b>
	Surplus Admin SFP Property Fees 349 00
	Surplus Admin SFPF Fees 2,000 00
	SFP Datastore Fees 223 00
	SFP Datastore Disbursements 40 00
	SFP Property Fees 151 00
	Surplus Joint Admin Fees 8,500 00
	Legal Fees 4,500 00
	Debt Recovery Fees 264 03
	Surplus SFP Datastore Fees 90 00
	Surplus SFP Datastore Disbursements 47 00
	Statutory Advertising 76 50
	<u>(16,240 53)</u>
(1,171 51)	<b>PREFERENTIAL CREDITORS</b>
	Employees <u>NIL</u>
	NIL
(385,874 43)	<b>UNSECURED CREDITORS</b>
	Trade & Expense Creditors <u>NIL</u>
	NIL
(2 00)	<b>DISTRIBUTIONS</b>
	Ordinary Shareholders <u>NIL</u>
	NIL
<u>(372,395.78)</u>	<u><u>1,522.40</u></u>
	<b>REPRESENTED BY</b>
	Vat Receivable 422 34
	Floating Current A/c 1,100 06
	<u>1,522.40</u>

  
 Simon Franklin Plant  
 Joint Liquidator



SFP



TO ALL KNOWN MEMBERS AND CREDITORS

Date 6 June 2013  
Contact Amy Lowden  
Telephone 020 7538 2222

Our Ref ARS0002/SFP/AL/060613 P5

Dear Sirs

**A & R Services (M & E) Limited (in Liquidation) ("ARS")**

Pursuant to Paragraph 83 of Schedule B1 of the Insolvency Act 1986 (as amended) ("the Act"), I was appointed Joint Liquidator of ARS, together with Daniel Plant on 23 May 2012

I write to provide my first annual progress report prepared in accordance with Section 104A of the Act and Rule 4.49C of the Insolvency Rules 1986 (as amended) ("the Rules"), detailing the progress of my administration of ARS's estate since my appointment and up to 22 May 2013 ("the Review Period"). This report should be read in conjunction with the Joint Administrators' final progress report ("Final Report") dated 24 May 2012, sent during my appointment as Joint Administrator

**A) Asset Realisations**

**Surplus from Administration (including VAT)**

A balance of £12,402 held in the Administration was transferred to the Liquidation estate

As detailed in the Final Report, £12,399 was expected to be transferred to the Liquidation estate account. There has been a £3 increase in the amount received, relating to the final interest applied to the account.

**Sale of Business**

As previously reported, the business and assets of ARS were sold to A & R Services (Electrical S W ) Limited ("ASE") for £75,000, payable on a deferred basis. A total of £67,800 was collected with the final scheduled payment to be reviewed and reduced in accordance with advice from agents, Edward Symmons.

It was agreed that on the basis that ASE settled all outstanding payments, save for the final scheduled payment, the Joint Administrators' would agree to a reduction of the final amount.

An agreement was subsequently reached and payments totalling £2,250 have been collected during the Review Period representing the balance of the sale consideration.



**Book Debts**

I instructed a company associated with my firm, SFP Recoveries Limited ("SFP Recoveries") to assist with debtor recoveries following reassignment of the sales ledger from Venture Finance Limited

£2,965 has been collected from this source during the Review Period. The remaining balance is deemed uncollectable due to deficient books and records, debtors entering insolvency regimes and debts being paid prior to the former Joint Administrators' appointment. Accordingly, SFP Recoveries have now closed its files.

**VAT Refund**

During the Review Period, a VAT refund in the sum of £142 has been received from H M Revenue & Customs.

**Additional**

The only other receipt during the Review Period is credit interest of £3 earned on estate funds held at Allied Irish Bank (GB).

**B) Payments**

**Agents**

Payments have been made to the following agents during the Review Period

Agents Instructed	Work Undertaken	Amount Paid
PDT Solicitors	Legal Fees	£4,500
Francis Wilks & Jones LLO	Debt Recovery Fees	£264
Courts Advertising Limited	Statutory Advertising	£77

**C) Investigations**

In accordance with my statutory duty, a requisite D Form addressing the directors' conduct has been submitted to the Department for Business, Innovation and Skills.

My enquiries into the affairs of ARS are being conducted by a company associated with my firm, SFP Forensic Limited ("SFP Forensic"). These are currently ongoing.





Further, SFP Forensic, SFP Property and SFP Datastore had incurred outstanding post appointment time costs of £6,700, £349 and £90. During the Review Period, costs totalling £2,000, £349 and £90 have been recovered.

**F) Outcome for Creditors**

The prospect of a dividend distribution in respect of unsecured claims is dependent upon recoveries as a result of forensic enquiries. These will be subject to any associated costs.

**G) Matters Preventing Closure and Assets Still to be Realised**

The main matter preventing closure is the continuance of forensic enquiries.

**H) Unpaid Costs and Disbursements**

The following costs and expenses have been incurred, but presently remain undischarged:

- the time costs of the Joint Liquidators, SFP Forensic, SFP Recoveries, SFP Property and SFP Datastore during the Review Period are £11,788, £5,978, £6,558, £292 and £130, respectively. These presently remain unpaid, and
- the disbursements of the Joint Liquidators and SFP Datastore during the Review Period are £133 and £256. These presently remain unpaid.

Both the costs and expenses have been previously detailed in paragraph D)

**I) Additional Points and Conclusion**

The following documentation is enclosed:

- i) Statutory information in relation to ARS,
- ii) the Joint Liquidators' abstract of receipts and payments for the period from 23 May 2012 to 22 May 2013;
- iii) an analysis of the Joint Administrators' time costs from 31 May 2011 to 23 May 2012,
- iv) an analysis of SFP Forensic's time costs for the Administration period from 31 May 2011 to 23 May 2012,
- v) an analysis of SFP Property's time costs for the Administration period from 31 May 2011 to 23 May 2012,
- vi) an analysis of SFP Datastore's time costs for the Administration period from 31 May 2011 to 23 May 2012,
- vii) an analysis of the Joint Liquidators' time costs from 23 May 2012 to 22 May 2013,



## Statutory Information

### A & R Services (M & E) Limited (in Liquidation)

<b>Company Number</b>	06252830
<b>Current Registered Office</b>	9 Ensign House Admirals Way Marsh Wall Docklands London E14 9XQ
<b>Previous Registered Office:</b>	Tallford House 38 Walliscote Road Weston Super Mare North Somerset BS23 1LP
<b>Type of Insolvency:</b>	Creditors' Voluntary Liquidation
<b>Date of Appointment:</b>	23 May 2012
<b>Appointees:</b>	Simon Plant Daniel Plant
<b>Address:</b>	SFP 9 Ensign House Admirals Way Marsh Wall London E14 9XQ



**A & R Services (M & E) Limited (in Liquidation)**  
**Joint Liquidators' Receipts and Payments Account**  
**for the period 23 May 2012 to 22 May 2013**

S of A £	RECEIPTS	£	£
-	Book Debts	2,964 98	
12,402 00	Balance from Administration	12,402 16	
7,500 00	Sale of Business and Assets	2,250 00	
-	VAT Refund	142 34	
-	Bank Interest Gross	3 45	17,762 93
19,902 00			
	<b>PAYMENTS</b>		
	Joint Administrators' Remuneration	8,500 00	
	SFP Forensic Limited Fees from Administration	2,000 00	
	SFP Property Limited Fees from Administration	349 00	
	SFP Datastore Limited Fees from Administration	90 00	
	SFP Datastore Limited Disbursements from Administration	47 00	
	SFP Property Limited Fees	151 00	
	SFP Datastore Limited Fees	223 00	
	SFP Datastore Limited Disbursements	40 00	
	Legal Fees - PDT Solicitors	4,500 00	
	Debt Recovery Fees - Francis Wilks & Jones	264 03	
	Statutory Advertising - Courts Advertising Limited	76 50	16,240 53
	<b>Balance in Hand</b>		<b>1,522 40</b>
	<b>Represented By.</b>		
	VAT Receivable		422 34
	Current Account		1,100 06
			<b>1,522 40</b>



## A &amp; R SERVICES (M &amp; E) LIMITED (IN LIQUIDATION)

## SUMMARY OF TIME AND CHARGE OUT RATES FOR THE ADMINISTRATION PERIOD 31 MAY 2011 TO 23 MAY 2012

## CLASSIFICATION OF WORK FUNCTION

	Director	Senior Manager	Manager	Senior Administrator	Administrator	Assistant	Total
Administration and Planning	25 70	0 00	19 50	0 00	170 30	36 20	349 60
Investigation	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of assets	12 80	0 00	2 70	0 60	0 00	0 00	34 80
Trading	0 00	0 00	0 10	0 00	0 00	0 00	1 10
Creditors	2 50	1 60	1 40	8 30	2 60	2 90	58 20
Total	41 00	1 80	23 70	8 90	172 90	39 10	443 70
Average rate £ per hour	463 66	323 61	291 98	244 10	158 08	83 76	202 34
Total Costs £	19,010 00	582 50	6,920 00	2,172 50	27,332 50	3,275 00	89,777 50
Total costs from 31/05/2011 to 23/05/2012							89,777 50
Remuneration drawn during Administration							53,294 92
Remuneration drawn during Liquidation							8,500 00

See Appendix for Summary Charge Out Rates for staff

NB Following the incorporation of SFP Restructuring Limited on 8 April 2013, all Partners became Directors. The hourly charge out rates remain unchanged. Any time shown which relates to time incurred prior to 8 April 2013 was previously classified as being Partner time.

SFP



FORENSIC

A & R SERVICES (M & E) LIMITED (IN LIQUIDATION)

SUMMARY OF TIME AND CHARGE OUT RATES FOR THE ADMINISTRATION PERIOD 31 MAY 2011 TO 23 MAY 2012

CLASSIFICATION OF WORK FUNCTION	Managing Director	Director	Senior Manager	Manager	Senior Administrator	Administrator	Assistant	Total
Administration and Planning	12.40	0.00	0.00	0.00	0.00	0.00	21.20	33.60
Investigation	0.40	0.00	0.10	7.30	0.20	9.80	0.00	17.80
Realisation of assets	0.00	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	0.00
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>12.80</b>	<b>0.00</b>	<b>0.10</b>	<b>7.30</b>	<b>0.20</b>	<b>9.80</b>	<b>21.20</b>	<b>51.40</b>
Average rate £ per hour	500.00	0.00	325.00	274.66	250.00	175.00	93.28	236.96
Total Costs £	6,400.00	0.00	32.50	2,005.00	50.00	1,715.00	1,977.50	12,180.00
Total costs from 31/05/2011 to 23/05/2012								12,180.00
Remuneration drawn during Administration								5,480.00
Remuneration drawn during Liquidation								2,000.00

See Appendix for Summary Charge Out Rates for staff

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PROPERTY

A & R SERVICES (M & E) LIMITED (IN LIQUIDATION)

SUMMARY OF TIME AND CHARGE OUT RATES FOR THE ADMINISTRATION PERIOD 31 MAY 2011 TO 23 MAY 2012

CLASSIFICATION OF WORK FUNCTION	Managing Director	Director	Senior Manager	Manager	Senior Administrator	Administrator	Assistant	Total
Administration and Planning	0.00	0.00	0.00	0.00	0.00	0.00	9.00	9.00
Investigation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of assets	2.80	0.00	0.00	0.00	0.30	0.00	0.00	9.20
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	2.80	0.00	0.00	0.00	0.30	0.00	9.00	18.20
Average rate £ per hour	285.71	0.00	0.00	0.00	175.00	0.00	80.56	118.08
Total Costs £	800.00	0.00	0.00	0.00	52.50	0.00	725.00	2,149.00
Total costs from 31/05/2011 to 23/05/2012								2,149.00
Remuneration drawn during Administration								1,800.00
Remuneration drawn during Liquidation								349.00

See Appendix for Summary Charge Out Rates for staff

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DATASTORE

A & R SERVICES (M & E) LIMITED (IN LIQUIDATION)

SUMMARY OF TIME AND CHARGE OUT RATES FOR THE ADMINISTRATION PERIOD 31 MAY 2011 TO 23 MAY 2012

CLASSIFICATION OF WORK FUNCTION	Managing Director	Director	Senior Manager	Manager	Senior Administrator	Administrator	Assistant	Total
Administration and Planning	19 70	0 00	0 00	0 00	0 00	0 00	67 60	93 10
Investigation	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of assets	0 00	0 00	0 00	0 00	0 00	0 00	52 00	1 60
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
<b>Total</b>	<b>19 70</b>	<b>0 00</b>	<b>0 00</b>	<b>0 00</b>	<b>0 00</b>	<b>0 00</b>	<b>119 60</b>	<b>94 70</b>
Average rate £ per hour	47 59	0 00	0 00	0 00	0 00	0 00	69 65	29 44
<b>Total Costs £</b>	<b>937 50</b>	<b>0 00</b>	<b>0 00</b>	<b>0 00</b>	<b>0 00</b>	<b>-6,480 00</b>	<b>8,330 00</b>	<b>2,787 50</b>
Total costs from 31/05/2011 to 23/05/2012								2,787 50
Remuneration drawn during the Administration								2,697 50
Remuneration drawn during the Liquidation								90 00

See Appendix for Summary Charge Out Rates for staff



## A &amp; R SERVICES (M &amp; E) LIMITED (IN LIQUIDATION)

## SUMMARY OF TIME AND CHARGE OUT RATES FOR THE PERIOD 23 MAY 2012 TO 22 MAY 2013

## CLASSIFICATION OF WORK FUNCTION

	Director	Senior Manager	Manager	Semior Administrator	Administrator	Assistant	Total
Administration and Planning	0.00	0.00	5.50	3.80	1.60	21.80	54.00
Investigation	0.00	0.00	0.10	0.00	0.00	0.00	0.10
Realisation of assets	0.00	0.00	0.90	1.00	0.00	0.60	2.90
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	1.00	0.00	1.00	2.90
Total	0.00	0.00	6.50	5.80	1.60	23.40	59.90
Average rate £ per hour	0.00	0.00	300.00	275.00	175.00	150.00	196.79
Total Costs £	0.00	0.00	1,950.00	1,595.00	280.00	3,510.00	11,787.50
Total costs from 23/05/2012 to 22/05/2013							11,787.50
Remuneration drawn on account							0.00

See Appendix for Summary Charge Out Rates for staff

NB Following the incorporation of SFP Restructuring Limited on 8 April 2013, all Partners became Directors. The hourly charge out rates remain unchanged. Any time shown which relates to time incurred prior to 8 April 2013 was previously classified as being Partner time.

## SIP 9 STANDARD ACTIVITY SUMMARIES

<b>Standard Activity</b>	<b>Examples of Work</b>
Administration and Planning	Case Planning Administrative set up Appointment notification Maintenance of records Statutory reporting
Investigation	SIP 2 CDDA report Investigating antecedent transactions
Realisation of assets	Identifying, securing, insuring assets Retention of title Debt collection Property, business and asset sales
Trading	Management of operation Accounting for trading On-going employee issues
Creditors	Communication with creditors Creditor claims (including employees and other preferential creditors)

SFP



FORENSIC



A & R SERVICES (M & E) LIMITED (IN LIQUIDATION)

SUMMARY OF TIME AND CHARGE OUT RATES FOR THE PERIOD 23 MAY 2012 TO 22 MAY 2013

CLASSIFICATION OF WORK FUNCTION	Managing Director	Director	Senior Manager	Manager	Senior Administrator	Administrator	Assistant	Total
Administration and Planning	0.80	0.00	0.00	0.00	0.00	0.00	0.30	1.10
Investigation	9.40	0.00	0.00	0.00	0.90	0.00	4.80	15.20
Realisation of assets	0.00	0.00	0.00	0.00	0.00	0.00	0.10	0.10
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.20
Total	10.40	0.00	0.00	0.00	0.90	0.00	5.20	16.60
Average rate £ per hour	500.00	0.00	0.00	0.00	250.00	0.00	100.00	360.09
Total Costs £	5,200.00	0.00	0.00	0.00	225.00	0.00	520.00	5,977.50
Total costs from 23/05/2012 to 22/05/2013								0.00
Remuneration drawn on account								0.00

See Appendix for Summary Charge Out Rates for staff



SFP



RECOVERIES

A & R SERVICES (M & E) LIMITED (IN LIQUIDATION)

SUMMARY OF TIME AND CHARGE OUT RATES FOR THE PERIOD 23 MAY 2012 TO 22 MAY 2013

CLASSIFICATION OF WORK FUNCTION	Managing Director	Director	Senior Manager	Manager	Senior Administrator	Administrator	Assistant	Total
Administration and Planning	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 10
Investigation	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of assets	0 00	0 00	0 00	0 00	7 10	26 20	0 00	36 60
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
<b>Total</b>	<b>0 00</b>	<b>0 00</b>	<b>0 00</b>	<b>0 00</b>	<b>7 20</b>	<b>26 20</b>	<b>0 00</b>	<b>36 70</b>
Average rate £ per hour	0 00	0 00	0 00	0 00	250 00	175 00	0 00	178 68
Total Costs £	0 00	0 00	0 00	0 00	1,800 00	3,930 00	0 00	6,557 50
Total costs from 23/05/2012 to 22/05/2013	0 00	0 00	0 00	0 00	225 00	225 00	0 00	6,557 50
Remuneration drawn on account								0 00

See Appendix for Summary Charge Out Rates for staff

SFP



PROPERTY

A & R SERVICES (M & E) LIMITED (IN LIQUIDATION)

SUMMARY OF TIME AND CHARGE OUT RATES FOR THE PERIOD 23 MAY 2012 TO 22 MAY 2013

CLASSIFICATION OF WORK FUNCTION	Managing Director	Director	Senior Manager	Manager	Senior Administrator	Administrator	Assistant	Total
Administration and Planning	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00
Investigation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of assets	0.30	0.00	0.00	0.90	0.00	0.50	0.00	1.70
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.30	0.00	0.00	0.90	0.00	0.50	1.00	2.70
Average rate £ per hour	350.00	0.00	0.00	200.00	0.00	0.00	100.00	163.89
Total Costs £	105.00	0.00	0.00	180.00	0.00	57.50	100.00	442.50
Total costs from 23/05/2012 to 22/05/2013								442.50
Remuneration drawn on account								151.00

See Appendix for Summary Charge Out Rates for staff

SFP



DATASTORE

A & R SERVICES (M & E) LIMITED (IN LIQUIDATION)

SUMMARY OF TIME AND CHARGE OUT RATES FOR THE PERIOD 23 MAY 2012 TO 22 MAY 2013

CLASSIFICATION OF WORK FUNCTION	Managing Director	Director	Senior Manager	Manager	Senior Administrator	Administrator	Assistant	Total
Administration and Planning	3 40	0 00	0 00	0 00	0 00	0 00	1 30	4 70
Investigation	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of assets	0 00	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	0 00
Creditors	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
<b>Total</b>	<b>3 40</b>	<b>0 00</b>	<b>0 00</b>	<b>0 00</b>	<b>0 00</b>	<b>0 00</b>	<b>1 30</b>	<b>4 70</b>
Average rate £ per hour	75 00	0 00	0 00	0 00	0 00	0 00	75 00	75 00
Total Costs £	255 00	0 00	0 00	0 00	0 00	0 00	97 50	352 50
Total costs from 23/05/2012 to 22/05/2013								352 50
Remuneration drawn on account								223 00

See Appendix for Summary Charge Out Rates for staff



**Charge out Rates for SFP main practice and associated entities and Schedule of Expenses**

SFP and the Associated Entities remuneration is calculated on an hourly time cost basis, divided into 6 minute units calculated as follows

Main Practice		SFP Forensic Limited		SFP Property Limited		SFP Recoveries Limited	
Grade	Rate p/hr	Grade	Rate p/hr	Grade	Rate p/hr	Grade	Rate p/hr
Director 2	500	Managing Director	500	Managing Director	350	Managing Director	500
Director 1	450	Senior Manager 2	350	Senior Manager 2	275	Senior Manager 2	350
Senior Manager 2	350	Senior Manager 1	325	Senior Manager 1	250	Senior Manager 1	325
Senior Manager 1	325	Manager 2	300	Manager 2	225	Manager 2	300
Manager 2	300	Manager 1	275	Manager 1	200	Manager 1	275
Manager 1	275	Senior Administrator 2	250	Senior Administrator 2	175	Senior Administrator 2	250
Senior Administrator 2	250	Senior Administrator 1	225	Senior Administrator 1	155	Senior Administrator 1	225
Senior Administrator 1	225	Administrator 2	175	Administrator 2	135	Administrator 2	175
Administrator 2	175	Administrator 1	150	Administrator 1	115	Administrator 1	150
Administrator 1	150	Assistant	100	Assistant	100	Assistant	100
Assistant	100						

SFP Datastore Limited		Supporting Services	
Grade	Rate p/hr		
Storage Tasks (Retrieval and collection)	25	Hire of Security Personnel	£18.50 per hour
Staff costs		Mileage	£1.10 per mile
Inventorising and Additional	75	Chauffeur Services	£1.35 per mile (£50 minimum)
Staff Costs			

**Retrieval Rates Guide**

- Box Storage
- A4
- A3
- Transit Cases

Retrieval costs from site

Same Day Delivery (up to 10 items / £1.50 per item thereafter)

Next Day Delivery (up to 10 items / £1.50 per item thereafter)

Delivery to third party offices (up to 10 items / £1.50 per item thereafter)

Provision of archive boxes

18p / box / week

21p / box / week

6p / box / week

£1.10 per mile

£22.50

£15.00

£25.00

£5 per box



A minimum period of 2 years' storage is charged up front in respect of all Administration appointments at a rate of £20 80 per box held. In addition, a destruction charge of £9 per box is also charged up front.

The minimum charge is based on the assumption that the Administration will continue for a period of one year, plus the requirement to then hold records for a further period of one year once the Company has been dissolved. In the event that the Administration is concluded early, the Company is dissolved early and the records are held for less than the anticipated two year period, any fees billed and paid in advance will be credit noted and the funds repaid to the estate as necessary. In the event that the Administration is extended, any additional charges incurred by SFP Datastore Limited will be paid as they are incurred.

<b>Direct Expenses (Category 1 Disbursements)</b>
Category 1 Disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case will be charged to the estate at cost, with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums and properly reimbursed expenses.

<b>Indirect Expenses (Category 2 Disbursements)</b>		
<u>Stationery / Photocopying</u>	<u>Per page / envelope (£)</u>	<u>Postage</u>
1 page of headed paper	0.12	
1 page of continuation paper	0.10	Postage - 1 <sup>st</sup> class (small) 0.47
1 page of photocopying paper	0.02	Postage - 1 <sup>st</sup> class (large) 0.71
Envelopes (all sizes)	0.10	Postage - 2 <sup>nd</sup> class (small) 0.33
		Postage - 2 <sup>nd</sup> class (large) 0.58
		<b>Postage rate (£)</b>
		<u>Travel</u>
		Mileage incurred as a result of necessary travel is charged at the HM Revenue & Customs approved rate of 45p per mile.

## PROOF OF DEBT - GENERAL FORM

**In the matter of A & R Services (M&E) Limited  
(in Liquidation)  
and in the matter of The Insolvency Act 1986**

Date of Winding-Up 23 May 2012

1	Name of Creditor	
2	Address of Creditor	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)	£
4	Details of any document by reference to which the debt can be substantiated [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5	If the total amount shown above includes Value Added Tax, please show -  (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6	If total amount above includes outstanding uncapitalised interest please state amount	£
7	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category  Amount(s) claimed as preferential £
9	Particulars of how and when debt incurred	
10	Particulars of any security held, the value of the security, and the date it was given	£
11	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	

PROOF OF DEBT - GENERAL FORM (CONTD )

Admitted to Vote for

£

Date

Liquidator

---

-

Admitted preferentially for

£

Date

Liquidator

---

-

Admitted non-preferentially for

£

Date

Liquidator

**NOTE:** A company goes into liquidation if it passes a resolution for voluntary winding up or an order for its winding up is made by the court at a time when it has not already gone into liquidation by passing such a resolution

## A CREDITORS GUIDE TO LIQUIDATORS FEES

### ENGLAND AND WALES

#### 1 Introduction

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

#### 2 Liquidation procedure

2.1 Liquidation (or 'winding up') is the most common type of corporate insolvency procedure. Liquidation is the formal winding up of a company's affairs entailing the realisation of its assets and the distribution of the proceeds in a prescribed order of priority. Liquidation may be either voluntary when it is instituted by resolution of the shareholders or compulsory when it is instituted by order of the court.

2.2 Voluntary liquidation is the more common of the two. An insolvent voluntary liquidation is called a creditors voluntary liquidation (often abbreviated to CVL). In this type of liquidation an insolvency practitioner acts as liquidator throughout and the creditors can vote on the appointment of the liquidator at the first meeting of creditors.

2.3 In a compulsory liquidation on the other hand the function of liquidator is, in most cases, initially performed not by an insolvency practitioner but by an official called the official receiver. The official receiver is an officer of the court and an official belonging to The Insolvency Service. In most compulsory liquidations, the official receiver becomes liquidator immediately on the making of the winding-up order. Where there are significant assets an insolvency practitioner will usually be appointed to act as liquidator in place of the official receiver either at a meeting of creditors convened for the purpose or directly by The Insolvency Service on behalf of the Secretary of State. Where an insolvency practitioner is not appointed the official receiver remains liquidator.

2.4 Where a compulsory liquidation follows immediately on an administration the court may appoint the former administrator to act as liquidator. In such cases the official receiver does not become liquidator. An administrator may also subsequently act as liquidator in a CVL.

#### 3 The liquidation committee

3.1 In a liquidation (whether voluntary or compulsory) the creditors have the right to appoint a committee called the liquidation committee with a minimum of 3 and a maximum of 5 members, to monitor the conduct of the liquidation and approve the liquidator's fees. The committee is usually established at the creditors' meeting which appoints the liquidator, but in cases where a liquidation follows immediately on an administration any committee established for the purposes of the administration will continue in being as the liquidation committee.

3.2 The liquidator must call the first meeting of the committee within 6 weeks of its establishment (or the appointment if that is later) and subsequent meetings must be held either at specified dates agreed by the committee or when requested by a member of the committee or when the liquidator decides he needs to hold one. The liquidator is required to report to the committee at least every 6 months on the

#### 4 What information should be provided by the liquidator?

##### 6.1 When fixing bases of remuneration

6.1.1 When seeking agreement for the basis or bases of remuneration the liquidator should provide sufficient supporting information to enable the committee or the creditors to make an informed judgement as to whether the bases sought are appropriate having regard to all the circumstances of the case. The nature and extent of the information provided will depend on the stage during the conduct of the case at which approval is being sought. The appendix to this guide sets out a suggested format for the provision of information.

6.1.2 If any part of the remuneration is sought on a time costs basis the liquidator should provide details of the minimum time units used and current charge-out rates, split by grades of staff of those people who have been or who are likely to be involved in the time costs aspects of the case.

6.1.3 The liquidator should also provide details and the cost of any work that has been or is intended to be sub-contracted out that could otherwise be carried out by the liquidator or his or her staff.

6.1.4 If work has already been carried out, the liquidator should state the proposed charge for the period to date and provide an explanation of what has been achieved in the period and how it was achieved sufficient to enable the progress of the case to be assessed and whether the proposed charge is reasonable in the circumstances of the case. Where the proposed charge is calculated on a time costs basis, the liquidator should disclose the time spent and the average charge-out rates in larger cases split by grades of staff and analysed by appropriate activity. The liquidator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the liquidator or his or her staff.

##### 6.2 After the bases of remuneration have been fixed

The liquidator is required to send progress reports to creditors at specified intervals (see paragraph 7.1 below). When reporting periodically to creditors, in addition to the matters specified in paragraph 7.1 the liquidator should provide an explanation of what has been achieved in the period under review and how it was achieved sufficient to enable the progress of the case to be assessed. Creditors should be able to understand whether the remuneration charged is reasonable in the circumstances of the case ( whilst recognising that the liquidator must fulfil certain statutory obligations and regulatory requirements that might be perceived as bringing no added value for the estate). Where any remuneration is on a time costs basis, the liquidator should disclose the charge in respect of the period, the time spent and the average charge-out rates in larger cases split by grades of staff and analysed by appropriate activity. If there have been any changes to the charge-out rates during the period under review, rates should be disclosed by grades of staff, split by the periods applicable. The liquidator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the liquidator or his or her staff.

##### 6.3 Disbursements and other expenses

6.3.1 Costs met by and reimbursed to the liquidator in connection with the liquidation should be appropriate and reasonable. Such costs will fall into two categories:

Category 1 disbursements. These are costs where there is specific expenditure directly referable both to the liquidation and to payment to an independent third party. These may include for example advertising, room hire, storage, postage, telephone charges, travel expenses and equivalent costs reimbursed to the liquidator or his or her staff.

progress of the liquidation, unless the committee directs otherwise. This provides an opportunity for the committee to monitor and discuss the progress of the insolvency and the level of the liquidator's fees.

#### 4 Fixing the liquidator's remuneration

4.1 The basis for fixing the liquidator's remuneration is set out in Rules 4.127 - 4.127B of the Insolvency Rules 1986. The Rules state that the remuneration shall be fixed

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

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

It is for the liquidation committee (if there is one) to determine on which of these bases or combination of bases the remuneration is to be fixed. Where it is fixed as a percentage it is for the committee to determine the percentage or percentages to be applied. Rule 4.127 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case
- any responsibility of an exceptional kind or degree which falls on the liquidator in connection with the insolvency
- the efficiency with which the liquidator appears to be carrying out or to have carried out his duties
- the value and nature of the assets which the liquidator has to deal with.

4.2 If there is no liquidation committee or the committee does not make the requisite determination, the liquidator's remuneration may be fixed by a resolution of a meeting of creditors. The creditors take account of the same matters as apply in the case of the committee. A resolution specifying the terms on which the liquidator is to be remunerated may be taken at the meeting which appoints the liquidator.

4.3 If the remuneration is not fixed as above, it will be fixed in one of the following ways. In a CVL, it will be fixed by the court on application by the liquidator, but the liquidator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above and in any case not later than 18 months after his appointment. In a compulsory liquidation, it will be in accordance with a scale set out in the Rules.

4.4 Where the liquidation follows directly on from an administration in which the liquidator had acted as administrator the basis of remuneration fixed in the administration continues to apply in the liquidation (subject to paragraph 8 below).

#### 5. Review of remuneration

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

Category 2 disbursements. These are costs that are directly referable to the liquidation but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the liquidation on a proper and reasonable basis, for example business mileage.

Category 1 disbursements can be drawn without prior approval, although the liquidator should be prepared to disclose information about them in the same way as any other expenses. Category 2 disbursements may be drawn if they have been approved in the same manner as the liquidator's remuneration. When seeking approval the liquidator should explain, for each category of expense, the basis on which the charge is being made.

#### 6.3.2 The following are not permissible

- a charge calculated as a percentage of remuneration,
- an administration fee or charge additional to the liquidator's remuneration,
- recovery of basic overhead costs such as office and equipment rental, depreciation and finance charges.

#### 6.4 Realisations for secured creditors

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

#### 7 Progress reports and requests for further information

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

- details of the bases fixed by the remuneration of the liquidator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it)
- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report)
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report, and a statement of the expenses incurred by the liquidator during the period of the report, irrespective of whether payment was actually made during that period
- a statement of the creditors' rights to request further information, as explained in paragraph 7.2, and their right to challenge the liquidator's remuneration and expenses.

7.2 Within 21 days of receipt of a progress report (or 7 business days where the report has been prepared for the purposes of a meeting to receive the liquidator's resignation) a creditor may request the liquidator to provide further information about the remuneration and expenses set out in the report. A request must be in writing and may be made either by a secured creditor or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

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

the time and cost involved in preparing the information would be excessive or



disclosure would be prejudicial to the conduct of the liquidation or might be expected to lead to violence against any person, or the liquidator is subject to an obligation of confidentiality in relation to the information requested

in which case he must give the reasons for not providing the information

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

#### 8 Provision of information – additional requirements

The liquidator must provide certain information about the time spent on the case free of charge upon request by any creditor, director or shareholder of the company

The information which must be provided is –

the total number of hours spent on the case by the liquidator or staff assigned to the case  
for each grade of staff the average hourly rate at which they are charged out  
the number of hours spent by each grade of staff in the relevant period

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the liquidator's appointment or where he has vacated office the date that he vacated office

The information must be provided within 28 days of receipt of the request by the liquidator and requests must be made within two years from vacation of office

#### 9 What if a creditor is dissatisfied?

9.1 Except in cases where there is a liquidation committee it is the creditors as a body who have authority to approve the liquidator's fees. To enable them to carry out this function they may require the liquidator to call a creditors' meeting. In order to do this at least ten per cent in value of the creditors must concur with the request which must be made to the liquidator in writing

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

9.3 Application may be made to the court by any secured creditor or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the liquidator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 7.1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the liquidator a copy of the application and supporting evidence at least 14 days before the hearing

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

#### 10 What if the liquidator is dissatisfied?

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

#### 11 Other matters relating to remuneration

11.1 Where the liquidator realises assets on behalf of a secured creditor he is entitled to be remunerated out of the proceeds of sale in accordance with a scale set out in the Rules. Usually however the liquidator will agree the basis of his fee for dealing with charged assets with the secured creditor concerned

11.2 Where two (or more) joint liquidators are appointed it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute between them may be referred to the court, the committee or a meeting of creditors

11.3 If the appointed liquidator is a solicitor and employs his own firm to act in the insolvency profit costs may not be paid unless authorised by the committee the creditors or the court

11.4 If a new liquidator is appointed in place of another any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new liquidator until a further determination, resolution or court order is made

11.5 Where the basis of the remuneration is a set amount, and the liquidator ceases to act before the time has elapsed or the work has been completed for which the amount was set application may be made for a determination of the amount that should be paid to the outgoing liquidator. The application must be made to the same body as approved the remuneration. Where the outgoing liquidator and the incoming liquidator are from the same firm they will usually agree the apportionment between them

11.6 There may also be occasions when creditors will agree to make funds available themselves to pay for the liquidator to carry out tasks which cannot be paid for out of the assets, either because they are deficient or because it is uncertain whether the work undertaken will result in any benefit to creditors. Arrangements of this kind are sometimes made to fund litigation or investigations into the affairs of the insolvent company. Any arrangements of this nature will be a matter for agreement between the liquidator and the creditors concerned and will not be subject to the statutory rules relating to remuneration

#### 12 Effective date

This guide applies where a company goes into liquidation on or after 1 November 2011