

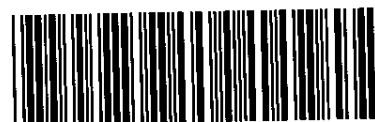
# LIQ03

## Notice of progress report in voluntary winding up



Companies House

THURSDAY



\*A71RUQDK\*

A13

15/03/2018

#226

COMPANIES HOUSE

### 1 Company details

Company number 0 7 1 7 9 8 4 0

Company name in full Elite Loans & Mortgages Limited

→ Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Deviesh Ramesh

Surname Raikundalia

### 3 Liquidator's address

Building name/number 38 De Montfort Street

Street Leicester

Post town LE1 7GS

County/Region

Postcode

Country

### 4 Liquidator's name

Full forename(s) Situl Devji

Surname Raithatha

① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address

Building name/number 38 De Montfort Street

Street Leicester

Post town

County/Region

Postcode L E 1 7 G S

Country

② Other liquidator

Use this section to tell us about  
another liquidator.

# LIQ03

## Notice of progress report in voluntary winding up

### 6 Period of progress report

From date	d	1	d	5	m	0	m	1	y	2	y	0	y	1	y	7
To date	d	1	d	4	m	0	m	1	y	2	y	0	y	1	y	8

### 7 Progress report

☒ The progress report is attached

### 8 Sign and date

Liquidator's signature

Signature

X  X

Signature date	d	1	d	3	m	0	m	3	y	2	y	0	y	1	y	8
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LIQ03

Notice of progress report in voluntary winding up



**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 David Robinson

Company name Springfields Advisory LLP

Address 38 De Montfort Street

Leicester

Post town LE1 7GS

County/Region

Postcode

Country

DX

Telephone 0116 299 4745



**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)**

Statement of Affairs	From 15/01/2017 To 14/01/2018	From 15/01/2015 To 14/01/2018
£	£	£
ASSET REALISATIONS		
Funds introduced by Director	NIL	600.00
Shares & Investments	NIL	NIL
Cash at Bank	NIL	23,883.29
Bank Interest Gross	0.84	12.16
	0.84	24,495.45
COST OF REALISATIONS		
Specific Penalty Bond	NIL	60.00
Assistance with preparation of S. of A.	NIL	750.00
Preparation of S. of A.	NIL	7,500.00
Liquidator's Remuneration	NIL	9,700.00
Printing and Photocopying	42.20	71.20
Land Registry Fees	19.50	19.50
Transcription Fees	NIL	201.60
Legal Fees	NIL	NIL
Corporation Tax	0.20	2.00
Tax Appeal Costs	NIL	500.00
Irrecoverable VAT	14.45	3,805.13
Postage costs	7.40	21.91
Storage Costs	22.63	53.19
Statutory Advertising	NIL	167.66
	(106.38)	(22,852.19)
24,115.63	(105.54)	1,643.26
REPRESENTED BY		
Current A/c - Bank 1		1,643.26
		1,643.26

Don't ask. Don't tell. Don't read.

13 March 2018 12:05

## **Elite Loans & Mortgages Limited – In Creditors' Voluntary Liquidation**

### **LIQUIDATORS' PROGRESS REPORT TO CREDITORS AND MEMBERS**

**For the period 15 January 2017 to 14 January 2018 ("the Period").**

#### **EXECUTIVE SUMMARY**

My investigations have revealed a number of matters that may lead to realisations for the estate. These are currently being pursued with the assistance of my solicitors.

#### **STATUTORY INFORMATION**

Company name:	Elite Loans & Mortgages Limited
Registered office:	38 De Montfort Street Leicester LE1 7GS
Former registered office:	Glenmor House Palmersvale Business Park Palmerston Road Barry South Glamorgan CF63 2XA
Registered number:	07179840
Joint Liquidators' names:	Deviesh Ramesh Raikundalia and Situl Devji Raithatha
Joint Liquidators' address:	38 De Montfort Street, Leicester, LE1 7GS
Joint Liquidators' date of appointment:	15 January 2015
Actions of Joint Liquidators'	Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both of the Liquidators acting jointly or alone

## **LIQUIDATORS' ACTIONS SINCE LAST REPORT**

### **Possible Recovery Action**

I have been, in conjunction with my solicitors and Counsel, actively involved in the matters that may lead to realisations for the estate. I am unable to comment further as this may be prejudicial to the outcome.

### **Administrative Tasks**

There is certain work that I am required by the insolvency legislation to undertake work in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my last progress report is contained in Appendix 2.

## **RECEIPTS AND PAYMENTS**

My Receipts & Payments Account for the Period is attached at Appendix 1. All receipts and payments are shown exclusive of VAT.

No assets have been realised in the Period and the payments have been minimal.

The balance of funds are held in an interest bearing estate bank account.

## **ASSETS**

The Company's assets have been realised as explained in my previous reports.

## **LIABILITIES**

### Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has no current charges over its assets.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

### Preferential Creditors

The statement of affairs anticipated no preferential creditors and none have been received.

Preferential claims include elements of employee entitlements, such as arrears of wages (subject to a limit) and holiday pay. The Company's remaining five employees were transferred to an associated company prior to the Liquidation under the TUPE regulations and therefore no employee claims were received.

### Crown Creditors

The Statement of Affairs anticipated a claim from HM Customs & Excise ("HMRC") in the sum of £15,959.20. I have received a claim from HMRC in the sum of £1,264,608.43 to date. It is understood that a large proportion of HMRC's claim relates to determinations made against the Company in respect of its involvement in schemes under enquiry by HMRC. These determinations have been appealed in order to protect the position of the Company and the outcome of the appeals is not yet known. I hope to provide creditors with further information in due course.

### Non-preferential unsecured Creditors

The Statement of Affairs estimated unsecured claims of £821,329.86, excluding claims from HMRC. I have received claims from two creditors totalling £360,269.94 to date. I have not received a claim from one unsecured creditor with an estimated claim of £461,238.92 on the Statement of Affairs

### **DIVIDEND PROSPECTS**

On current information it is uncertain whether a dividend will be paid to creditors, which is subject to realisations being made from the matters that I am currently pursuing.

### **INVESTIGATION INTO THE AFFAIRS OF THE COMPANY**

My investigations into the Company's affairs revealed a number of potential sources of realisation, which I am now pursuing with the assistance of my solicitors and Counsel.

I am unable to provide creditors with further information at this stage as this may be prejudicial to the outcome. I continue to consult with the major creditor, HM Customs & Excise, on the progress of the case.

### **PRE-APPOINTMENT REMUNERATION**

At the first meeting of creditors, my firm's costs for assisting the director in preparing the Statement of Affairs and convening the creditors' meeting were agreed at £7,500 plus VAT and disbursements. These costs were paid in full in an earlier period

At the first meeting of creditors, it was agreed that the Company's accountants, namely Gerald Thomas & Co, be paid the sum of £750 plus VAT in respect of their costs for assisting in the preparation of the Statement of Affairs. These costs were paid in full in an earlier period.

### **LIQUIDATORS' REMUNERATION**

At the first meeting of creditors my remuneration was agreed on a time costs basis. I enclose a breakdown summarising my time costs for the Period, subject to the posting of timesheets. Details of the amounts drawn on account of these costs is shown on the enclosed receipts and payments summary. I enclose a schedule of my current charge out rates for your information.

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 the link at <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>. Please note that there are different versions of the Guidance Notes and in this case you should refer to the November 2011 version.

### **LIQUIDATORS' EXPENSES**

I attach a schedule of my expenses for the Period, which includes Category 2 disbursements.

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Howes Percival	Solicitors	Time costs

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

#### **FURTHER INFORMATION**

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 their receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Joint Liquidators as being excessive, and/or the basis of the Joint Liquidators' remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

As Insolvency Practitioners, when carrying out all professional work relating to an insolvency appointment, S D Raithatha and D R Raikundalia are bound by the Insolvency Code of Ethics, as well as by the regulations of our professional body. More details about these matters and general information about Springfields Advisory LLP that is of relevance can be found at <https://www.springfields-uk.com/regulatory>.

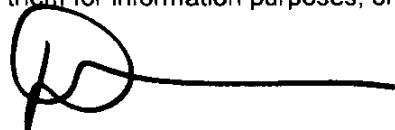
#### **SUMMARY**

The Liquidation will remain open until the matters that I am currently pursuing have been resolved and, if funds allow, a dividend is paid to creditors. I estimate that this will take at least twelve months and once resolved the Liquidation will be finalised and our files will be closed.

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 David Robinson on 0116 299 4745, or by email at [David.r@springfields-uk.com](mailto:David.r@springfields-uk.com).

#### **DISCLAIMER**

This report has been prepared for the sole purpose of updating creditors and shareholders of the Company for information purposes to fulfil the necessary statutory requirements of the Liquidators. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, or otherwise used by creditors or shareholders for any purpose other than updating them for information purposes, or any other person for any purpose whatsoever.



**Devesh Ramesh Raikundalia**  
**JOINT LIQUIDATOR**



**Elite Loans & Mortgages Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs		From 15/01/2017 To 14/01/2018	From 15/01/2015 To 14/01/2018
£		£	£
	ASSET REALISATIONS		
	Funds introduced by Director	NIL	600.00
NIL	Shares & Investments	NIL	NIL
24,115.63	Cash at Bank	NIL	23,883.29
	Bank Interest Gross	0.64	11.96
		<u>0.64</u>	<u>24,495.25</u>
	COST OF REALISATIONS		
	Specific Penalty Bond	NIL	60.00
	Assistance with preparation of S. of A.	NIL	750.00
	Preparation of S. of A.	NIL	7,500.00
	Liquidator's Remuneration	NIL	9,700.00
	Printing and Photocopying	42.20	71.20
	Land Registry Fees	19.50	19.50
	Transcription Fees	NIL	201.60
	Legal Fees	NIL	NIL
	Corporation Tax	0.20	2.00
	Tax Appeal Costs	NIL	500.00
	Irrecoverable VAT	14.45	3,805.13
	Postage costs	7.40	21.91
	Storage Costs	22.63	53.19
	Statutory Advertising	NIL	167.66
		<u>(106.38)</u>	<u>(22,852.19)</u>
<b>24,115.63</b>		<b>(105.74)</b>	<b>1,643.06</b>
	REPRESENTED BY		
	Current A/c - Bank 1		1,643.06
			<b>1,643.06</b>

**Note:**

## **Appendix 2**

### **1. Administration**

- Maintaining electronic case files.
- Maintaining the case on the practice's electronic case management system and entering data.
- Dealing with all routine correspondence and emails relating to the case.
- Maintaining and managing the office holder's estate bank account.
- Maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing annual progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing Corporation Tax returns.

### **2. Creditors**

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.

# Time Entry - SIP9 Time & Cost Summary + Cumulative

EL1564 - Elite Loans & Mortgages Limited  
Project Code: POST  
From: 15/01/2017 To 14/01/2018

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)	Total Hours Cum (POST Only)	Total Time Costs Cum (POST Only)
Administration & Planning	0.40	4.90	4.70	0.00	10.00	2,174.50	217.45	56.90	12,954.00
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	34.00
Creditors	0.00	0.30	1.00	0.00	1.30	230.00	176.92	6.90	1,479.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	32.30	7,697.00
Realisation of Assets	0.80	31.10	0.00	0.00	31.90	8,418.00	263.89	52.90	13,829.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours / Costs</b>	<b>1.20</b>	<b>36.30</b>	<b>5.70</b>	<b>0.00</b>	<b>43.20</b>	<b>10,622.50</b>	<b>250.52</b>	<b>149.20</b>	<b>35,993.00</b>
<b>Total Fees Claimed</b>	<b>9,700.00</b>								
<b>Total Disbursements Claimed</b>	<b>263.14</b>								

**Elite Loans & Mortgages Limited - In Creditors' Voluntary Liquidation**

**Details of expenses incurred and paid from 15 January 2017 to 14 January 2018**

**Expenses**

Type	Outstanding c/f (£)	Incurred in Period (£)	Paid in Period (£)	Outstanding c/f (£)
Corporation Tax	-	0.20	0.20	-
Postage Costs	-	7.40	7.40	-
Storage Costs*	-	22.63	22.63	-
Legal Fees & Disbursements	8,710.25	4,499.55	-	13,209.80
Land Registry Fees	19.50	-	19.50	-
<b>TOTAL</b>	<b>8,729.75</b>	<b>4,529.78</b>	<b>49.73</b>	<b>13,209.80</b>

**Category 2 Disbursements**

Type	Outstanding c/f (£)	Incurred in Period (£)	Paid in Period (£)	Outstanding c/f (£)
Printing & Photocopying	36.80	14.60	42.20	9.20
<b>TOTAL</b>	<b>36.80</b>	<b>14.60</b>	<b>42.20</b>	<b>9.20</b>

**Notes**

- \* Please note that these costs continue to accrue and are billed periodically.

**SPRINGFIELDS ADVISORY LLP**  
**PRACTICE FEE RECOVERY POLICY FOR INSOLVENCY APPOINTMENTS**

**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.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>. Alternatively a hard copy can be provided on request. 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 1 August 2017 £	Previous charge-out rate per hour, effective from 1 August 2016 £
Partner	440	425
Manager	260-330	250-320
Administrator	150-220	145-215

Time is recorded in units of 6 minutes (prior to 08/01/2007 this was 15 minute units)

These charge-out rates charged are reviewed periodically 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 typically seek time costs for the following categories:

- Investigations
- Creditors (other than distributions to creditors)
- Trading

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.

In some instances where there is undue risk to the firm in recovering its standard hourly rates in full, typically as a consequence of the pursuit of causes of action where the outcomes are far from certain, or where there are considered to be undue risks associated with the conduct of an assignment, then approval for a percentage uplift on standard hourly rates may be sought. The percentage uplift sought will vary depending upon the circumstances of each case.

## **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 IVA's and CVA's 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 SIP 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 Springfield; 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, travel expenses 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

Photocopying / printing	10p per sheet
Internal storage of books and records	Initial charge for intake. £6.10 per box Storage £0.40 per month per box in storage at month end
Internal storage of PC/IT equipment:	Storage. £3.60 per month per item in storage at month end
Internal room hire	£100 per statutory meeting
Mileage (own car usage):	45p per mile

#