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Form 4 72

## Section 106

## The Insolvency Act 1986

Return of Final Meeting in a  
Creditors' Voluntary Winding Up  
Pursuant to Section 106 of the  
Insolvency Act 1986

**S106**

For Official Use

To the Registrar of Companies

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Company Number

06884317

Name of Company

E &amp; B Boxes Limited

I / ~~We~~

Christopher Brooksbank  
Wesley House  
Huddersfield Road  
Birstall  
Batley  
West Yorkshire, WF17 9EJ

give notice

- 1 that a general meeting of the company was ~~held on~~/summoned for 09 March 2012 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of and that ~~the same was done accordingly~~ / no quorum was present at the meeting
- 2 that a meeting of the creditors of the company was duly ~~held on~~ / summoned for 09 March 2012 pursuant to section 106 of the Insolvency Act 1986 for the purpose of having the said account laid before it showing how the winding up of the company has been conducted and the property of the company disposed of and that ~~the same was done accordingly~~ / no quorum was present at the meeting

Signed



Date 09 March 2012

O'Hara & Co  
Wesley House  
Huddersfield Road  
Birstall  
Batley  
West Yorkshire, WF17 9EJ

Ref E141/CB/GH

Ins TUESDAY	For Official Use	
		
	*A14LA6GH*	
	A09	13/03/2012 #39
COMPANIES HOUSE		


**E & B Boxes Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**  
**From 30 June 2011 To 9 March 2012**

S of A £		£	£
	<b>HIRE PURCHASE</b>		
(75,579 75)	Less due to Aldermore Invoice Financ	NIL	NIL
	<b>ASSET REALISATIONS</b>		
1,900 00	Motor Vehicles	1,433 33	
	Bank Interest Gross	1 13	
	Contribution to costs	6,000 00	7,434 46
	<b>COST OF REALISATIONS</b>		
	Specific Bond	30 00	
	Statement of Affairs Fee	5,000 00	
	Category 2 Disbursements	21 50	
	Remuneration	1,925 46	
	Company Search Fee	7 50	
	Statutory Advertising	450 00	(7,434 46)
	<b>PREFERENTIAL CREDITORS</b>		
(7,528 36)	Employee Arrears/Hol Pay	NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(2,000 00)	Trade & Expense Creditors	NIL	
(17,179 18)	Employees	NIL	
(40,000 00)	PAYE / NIC	NIL	
(50,000 00)	VAT	NIL	NIL
	<b>DISTRIBUTIONS</b>		
(100 00)	Ordinary Shareholders	NIL	NIL
<b>(190,487 29)</b>			<b>NIL</b>

REPRESENTED BY

**NIL**

I confirm that the above account has been reconciled with the account held by the Secretary of State

  
Christopher Brooksbank  
Liquidator

**LIQUIDATOR'S FINAL REPORT TO  
CREDITORS**

**E & B BOXES LIMITED**

**9 MARCH 2012**

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- 2 Introduction
- 3 Realisation of Assets
- 4 Investigations
- 5 Creditors
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## **APPENDICES**

Receipts and Payments Account for the period 14 June 2011  
to 9 March 2012

Appendix A

Time Analysis for the period from 14 June 2011 to 5 January  
2012

Appendix B

Additional information in relation to Liquidator's Fees Pursuant to  
Statement of Insolvency Practise 9

Appendix C

## 1 Statutory Information

<b>Company Number</b>	06884317	
<b>Date of Incorporation</b>	22/04/2009	
<b>Principal Activity</b>	Manufacture of paper & paperboard	
<b>Previous Names</b>	N/A	
<b>Registered Office</b>	Wesley House, Huddersfield Road, Birstall, Batley, WF17 9EJ	
<b>Trading Address</b>	Unit 2 Spring Garden Mill, New Street Milnsbridge, Huddersfield, HD3 4LN	
<b>Authorised Share Capital</b>	100 ordinary £1 Shares	
<b>Shareholders</b>	<b><i>Number held</i></b>	<b><i>Class</i></b>
Michael Andrew Simpson	100	Ordinary
<b>Directors (last 3 years)</b>	<b><i>Appointed</i></b>	<b><i>Resigned</i></b>
Michael Andrew Simpson	04/09/2009	To Date
Earl Anthony Levy	22/04/2009	28/08/2009
William Anthony James Woodward	28/08/2009	04/09/2009

## **2 Introduction**

2 1 This report provides a summary of the outcome of the Liquidation of E & B Boxes Limited (the Company) At Appendix A, I have provided an account of my Receipts and Payments for the period ended 9 March 2012

2 2 The Liquidation commenced in June 2011 with an estimated to realise asset value of £1,900 and anticipated liabilities of £137,745 which due to the liabilities expected a nil return to creditors There was no actual return to creditors

## **3 Realisation of Assets**

3 1 As previously outlined in the statement of affairs, the Company's assets consisted of Motor Vehicles and book debts

3 2 As previously detailed the Company's book debts were subject to an invoice finance agreement with Aldermore Invoice Finance Limited ("Aldermore") At the date of liquidation the book value of the debtors totalled £70,186 16 A 25% provision was given against the debtors leaving an estimated to realise value circa £52,639 62

3 3 There was £49,553 09 due payable to Aldermore under their agreement and termination fees of £29,133 19, leaving an estimated shortfall circa £26,046 66 I can confirm Aldermore incurred a shortfall of £14,019 25

3 4 Independent agents, Michael Steel & Co, advised that the Company owns the following vehicles both of which are free of title

<b>Description</b>	<b>Market Value Ex Situ</b>
VW Passat 51 Plate 200,000 miles	£700
Iveco Daily 35 C13 VAN 52 Place 174,000 miles	£1,200

3 5 Following my appointment offers were subsequently made to the sum of £333 33 & £1,100 for the Passat and Iveco respectively Upon the advice of my Agent the offers were accepted in full

## **4 Investigations**

4 1 In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Directors of the Company to the DTI As this is a confidential report, I am not able to disclose the contents

4 2 As a duty of the Liquidator, I have conducted investigations into the Company's affairs in accordance with Statement of Insolvency Practice 2 (SIP 2)

## **5 Creditors**

### ***Secured Creditors***

- 5 1 As detailed above Aldermore have incurred a shortfall £14,019 25 Unfortunately there are insufficient funds issue a distribution to Aldermore under their floating charge

### ***Preferential Creditors***

- 5 2 There are preferential claims in respect of wage arrears and holiday pay totalling £5,655 92 Unfortunately there are insufficient funds to make a distribution to preferential creditors

### ***Unsecured Creditors***

- 5 3 There were unsecured creditors totalling £114,807 I have received claims totalling £81,666 Unfortunately there are insufficient funds to make a distribution to unsecured creditors

## **6 Liquidator's Remuneration**

- 6 1 As per the resolution passed at the meeting of creditors, I was entitled to draw £5,000 + VAT in respect of work carried out in connection with the preparation of the Statement of Affairs I can confirm £5,000 00 has been drawn in respect of these costs
- 6 2 The basis of the Liquidator's remuneration was approved on a time costs basis at the first meeting of creditors on 30 June 2011
- 6 3 My final time costs total £2,391 95 I can confirm that £1,925 46 has been drawn against these costs Category 2 Disbursements to date total £21 50 I can confirm that £21 50 has been drawn against these costs
- 6 4 Attached at Appendix B is an analysis, in accordance with the provisions of Statement of Insolvency Practice 9 (SIP9), that details my time costs incurred from 30 June 2011 to 5 January 2012

## **7 Conclusion**

- 7 1 This report together with final meetings of members and creditors will conclude my administration Details of the final meetings and resolutions to be considered have been circulated with this report

Yours faithfully



C Brooksbank

Liquidator

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**E & B Boxes Limited**  
**(In Liquidation)**

**LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 30/06/2011 To 09/03/2012 £	From 30/06/2011 To 09/03/2012 £
<b>RECEIPTS</b>			
Motor Vehicles	1,900 00	1,433 33	1,433 33
Bank Interest Gross		1 13	1 13
Contribution to costs		0 00	6,000 00
Vat Receivable		22 50	0 00
		<u>1,456 96</u>	<u>7,434 46</u>
<b>PAYMENTS</b>			
Specific Bond		30 00	30 00
Statement of Affairs Fee		5,000 00	5,000 00
Category 2 Disbursements		21 50	21 50
Remuneration		1,925 46	1,925 46
Company Search Fee		7 50	7 50
Statutory Advertising		337 50	450 00
		<u>7,321 96</u>	<u>7,434 46</u>
<b>BALANCE - 09 March 2012</b>			<u><u>0.00</u></u>



# Time Entry - SLP9 Time & Cost Summary

E141 - E & B Boxes Limited  
Project Code POST  
To 05/01/2012

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	1.67	0.00	0.00	11.55	13.22	1,782.70	134.85
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	2.50	2.50	287.50	115.00
General Disbursements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.17	0.00	0.00	2.20	2.37	321.75	135.76
Realisation of Assets	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
<b>Total Hours</b>	<b>1.64</b>	<b>0.00</b>	<b>0.00</b>	<b>16.25</b>	<b>18.09</b>	<b>2,391.95</b>	<b>132.22</b>
<b>Total Fees Claimed</b>						<b>0.00</b>	
<b>Total Disbursements Claimed</b>						<b>0.00</b>	

## **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 basis of the liquidator's fees. This guide is intended to help creditors be aware of their rights to approve and monitor fees, explains the basis 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 his 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 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 time 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 effectiveness 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.

## 6 **What Information Should be Provided by the Liquidator?**

### 6.1 ***When seeking remuneration approval***

6.1.1 When seeking agreement to his fees the liquidator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on:

- the nature of the approval being sought,
- the stage during the administration of the case at which it is being sought, and
- the size and complexity of the case.

6.1.2 Where, at any creditors' or committee meeting, the liquidator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

6.1.3 Where the liquidator seeks agreement to his fees during the course of the liquidation, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the liquidator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the liquidator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the liquidator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the liquidator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the liquidator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain

- Any significant aspects of the case, particularly those that affect the amount of time spent
- The reasons for subsequent changes in strategy
- Any comments on any figures in the summary of time spent accompanying the request the liquidator wishes to make
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement
- Any existing agreement about fees
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

- 6.1.4 Where the fee is charged on a percentage basis the liquidator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by a liquidator or his staff

## 6.2 ***After Remuneration Approval***

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the liquidator should notify the creditors of the details of the resolution in his next report or circular to them. When subsequently reporting to creditors on the progress of the liquidation, or submitting his final report, he should specify the amount of remuneration he has drawn in accordance with the resolution (see further paragraph 7.1 below). Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 6.1.3. Where the fee is charged on a percentage basis the liquidator should provide the details set out in paragraph 6.1.4 above regarding work which has been sub-contracted out.

## 6.3 ***Disbursements and Other Expenses***

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements, but there is provision for the creditors to challenge them, as described below. Professional guidance issued to insolvency practitioners requires that, where the liquidator proposes 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, document storage or communication facilities provided by the liquidator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

## 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), to 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 basis fixed for 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,
- 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 Creditors 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 a winding-up resolution passed on or after 6 April 2010,
- goes into voluntary liquidation immediately following an administration on or after 6 April 2010, except where the preceding administration began before that date,
- goes into compulsory liquidation as the result of a petition presented on or after 6 April 2010, except where the liquidation was preceded by
  - an administration which began before that date,
  - a voluntary liquidation in which the winding-up resolution was passed before that date

13 **Summary of Charge Out Rates and Disbursement Charges with Effect from 1 June 2011  
(Subject to Change)**

	<b>Charge per hour £</b>
Partner	300 to 400
Manager	250 to 300
Other Senior Professional	175 to 200
Administrators	150 to 175
Support Staff	100 to 175

**Disbursement Charges**

- Mileage is recharged at 70p per mile
- Charges are made as follows

***Postage***

Normal letters

1<sup>st</sup> class - £1 10

2<sup>nd</sup> class - £1 00

Airmail - £2 00

Other According to size & weight

***Photocopying***

Up to 20p per sheet

Internal room hire is charged at £25 to £100 per meeting