

Section 106

**Return of Final Meeting in a
Creditors' Voluntary Winding Up**

**Pursuant to Section 106 of the
Insolvency Act 1986**

To the Registrar of Companies

S.106

Company Number

00800916

Name of Company

Engineering Services (Humber) Limited

I/ We

Tyrone Shaun Courtman, Sky View Argosy Road, East Midlands Airport Castle Donington, Derbyshire, DE74 2SA

Nicholas John Edwards, Sky View Argosy Road, East Midlands Airport Castle Donington, Derbyshire, DE74 2SA

Note The copy account must be authenticated by the written signature(s) of the Liquidator(s)

1 give notice that a general meeting of the company was ~~duly held on~~/summoned for 17 September 2015 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 give notice that a meeting of the creditors of the company was ~~duly held on~~/summoned for 17 September 2015 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 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~~

The meeting was held at Sky View, Argosy Road, East Midlands Airport, Castle Donington, Derby DE74 2SA

The winding up covers the period from 1 November 2012 (opening of winding up) to the final meeting (close of winding up) 17 September 2015

The outcome of any meeting (including any resolutions passed) was as follows

There were no resolutions passed, no objections to the liquidator's final release from office have been received, therefore acceptance is automatically assumed.

Signed *Tyrone Courtman* Date 22 September 2015

PKF Cooper Parry Group Limited
Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA
Ref ZE023/TSC/NJE/LB/RJL

WEDNESDAY



A4H0UJD5
A30 30/09/2015 #250
COMPANIES HOUSE

**Engineering Services (Humber) Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
From 1 November 2012 To 17 September 2015**

S of A £	£	£
ASSET REALISATIONS		
Book Debts	16,290 00	
Cash at Bank	126,139 86	
Bank Interest Gross	277 61	
Tfr of VAT from Administration	7,777 19	
	<u> </u>	150,484 66
COST OF REALISATIONS		
Liquidators Fees	25,584 67	
Quantity Surveyors Fees	8,735.10	
Legal Fees	7,373 26	
Corporation Tax	35 67	
Administrators' Fees	37,888 60	
Statutory Advertising	220 00	
	<u> </u>	(79,837 30)
PREFERENTIAL CREDITORS		
Employees Wage Arrears	1,464 26	
Employees Holiday Pay	4,007 20	
RPO - Wage Arrears	9,779 61	
RPO - Holiday Pay	11,664 22	
HM Revenue & Customs	1,463 25	
	<u> </u>	(28,378 54)
FLOATING CHARGE CREDITORS		
Ainscough Vanguard Limited	42,268 82	
	<u> </u>	(42,268 82)
		<u> </u>
		<u> </u>
		(0.00)
REPRESENTED BY		
		<u> </u>
		<u> </u>
		NIL



PKF | Cooper Parry

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East Midlands Airport, Castle Donington
Derby, DE74 2SA
T 01332 411 163
F 01332 418 074
E leeb@pkfcooperparry.com
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The Registrar of Companies
Companies Registration Office
Crown Way
Maindy
Cardiff
CF14 3UZ

Our ref TSC/LB/RJL/ZE023/CV2012-B8 6

17 September 2015

When telephoning please ask for
Robert Lineham

Dear Sir/Madam

Engineering Services (Humber) Limited - In Liquidation
Registered in England No. 00800916 at Sky View, Argosy Road, East Midlands Airport, Castle Donington, Derbyshire, DE74 2SA

I was appointed Joint Liquidator of the above company on 1 November 2012 and pursuant to rule 4 49D I enclose my final report presented at the final meeting along with the following

- The Joint Liquidators' combined Receipts and Payments Account and Estimated Outcome Statement at 17 September 2015
- Remuneration notification including a summary of work undertaken to 17 September 2015 and a summary of current hourly rates and disbursements
- Copy of rule 4 49E and rule 4 131, which sets out members' and creditors' rights to request further information and to challenge remuneration and expenses
- A creditors' guide to Liquidators' fees

Cont/d

Attached is a copy of the Joint Liquidator's combined abstract of receipts and payments and final outcome statement as at 17 September 2015 showing a nil balance

The principal items of income received and expenditure incurred to date are discussed in more detail below

1. REALISATION OF ASSETS

1.1 Book debts

There have been no realisations since my last report and no more are expected

1.2 Bank Interest

Gross bank interest of £6 has been received during the year, bringing total realisations to £278 This will be subject to a Corporation Tax charge to be agreed with HM Revenue & Customs

1.3 Terminal Loss Relief

As previously reported, the decision to reject the terminal loss relief claim was appealed and HM Revenue & Customs agreed that the claim should be admitted HM Revenue & Customs unsecured claim in the Liquidation has therefore been reduced by £23,640

2. COSTS OF REALISATIONS

2.1 Liquidators Fees and Disbursements

At the first meeting of creditors in the Administration it was resolved that any subsequently appointed Liquidators' fees be calculated by reference to time costs incurred and drawn as and when funds permit

Total time costs to 17 September 2015 amount to £39,703 Against this amount, fees of £25,584 have been drawn leaving a balance of £14,119 that will not be recoverable

The average hourly charge out rate for dealing with this case is £150 39

As the firm's charge out rates are reviewed on an annual basis, the revised rates are enclosed for your information

2.2 Statutory Advertising

Fees of £76 plus VAT will be incurred in advertising the final meetings of members and creditors

2.3 Legal Fees

As previously reported, £5,197 has been paid to my solicitors, Shakespeares LLP No further costs will be incurred

Cont/d

Page 3

Engineering Services (Humber) Limited - In Liquidation
17 September 2015

2.4 Quantity Surveyor Fees

As previously reported, £4,500 has been to my Quantity Surveyors Leslie Keats in relation to the collection and negotiations of the outstanding contract debts. No more collections are expected and no further costs will be incurred.

3. PREFERENTIAL CREDITORS

As previously reported, a dividend of 100p in the £ was made to preferential creditors on 12 June 2013. No further dividend is to be paid.

4. UNSECURED CREDITORS

Details of unsecured creditor claims have been received but not adjudicated as there will not be a dividend distribution to this class of creditor.

5. INVESTIGATIONS

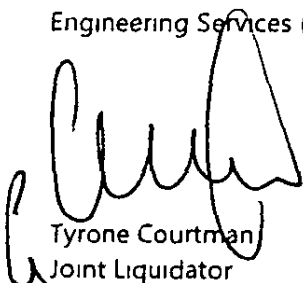
The investigation that has been carried out by the Joint Liquidators has been concluded in order to report on the conduct of the directors in accordance with the Company Directors Disqualification Act 1986. As the content of this report is confidential, I am not empowered to release any further information with regard to this aspect of my work.

6. CONCLUSION

The registrar of companies will automatically dissolve the company approximately three months after the date of the final meetings.

If creditors require any further information or clarification on any point, please contact Robert Lineham at this office.

Yours faithfully
For and on behalf of
Engineering Services (Humber) Limited - In Liquidation



Tyrone Courtman
Joint Liquidator

Enclosures

Engineering Services (Humber) Limited - In Liquidation
 Combined Receipts and Payments Account and Estimated Outcome Statement to as at 17 September 2015

Estimated final position in Administration	Realised in the period 1 November 2012 - 31 October 2013	Realised in the period 1 November 2013 - 31 October 2014	Realised in the period 1 November 2014 - 17 September 2015	Total realisations to date	Future realisations	Estimated outcome
	£	£	£	£	£	£
Assets subject to a floating charge						
7 777 Transfers from Administration	7 777			7 777		7 777
22 147 Book debts and Retentions	9 000	7 290		16 290		16 290
Bank Interest Gross	277	95	6	277		277
Terminal loss relief reclaim						
125 068 Cash at bank	126 140			126 140		126 140
154 992 Estimated Assets Available	143 094	7 385	6	150 484		150 484
(2 869) Agents / Valuers fees						
(4 517) Solicitors fees	(2 176)	(5 197)		(7 373)		(7 373)
Administrators pre appointment costs	(4 235)	(4 500)		(8 735)		(8 735)
(25 000) Administrators fees and disbursements	(37 889)		(5 084)	(37 889)	0	(37 889)
(20 000) Liquidators Fees	(14 500)	(6 000)		(20 500)		(20 500)
Collection of books and records						
Insurance of assets						
Travel Expenses						
Statutory Advertising	(153)		(67)	(220)		(220)
Corporation tax			(36)	(36)		(36)
102 606 Estimated Assets available to preferential creditors	84 141	(8 312)	(5 181)	70 648		70 648
(6 064) Employees	(6 935)			(6 935)		(6 935)
(22,822) Redundancy Payments Office	(21 444)			(21 444)		(21 444)
73 720 Estimated Assets available for Floating Charge Holder	55 762	(8 312)	(5 181)	42 269		42 269
(36 645) Alncoough Venouard Limited		(42 269)		(42 269)		(42 269)
37 075 Estimated Assets available to unsecured creditors	55 762	(50 581)	(5 181)	0		0
(614 856) Trade & Expense creditors						
(230 411) HM Revenue & Customs VAT						
(339 273) HM Revenue & Customs PAYE						
(184 000) Engineering Services (Holdings) Limited						
(245 000) S Thomason Directors loan account						
(107 127) RPO Payment in Lieu of Notice						
(189 887) RPO Redundancy pay						
(9 314) Employees Payment in Lieu of Notice						
(1,727,813) Estimated Deficiency as regards unsecured creditors	55,762	(50,581)	(5,181)	0		0

**REMUNERATION NOTIFICATION
FOR THE PERIOD 1 NOVEMBER 2012 TO 17 SEPTEMBER 2015**

Case Name	Engineering Services (Humber) Limited
Office Holders	Tyrone Shaun Courtman Nicholas John Edwards
Firm	Cooper Parry Group Limited
Address	Sky View Argosy Road Castle Donington Derbyshire DE74 2SA
Telephone	01332 411163
Reference	ZE023
Type of Appointment	Joint Liquidators
Date of Appointment	1 November 2012

CONTENTS

Case overview

Description of work carried out

Summary of total time costs incurred to 17 September 2015

Summary of category 2 Disbursements paid

CASE OVERVIEW

DESCRIPTION OF WORK CARRIED OUT

Statutory

- Setting initial case strategy other than trading strategy
- Periodic review and update of case strategy
- Conducting file reviews to ensure compliance and identify any other matters requiring attention
- Considering requirement for solicitors and assessing the appropriate firm to be instructed and giving instructions for legal advice to be sought
- Dealing with accounting set up and case set up to ensure ability to comply with statutory reporting requirements
- Obtaining specific penalty for the appropriate sum and reviewing
- Posting of initial appointment letters including to the Registrar of Companies and to creditors
- Advertise the appointment in the appropriate papers
- Post appointment VAT return completion
- Statutory reporting including reports to creditors and convening and holding any meetings required
- Dealing with statutory requirements under the appropriate Statements of Insolvency Practice
- Reporting to creditors in accordance with any agreement or legislation including compliance with SIPs 7 and 9
- Cashiering including processing receipts & payments
- Dealing with statutory obligations regarding pensions

Investigations

- Sending questionnaires to apparent directors and shadow directors
- Review of company records and requests to creditors for information to identify any matters requiring further detailed examination
- Completion of report on directors conduct to BIS

Asset Realisations

- Identifying, securing and insuring assets
- Collating information and supporting documents regarding book debt collections
- Negotiating with debtors regarding disputed accounts
- Instructing other advisors including but not necessarily limited to lawyers
- Liaising with advisors regarding on going collection and disputed accounts
- Monitoring and accounting for proceeds received
- Payment of approved debt collection expenses
- Liaising with HM Revenue & Customs regarding Terminal Loss Relief claim

Creditors/Other Matters

- Preparation and submission of pre-appointment tax returns for the purposes of the Crown claims to be agreed
- Scheduling claims received from creditors
- Corresponding with the Redundancy Payments Office with respect to its claim
- Confirming amounts outstanding to each class of creditor

- Liaising with landlords/hire purchase/lease companies etc
- General creditor liaison
- Liaising with solicitors regarding Court application in respect of directions required for validity of Debenture
- Report to Preferential creditors as regards administrators remuneration and providing substantiating documentation
- Agreement and payment of Preferential creditors

Employment

- General employee liaison

SUMMARY OF CATEGORY 2 DISBURSEMENTS PAID

Type and Purpose:	£:
Photocopying	-
Telephone & Faxes	-
Mileage	-
Meeting Rooms	-
Total	£-

Statement of the Provisions of Rule 4.49E & 4.131

Rule 4.49E Creditors' and members' request for further information

(1) If -

(a) within the period mentioned in paragraph (2) -

- i a secured creditor, or
- ii an unsecured creditors with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
- iii members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company, or

(b) with the permission of the court upon an application made within the period mentioned in paragraph (2) -

- i any unsecured creditor, or
- ii any member of the company in a members' voluntary winding up

makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4 49B(1) (e) or (f) (including by virtue of Rule 4 49C(5)) or in a draft report under Rule 4 49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of a matter in a draft report under Rule 4 49D or a progress report required by Rule 4 108 which (in either case) was previously included in a progress report not required by Rule 4 108

(2) The period referred to in paragraph (1)(a) and (b) is -

- (a) 7 business days of receipt (by the last of them in the case of an application by more than one member) of the progress report where it is required by Rule 4 108, and
- (b) 21 days of receipt (by the last of them in the case of an application by more than one member) of the report or draft report in any other case

(3) The liquidator complies with this paragraph by either -

- (a) providing all of the information asked for, or
- (b) so far as the liquidator considers that -
 - i the time or cost of preparation of the information would be excessive, or
 - ii disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
 - iii the liquidator is subject to an obligation of confidentiality in respect of the information,given reasons for not providing all of the information

(4) Any creditor, and any member of the company in a members' voluntary winding up, who need not be the same as the creditors or members who asked for the information, may apply to the court within 21 days of -

- (a) the giving by the liquidator of reasons for not providing all of the information asked for, or
- (b) the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just

(5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks or, as the case may be, 4 weeks provided for in Rule 4 131(1B) or 4 148C(2) by such further period as the court thinks just

(6) This Rule does not apply where the liquidator is the official receiver

Rule 4.131 Creditors' claim that remuneration is or other expenses are excessive

(1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

(1A) Application may be made on the grounds that -

- (a) the remuneration charged by the liquidator,
- (b) the basis fixed for the liquidator's remuneration under Rule 4 127, or
- (c) expenses incurred by the liquidator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

(1B) The application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or, in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report, or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

(2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days, notice, but which is without notice to any other party

If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

(3) The applicant shall, at least 14 days before the hearing, send to the Liquidator a notice stating the venue, and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

(4) If the court considers the application to be well-founded, it must make one or more of the following orders -

- (a) an order reducing the amount of remuneration which the liquidator was entitled to charge,
- (b) an order fixing the basis of remuneration at a reduced rate or amount,

- (c) an order changing the basis of remuneration,
- (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation,
- (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report"

(5) Unless the Court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the Liquidation

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 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 basis sought is 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 a 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.

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), 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 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.

**Engineering Services (Humber) Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
From 1 November 2012 To 17 September 2015**

S of A £	£	£
ASSET REALISATIONS		
Book Debts	16,290 00	
Cash at Bank	126,139 86	
Bank Interest Gross	277 61	
Tfr of VAT from Administration	7,777 19	
	<u> </u>	150,484 66
COST OF REALISATIONS		
Liquidators Fees	25,584 67	
Quantity Surveyors Fees	8,735 10	
Legal Fees	7,373 26	
Corporation Tax	35 67	
Administrators' Fees	37,888 60	
Statutory Advertising	220 00	
	<u> </u>	(79,837 30)
PREFERENTIAL CREDITORS		
Employees Wage Arrears	1,464 26	
Employees Holiday Pay	4,007 20	
RPO - Wage Arrears	9,779 61	
RPO - Holiday Pay	11,664 22	
HM Revenue & Customs	1,463 25	
	<u> </u>	(28,378 54)
FLOATING CHARGE CREDITORS		
Ainscough Vanguard Limited	42,268 82	
	<u> </u>	(42,268 82)
		<u> </u>
		<u> </u>
		(0.00)
REPRESENTED BY		
		<u> </u>
		<u> </u>
		NIL