

ipd Remuneration and Disbursement Schedule Effective from 1 July 2019

Remuneration

A resolution will be proposed to or has already been approved by shareholders and/or creditors for the office holder's remuneration to be fixed by reference to the time properly given by the office holder and their staff in attending to matters arising in the conduct of the case, at the time cost rates of ipd applicable from time to time, including time given by the office holder and their staff before the case commenced. This remuneration is to be paid as and when funds become available. Such time cost rates are periodically reviewed and may be changed, generally on 1 July each year, but changes may be made at any time at the office holder's discretion. Notification of changes will be published on the office holder's website at www.ipd-uk.com.

Time is charged to the case in units of one hour, broken down into minimum periods of 6 minutes, e.g.:

0.1 units = 6 minutes
1.0 units = 1 hour
1.2 units = 1 hour and 12 minutes.

Time cost rates per hour effective from the above date, per grade of staff, are:

Staff	£	£
	<i>Standard</i>	<i>Complex</i>
Director	275	370
Senior Manager	225	300
Manager	190	255
Senior Administrator	165	220
Administrator	135	180
Support/Cashier	100	135

Disbursements

This firm may incur disbursements on behalf of a case and will then recharge those disbursements back to the case after obtaining the appropriate authority from shareholders and/or creditors. Reports to creditors will provide a breakdown of the category of disbursements that have been incurred and which have been or will be recharged.

Statement of Insolvency Practice 9 states that disbursements should be divided into two categories:

Category 1

Category 1 disbursements are recoverable from a case without prior approval from shareholders or creditors. These disbursements will generally comprise external supplies of incidental services specifically identifiable to the case, e.g. identifiable telephone calls, postage and case advertising, together with travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

This firm classes the following as Category 1 disbursements where these are directly attributable to a case:

- Postage costs;
- Statutory and other insurance costs;
- Statutory and other advertising costs;
- External room hire;
- The fees and expenses of specialist external advisors including (but not limited to) asset, tax, employee, legal and other advisors/agents;
- Staff expenses;

- Company search costs;
- Chargeable search reports (e.g. HM Land Registry, CreditSafe, C6i)
- All travel costs (except for mileage claims);
- Other external expenses not defined above but which are directly attributable to a case.

This firm does not add any profit element to Category 1 disbursements when recharging them to a case.

Category 2

Where it is proposed to recover costs which may, whilst being in the nature of expenses or disbursements, include a profit element or elements of shared or allocated costs, they should be identified and subject to approval by shareholders and/or creditors. If the office holder wishes to make a separate charge for expenses in this second category, they may do so provided that:

- such expenses are of an incidental nature and are directly incurred on the case, and there is a reasonable method of calculation and allocation; and
- the basis of the proposed charge is disclosed and is authorised by those responsible for approving the office holder's remuneration.

Category 2 disbursements will comprise cost allocations which may arise on some of the Category 1 expenses where supplied internally: typically, items such as room hire and document storage. Also typically included will be routine or more specialist copying and printing, and allocated communication costs provided by the practitioner or his firm.

This firm classes the following as Category 2 expenses:

- Fuel-related travelling/mileage expenses at the current HM Revenue & Customs mileage rates when directly attributable to a case.
- Reports (including Committee Reports) and bulk communications to creditors/debtors are charged at 20 pence per A4/A5 sheet and 30 pence per A3 sheet in respect of copying and stationery costs;
- Envelopes in respect of the above are charged at 15 pence per DL envelope, 20 pence per C5 envelope and 25 pence per C4 envelope;
- Room hire for the purpose of holding members' or creditors' meetings is charged at £150 per meeting if the meeting is held at this firm's offices;
- Storage of books and records will be charged at a rate of £1.75 per archive box per month until 15 months following the release of the office holder. Such costs will be charged to the case in advance;
- An advance charge for the destruction of books and records will be charged at £7.50 per box;
- Sundry single charges per case which are made at the start of a case of:
 - £50 for the utilisation of Encompass Enquiry Software
 - £50 for provision of case files;
 - £100 for archiving case files; and
 - £120 for utilisation of IPS software.

This firm does not make any charge for telephone costs or for the cost of day to day correspondence produced in the administration of a case.

All Category 1 and 2 disbursements are subject to VAT where applicable.

NOTE:

The above will also apply in respect of any client work undertaken by Insolvency Practitioners Direct Limited in accordance with an agreed Letter of Engagement.