**Liquidator’s Final Account to   
Creditors and Members**

**[Company Name] Limited   
­ In Liquidation**

**[Date of Final Account]**

**CONTENTS**

1. Introduction
2. Receipts and Payments
3. Work undertaken by the Liquidator
4. Outcome for Creditors
5. Liquidator’s Remuneration & Expenses
6. Conclusion

**APPENDICES**

1. Receipts and Payments Account from [Date of appointment or date of last annual progress report if issued to [Date of final account]
2. Cumulative Receipts and Payments Account for Period from [Date of appointment] to [Date of this final account] *[Note: only applicable where this is not the first and only R&P being issued in the liquidation - delete if n/a]*
3. Time Analysis for the period [Date of appointment or date of last annual progress report if issued] to [Date of final account] *[Note: only applicable for any part of remuneration based on time costs - delete if n/a]*
4. Cumulative Time Analysis for the Period from [Date of appointment] to [Date of this final account] *[Note: only applicable where this is not the first and only report being issued in the liquidation to creditors and any part of remuneration based on time costs - delete if n/a]*
5. Final Outcome Statement *[delete if not being provided however if an estimated outcome statement has previously been provided, a final statement would be appropriate for consistency of reporting per SIP9]*
6. Additional Information in Relation to the Liquidator’s Fees, Expenses & the use of Subcontractors

# Introduction

## I, [Name of Liquidator] of [Firm Name and Address], was appointed as Liquidator of [Company Name] (the **Company**) on Date. The affairs of the Company are now fully wound-up and this is my final account of the liquidation, which covers the period since my [appointment OR last progress report to [enter period end date]] (the **Period**).

## Information about the way that we will use, and store personal data on insolvency appointments can be found in the attached Privacy Notice *[OR]* can be found at [insert web link or link to creditor portal where this is located]. If you are unable to download this, please contact us and a hard copy will be provided to you.

## The trading address of the Company was [Insert Address]. The business traded under the name [Insert name if different from the Company name].

## The registered office of the Company was changed to [Insert Address] and its registered number is [Insert Number].

## *[Any potential threats to one of the five Fundamental Principles under the Insolvency Code of Ethics that may have been identified during the liquidation should have already been disclosed to creditors, however if this is the only report being issued in the liquidation because the case is being closed within one year of commencement, consider whether disclosure of the threat identified, and the steps taken to address this by way of safeguards introduced during the assignment should be disclosed. Also ensure that the impact of any threats identified on payments from the estate have been considered and where appropriate, that creditor approval for these to be paid as a Category 2 expense has been obtained prior to payment and closure.]*

# Receipts and Payments

## At Appendix A, I have provided an account of my Receipts and Payments for the Period with a comparison to the directors' statement of affairs values, together with a cumulative account since my appointment at Appendix B, which provides details of the remuneration charged and expenses incurred and paid by the Liquidator.

## *[Remember that SIP9 requires that payments are reported consistently throughout the life of a case.]*

# Work undertaken by the Liquidator

## This section of the report provides creditors with an overview of the work undertaken in the Period since the date of my appointment.

## *[OR if this is* ***not*** *the first and only report being issued in the liquidation, include the sentence below instead.]*

## This section of the report provides creditors with an overview of the work undertaken in the Period, together with information on the overall outcome of the liquidation.

### *[SIP9 requires that an appropriate narrative update explaining the office holder’s activity during the final period being reported upon be given to creditors. One of the principles of SIP9 (post 1/4/21) is that all payments from an estate should be* ***fair and reasonable*** *and* ***proportionate*** *to the appointment. In addition, payments to the liquidator from an estate should also be fair and reasonable reflections of the work necessarily and properly undertaken. Ensure that a suitable explanation is provided to creditors for* ***any costs that do not appear to be proportionate to the case*** *to comply with the principles of the SIP.*

### *Consistent divisions for each part of the work done should be used throughout the life of the case and reflect the work categories in any fees estimate, where the basis approved is time costs. Therefore, consider what categories have been used in any fees estimate and previous annual reports when preparing this final account.*

### *Whilst a blended rate (or rates) may have been used in any time cost fees estimate, SIP9 mandates that subsequent reporting should reflect the* ***actual hours and average rate (or rates)*** *of the costs charged for each part of the work be provided for comparison purposes. Ensure a matrix covering the time spent is included either within the report or as an appendix to it and ensure that suitable narrative explanations are given which again are proportionate to the work carried out in the final period.*

### *Some work will have been performed solely to comply with statutory requirements and other aspects of work done will add value or has been necessary to realise assets and distribute funds. Some work (eg, further investigation work) may have been necessarily undertaken but ultimately has not added any monetary value to the estate. Ensure these matters are explained to creditors in this narrative section.*

## *If prior annual reports have been issued, it is not however necessary to repeat information provided previously. Concise summary information or reference to information in previous reports issued is sufficient, providing creditors will be able to understand the narrative explanation of the work done in the period of this report from this.*

## *The narrative should provide an explanation if work was done that was not originally anticipated and this had an impact on the original fee estimate. If significant amounts of time were allocated to a particular grade of staff (eg, a partner has undertaken an aspect of the work due to the inherent complexities), the narrative should explain why the work required the involvement of that particular grade of staff.]*

### ***Administration (including statutory compliance & reporting)***

## An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work I anticipated undertaking in this regard was outlined in my initial fees estimate/information which was previously agreed by creditors and I would confirm that in this Period, the only matters that have affected the costs to any particular extent are *[include relevant information on work performed during the final period that has impacted on the overall costs incurred - if none, modify the sentence.]*

## *[If this is a post 1/10/15 case and continue with the following, otherwise delete it]* Where the costs of statutory compliance work or reporting to creditors exceeded the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidator.

## This work has not necessarily brought any financial benefit to creditors but is work required on every case by statute.

### ***Realisation of Assets***

## *[Provide summary outcome information on the realisation of the Company’s assets during the liquidation - use subheadings as appropriate and ensure you provide sufficient narrative explanation to creditors that they will understand the work done in the period covered by this account and overall against the statement of affairs values. It is not necessary to repeat detailed information reported to creditors in any previous progress reports, but creditors should understand the overall outcome from the realisation of the Company’s assets from information provided. If this is the one and only progress report being issued to creditors (ie, because the liquidation is concluded within a year) then a more detailed account will be required.*

## *This section could include categories such as Property, Stock, Fixtures & Fittings, Debtors, and should make reference as appropriate to the Company’s assets as per the Statement of Affairs. It should be clear to creditors what work was undertaken by the Liquidator and what aspects were outsourced to a third party and why (eg, debt collection agents or the use of agents to dispose of the Company’s assets) and the outcome against previously provided forecasts. Ensure any variances against previous outcome forecasts are explained and confirm if the work undertaken has ultimately produced a financial benefit to creditors or not.]*

### ***Creditors (claims and distributions)***

## Liquidators are not only required to deal with correspondence and claims from unsecured creditors, but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.

## *[If this is a post 1/12/20 case include 3.9 below, otherwise delete it]*

## Since 1 December 2020, claims from preferential creditors now fall into one of two categories, either ordinary (typically involving employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal, which rank equally among themselves), or secondary (which are claims by HMRC for VAT or other relevant tax deductions such as PAYE and employee NIC deductions, together with student loans and CIS deductions, which also rank equally among themselves). Ordinary preferential claims rank ahead of secondary preferential claims and all preferential creditors must be paid in full before any distribution can be made to the unsecured creditors of a company.

## Work undertaken by a Liquidator in dealing with a company’s creditors may only therefore bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims.

## *[If there have been any particular complexities in dealing with the claims of creditors in this case, summarise this here. For example, if there were significant numbers of employees or trade creditors this may have impacted on the overall cost of the liquidation and a suitable explanation should be provided. Ensure this information is consistent with any previous progress reports issued and remember it is not necessary to repeat information previously provided unless it is relevant to the work done in the final period being reported on in this report.]*

## More information on the outcome for all classes of creditor in this case can be found in Section 4 below.

### ***Investigations***

## *[If this is the only report being issued in this case (ie, it is being closed within 12 months of the appointment date) include paragraphs 3.13 - 3.15, or if a previous progress report has been issued, include paragraphs 3.16 - 3.18 instead]*

## Some of the work Liquidators are required to undertake is to comply with legislation such as the Company Directors’ Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless those investigations revealed potential asset recoveries that could have been pursued for the benefit of creditors.

## My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted in accordance with statutory timescales and is confidential. *[Comment if a disqualification order has been made]*.

## Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account any information provided by creditors. My investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors.

## *[OR if this is* ***not*** *the first and only report being issued to creditors in the liquidation, include paragraphs 3.16 - 3.18 below instead]*

## You may recall from my first progress report to creditors that some of the work the Liquidator is required to undertake is to comply with legislation such as the Company Directors’ Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.

## My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first year of the liquidation and is confidential. *[Comment if a disqualification order has been made]*.

## Since my last progress report I would advise that no further asset realisations have come to light that may be pursued by me for the benefit of creditors *[OR provide an update to creditors on the progress made with any specific investigations which may result in asset recoveries]*.

### ***Connected party transactions*** *[delete section if not applicable or this information has already been reported in an earlier progress report]*

## In accordance with Statement of Insolvency Practice 13, I would advise you that the following assets were sold to [a Director of/person connected with] the Company:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date of transaction** | **Assets involved & nature of transaction** | **Consideration paid & date** | **Sold to** | **Relationship** |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

### *[If the transaction took place prior to the Liquidator’s appointment, also provide the following details:]*

#### *Whether the purchaser and the Company were independently advised*

#### *If so, the name of the adviser to the Company*

#### *The scope of the Liquidator’s investigations and conclusions into the transaction*

### *[If the transaction took place post appointment and without consultation with any creditors’ committee, explain why consultation did not take place. Where consultation has taken place, explain the outcome of the consultation.]*

# Outcome for Creditors

### ***Secured Creditors***

## [Name of secured creditor] holds a fixed and floating charge over the Company’s assets. At the date of the liquidation the indebtedness to the secured creditor was estimated at £[Amount] and was agreed at £[Amount] (including interest). A distribution of £[Amount] has been to the debenture holder under their charge *[OR]* No funds became available in the liquidation from which a distribution could be paid to the debenture holder under their charge.

## *[OR]*

## The Company did not grant fixed or floating charges over the Company’s assets to any secured creditors and as a result, no distributions have been made to any such creditors in the liquidation.

### ***Preferential Creditors***

## A summary of the preferential claims in the liquidation and details of any distributions paid can be found below:

## *[Delete any categories not applicable to this case. If the case commenced prior to 1/12/20, ensure the secondary preferential claims section is removed as it will not be applicable]*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Ordinary preferential claims *[delete this heading if pre 1/12/20 case]*** | **Agreed Claim**  **£** | **Statement of Affairs Claim**  **£** | **Dividend paid**  **p in the £1** | **Date dividend paid** |
| Employee claims (Total number of claims = [Number]) | [Total Amount] | [Total Amount] | [Enter p in the £1 paid] |  |
| Department for Business, Energy & Industrial Strategy (BEIS) | [Total Amount] | [Total Amount] | [Enter p in the £1 paid] |  |
| **Secondary preferential claims** | **Agreed Claim**  **£** | **Statement of Affairs Claim**  **£** | **Dividend paid**  **p in the £1** | **Date dividend paid** |
| VAT (HMRC) |  |  |  |  |
| PAYE, Employee NIC & CIS deductions (HMRC) |  |  |  |  |
| Student Loan Deductions |  |  |  |  |
| Debts owed under the Financial Services Compensation Scheme (FSCS) |  |  |  |  |

### ***Unsecured Creditors***

## The Company’s statement of affairs indicated there were [Number] creditors whose debts totalled £[Amount]. I have received claims totalling £[Amount] from [Number] creditors in the liquidation.

## The Company granted a floating charge to [Lender name] on [Date]. Accordingly, there was no requirement to create a fund out of the Company’s net floating charge property for unsecured creditors (known as the **Prescribed Part**), which only applies to charges created after 15 September 2003.

### *[OR]*

### The Company granted a floating charge to [Lender name] on [Date]. Accordingly, under the provisions of s176A of the Insolvency Act 1986, I was required to create a fund out of the Company’s net floating charge property for unsecured creditors (known as the **Prescribed Part**) and I would confirm that the value of the Company’s net floating charge property was £[Amount].

## From this net property, the value of the unsecured creditors’ fund was calculated to be £[Amount] and a distribution of [p in the £] was made to creditors from this fund on [Date].

### *[If applicable add the following paragraph and amend the wording in 4.5 above, otherwise delete]* Given that I believed that the costs of making a distribution to unsecured creditors from this fund would be disproportionate to the benefit, I made an application to Court for an Order releasing me from this requirement, which was granted on [Date].

## *[OR if there was no floating charge granted by the Company, include the following paragraph instead]*

## No floating charges were granted to secured creditors by the Company. Accordingly, there was no requirement under s176A of the Insolvency Act 1986 to create a fund out of the Company’s net floating charge property for unsecured creditors, known as the Prescribed Part.

## *[Then continue with one of the following options]*

## Overall, I can confirm that the realisations are insufficient to declare a dividend to the unsecured creditors, aside from the dividend from the unsecured creditors’ fund noted above.

### *[OR]*

### Overall, I can confirm that the realisations in the liquidation are insufficient to declare a dividend to the unsecured creditors after defraying the expenses of the proceedings.

### *[OR]*

### I can confirm that a first and final dividend of [Enter pence in the pound amount] was paid to the unsecured creditors on [Date] *[OR]* is included with this report. *[If applicable, confirm whether the dividend paid includes the amount paid out from the unsecured creditors’ fund noted at point 4.5 above or is in addition to this. If it is in addition to, then state that is the case.]* No further dividend will be declared. *[Amend where more than one dividend has been declared and paid]*.

## *[delete if not including]* Attached at Appendix E is a Final Outcome Statement which indicates the outcome of the liquidation for creditors.

# Liquidator’s Remuneration & Expenses

## The basis of the Liquidator’s remuneration was fixed in the liquidation by the creditors’ committee *OR* creditors [either by reference to the time properly spent by him and his staff in managing the Liquidation OR as a percentage of the value of the assets he has to deal with OR as a set amount OR provide details of the combination of the three bases if applicable].

### *[If the overall basis of the Liquidator’s remuneration is based on time costs or includes a time cost element, include the following information at 5.2-5.5, otherwise delete these sections and choose an alternative option from those below.]*

## My time costs for the Period total £[Enter amount], which represents [Number] hours at an average rate of £[Amount] per hour. Attached as Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period and a narrative explanation of the work undertaken by the Liquidator during the Period can be found at section 3 of this report.

### *[If this is not the first and only progress report, include 5.3, otherwise delete]*

## Also attached as Appendix D is a cumulative Time Analysis for the period from [Date of appointment] to [Date of this report] which provides details of my time costs since the commencement of the liquidation. These time costs total £[Amount] which represents [Number] hours at an average rate of £[Amount] per hour.

### *[If this case commenced after 1/10/15 include the following information at 5.4 otherwise delete it]*

## You will recall that I provided creditors with my fees estimate prior to the agreement of the basis of my remuneration as time costs. The approved fees estimate imposed an overall cap on my fees of £[Amount] and I would confirm that it was not necessary during the liquidation to seek further approval to increase this estimate *[OR]* I would confirm that it was necessary during the liquidation to seek further approval to increase my original fees estimate to £[Amount] because *[insert reason]*.

## The total amount paid to my firm in respect of fees in this liquidation is £[Amount] which is below my approved fees estimate. No further fees will be drawn in the liquidation.

### *[If the basis of the Liquidator’s remuneration is based on a percentage of realisations, or includes a percentage cost element, include the following information at 5.6 - otherwise delete]*

## The Liquidator has made the following realisations upon which creditors approved a percentage to be taken as remuneration. Details of the realisations made in the liquidation and of the associated remuneration drawn in respect of those realisations is set out below:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Asset category** | **Value of assets realised in the Period** | **Total value of assets realised since appointment** | **Remuneration % agreed** | **Total fees due on realisations** | **Total fees drawn** |
| Eg, Book debts | Eg, £20,000 | Eg, £100,000 | Eg, 10% | Eg, £10,000 | Eg, £10,000 |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

### No further fees will be drawn prior to closure of the case *[amend if this is not the case]*.

### *[If the basis of the Liquidator’s remuneration includes a set fee element, include the following information at 5.7 - otherwise delete]*

## The Liquidator’s remuneration basis was agreed as a set amount of £[Amount] and a total of £[Amount] has drawn against this agreed fee in the liquidation. No further amounts will be drawn prior to closure of the case *[amend if this is not the case]*.

## Attached as Appendix F is additional information in relation to the Liquidator’s fees and expenses, including where relevant, information on the use of subcontractors and professional advisers.

## A copy of ‘A Creditors’ Guide to Liquidators’ Fees’ is available on request or can be downloaded from *[Enter location of guide eg, firm's website or ICAEW/IPA website, etc & ensure creditors are directed to the relevant guide version applicable to the appointment]*.

# Conclusion

## This final account will conclude my administration of this case. The Notice accompanying this account explains creditors rights on receipt of this information and also when I will vacate office and obtain my release as Liquidator.

Yours faithfully

**Name**

Liquidator

Enc

**Appendix F**

**Additional Information in Relation to the Liquidator’s Fees, Expenses & the use of Subcontractors**

# Staff Allocation and the use of Subcontractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

We have not utilised the services of any subcontractors in this case.

*[OR]*

On this case we have utilised the services of the following subcontractors. It is considered that the cost of subcontracting this work to specialist contractors will be less than, or equivalent to, the cost of these services being undertaken by the office holder(s) or their staff and the outsourcing of this work will bring greater efficiency to this element of the work necessary in the liquidation.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Service (s)** | **Provider** | **Work done** | **Basis of fee arrangement** | **Total cost £** |
| Employee claims processing | Enter name of sub-contractor | Employee claims support, assisting with the submission of ERA claims to the Redundancy Payments Service and agreement of employee claims with the office holder. This may also include the production of P45s for former employees where appropriate | Eg, Rate per employee claim or hourly rate agreed | Enter total cost paid |
| Book debt collection | Enter name of debt collection firm | Pursuing and collecting in of outstanding book/contract debts due to the estate | Eg, XX% of realisations or time costs | Enter total cost paid |
| [Add further subcontractors as appropriate here] |  |  |  |  |

*[Note: SIP9 requires that where an office holder sub-contracts out work that could otherwise be carried out by the office holder or their staff, this should be drawn to the attention of creditors with an explanation of why it is being done, what is being done and how much it will cost. ERA work and debt collection are examples of this – whilst this information should have been covered in previous progress reports, if this is the first and only report being issued to creditors, or further subcontractors have been utilised since the last report to creditors was issued, ensure you include a statement here about why any such subcontractors are being used if they appear in the table above and have not previously been covered and also why it is considered there will not be a duplication of costs for example.*

*Remember that prior fee approval as a Category 2 expense must be sought in instances where a sub-contractor has an association with the office holder.*

**Professional Advisors**

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

|  |  |
| --- | --- |
| **Name of Professional Advisor** | **Basis of Fee Arrangement** |
| [Solicitor's name] (legal advice) | State basis agreed – if % state what the % is |
| [Insurer's name] (insurance) | State basis agreed – if % state what the % is |
| [Agent name] (valuation and disposal advice) | State basis agreed – if % state what the % is |

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

**Liquidator’s Expenses**

The estimate of expenses which were anticipated at the outset of the Liquidation was provided to creditors when the basis of my fees were approved. The table below compares the estimated overall costs against those incurred in the liquidation. The payment of these expenses is reflected in the Receipts and Payments Account enclosed with this report.

***Category 1 expenses***

These expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses may include disbursements which are payments first met by an office holder and then reimbursed from the estate.

|  |  |  |
| --- | --- | --- |
| ***Expense*** | ***Estimated overall cost £*** | ***Total paid £*** |
| Agent’s fees & expenses |  |  |
| Legal fees & expenses |  |  |
| Statutory advertising |  |  |
| Specific Penalty Bond |  |  |
| Insurance |  |  |
| External storage costs |  |  |
| External meeting room hire |  |  |
| Re-direction of mail |  |  |
| Pension advice |  |  |
| Case administration software |  |  |
| External Mail Services |  |  |
| External Web Hosting |  |  |
| AML electronic searches |  |  |
| Bank charges |  |  |
| Others – provide details |  |  |

*[You should also draw creditors’ attention to any Category 1 expenses included in this table that were not anticipated at the time the Liquidator’s fee approval was obtained.]*

***Category 2 expenses***

## These expenses do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may therefore include payments to associates of the office holder or shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Details of Category 2 expenses charged by this firm (where appropriate) were provided at the time the Liquidator’s fees were approved.

|  |  |  |
| --- | --- | --- |
| ***Expense*** | ***Estimated overall cost £*** | ***Total Paid £*** |
| External meeting room hire |  |  |
| Business mileage |  |  |
| External storage costs |  |  |
| Postage charges |  |  |
| AML electronic searches |  |  |
| Others - state |  |  |