

PARKER ANDREWS

TIME COSTS AND EXPENSES CHARGING POLICY – MARCH 2024

Our approach is that we should work on a results-based service. Therefore, we do not charge up front for initial meetings and we are realistic when it comes to asking for funds to be paid on account to us, as we appreciate that most of our clients are facing financial difficulties. In many cases we can act without receiving funds in advance of being formally appointed. This may not always be the case where significant work is required prior to being appointed.

We will always agree with clients either a fixed fee, or a basis for charging (such as our hourly rates below) before commencing work. Where we agree to charge on our hourly rates, we will give you an estimate of what we think our fee will be in advance. We record our time in units of 6 minutes, similar to solicitors and other professionals. Our time recording system insists on our staff providing narrative to detail what work was carried out.

In most formal insolvency appointments, the basis of our fees from the date of our appointment will be agreed by creditors.

Our charge out rates are reviewed annually. Support staff are charged at their individual staff grades shown below, for specific work conducted on individual cases. Our hourly rates are subject to VAT at the applicable rate. Fees and Expenses charged in relation to Voluntary Arrangements are not usually subject to VAT.

Grade	1 March 2024 to date
	£
Insolvency Practitioner / Director (Appointment taking)	540
Insolvency Practitioner / Director (Non-appointment taking)	525
Senior Manager	450
Manager	400
Assistant Manager	375
Senior Administrator	325
Administrator	275
Assistant / Support	225

Expenses charged in insolvency cases are classified as either Category 1 or Category 2.

Expenses are amounts properly payable by the office holder from the estate which are not otherwise categorised as the office holder's remuneration or as a distribution to a creditor or creditors. These may include, but are not limited to, legal and agents' fees, trading expenses and tax liabilities.

Category 1 expenses are payments to persons providing a service to which the expense relates who are not associates and where the specific expenditure is directly referable to the appointment in question. These are charged to the estate at cost, with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums. Legislation provides that liquidators may discharge Category 1 expenses from the funds held in the insolvent estate without further recourse to creditors.

Category 2 expenses are other expenses which are payable to associates or which have an element of shared cost. Payments may only be made in relation to Category 2 expenses after the creditors have approved the bases of their calculation.

Typically, the only expense incurred on this basis is Mileage at rates given by HM Revenue & Customs, which is currently set at 45p per mile.

For charge out rates prior to the above dates, please contact the office.