

Ecotech London Limited – In Administration

Joint Administrators' final progress report

5 June 2018

Ernst & Young LLP



Abbreviations

The following abbreviations are used in this report:

the Company/Ecotech London	Ecotech London Limited (In Administration)
Ecotech Corporation	Ecotech Corporation Limited
EY	Ernst & Young LLP
Hilton Baird	Hilton Baird Collection Services Limited
Hilco	Hilco Valuation Services Europe, a division of Hilco Global
NOI	Notice of Intention
Lombard	Lombard North Central plc
LWARB	London Waste and Recycling Board
PET	Polyethylene Terephthalate
MRF	Materials Recovery Facility
Premises	Unit 4, Marsh Way, Fairview Industrial Park, Rainham, Essex
Proposals	Joint Administrators' Proposals dated 29 July 2016
RBSIF	Royal Bank of Scotland Invoice Finance
STF	STF Maschinen und Anlagenbau GmbH

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1. Introduction

I write to provide you with my final progress report in the Administration, which includes details of the outcome for creditors. This report covers the period from 6 December 2017 to 5 June 2018 and should be read in conjunction with the Proposals and the Progress Reports dated 4 January 2017, 4 July 2017 and 3 January 2018.

Ecotech London Limited entered Administration on 6 June 2016 and Robert Hunter Kelly and Charles Graham John King of Ernst & Young LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5QR were appointed to act as Administrators.

The appointment was made by the Company's Directors under the provisions of paragraph 22(2) of Schedule B1 to the Insolvency Act 1986. Under the terms of the appointment, any act required or authorised to be done by the Joint Administrators can be done by either of them.

Further statutory information can be found at Appendix D.

1.1 Extensions to the Initial Period of Appointment

As previously advised, the Administration was extended by the Secured and Preferential creditors until 6 June 2018 to facilitate the asset realisation process and to enable net recoveries to be distributed to the Company's creditors.

2. Summary of the Administrators' Proposals

2.1 The purpose of the Administration

The purpose of an Administration is to achieve one of three objectives:

- a) To rescue the company as a going concern
- b) To achieve a better result for the company's creditors as a whole than would likely if the company were wound up (without first being in Administration)
- c) To realise property in order to make a distribution to one or more secured or preferential creditors

Insolvency legislation provides that objective (a) should be pursued unless it is not reasonably practicable to do so or if objective (b) would achieve a better result for a company's creditors as a whole. Objective (c) may only be pursued if it is not reasonably practicable to achieve either objective (a) or (b) and can be pursued without unnecessarily harming the interests of the creditors of the company as a whole.

It was not deemed possible to rescue the Company as a going concern in accordance with paragraph 3(1)(a) of Schedule B1 to the Insolvency Act, as:

- ▶ The Company was significantly loss making and thus, it was deemed unlikely that profitability could be achieved in the short term;
- ▶ The Company required significant levels of funding which was not possible to quantify or obtain in the time available. Further, it was uncertain as to whether any cash injection would be sufficient to generate an improvement in financial performance;
- ▶ The business had already ceased trading and all employees had been made redundant prior to the appointment of the Administrators; and
- ▶ The prospect of finding a trade buyer would have been extremely remote due to the recent casualties in the sector at the time coupled with wider market pressures.

The Joint Administrators sought to pursue objective (b) to achieve a better result for the Company's creditors as a whole than would be achieved if the Company were wound up. Key points to note are:

- ▶ Following appointment we undertook a brief marketing exercise, albeit this was restricted. We engaged with a select number of interested parties to gauge any potential interest in the business.
- ▶ However there were some fundamental hurdles preventing a sale of the business, being:
 - ▶ The existence of the buyback agreement and the limited prospect of achieving a sale price elsewhere that would prevent Lombard invoking its rights under the buyback agreement (due to the likely shortfall under any other sale scenario). Once the buyback agreement was invoked the Company no longer had an interest in the majority of the recycling line;
 - ▶ The business was significantly loss making and the overhead base was unsustainable; and
 - ▶ There would have been significant challenges in restarting the operation including the rehiring of employee and dealing with supplier issues.

As a result of the above, the Administrators concluded that objective (c) should be achieved, namely to realise property in order to make a distribution to one or more secured or preferential creditors.

2.2 Initial Meeting of Creditors

The Company had insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of the prescribed part.

In accordance with the provisions of paragraph 52(1) of Schedule B1 to the Insolvency Act 1986, the Joint Administrators did not convene a creditors' meeting at the time the proposals were distributed (although creditors were given the opportunity to request a meeting if they wished).

No request was received from any creditor to call a creditors' meeting, and as a result the Joint Administrators' proposals were deemed to be approved on 10 August 2016.

2.3 Conduct of the Administrations

It was proposed that the Joint Administrators would manage the affairs, business and property of the Company in order to achieve the purpose of the Administration. This included, inter alia:

- ▶ Realising the Company's remaining floating charge asset base which principally related to debtors, stock and plant and machinery. We would note that stock levels were nearly exhausted at appointment and there was limited unencumbered plant and machinery;
- ▶ Working with debt collection agents Hilton Baird who were appointed by RBSIF to collect the outstanding debtor book;
- ▶ Pursuing the release of the cash bond held by Lombard at the date of appointment which would be conditional upon a successful buyback negotiation;
- ▶ Exploring expressions of interest in acquiring the business and/or certain assets;
- ▶ Dealing with Retention of Title claims;
- ▶ Repatriating third party assets;
- ▶ Liaising with the Landlord with regard to occupation of the property and subsequent claims;
- ▶ Agreeing preferential and non-preferential creditor claims, including dealing with employee claims, queries and the Redundancy Payments Service;
- ▶ Distributing realisations to secured, preferential and non-preferential creditors;
- ▶ Dealing with unsecured creditor queries;
- ▶ Preparation of corporation tax returns and VAT returns;
- ▶ Dealing with statutory reporting and compliance obligations; and
- ▶ Finalising the Administration including payment of all Administration liabilities.

2.4 The end of the Administration

In the Proposals it was proposed that if at the end of the Administration the relevant company had no property which might permit a distribution to its creditors other than by way of the Prescribed Part, the Joint Administrators would send a notice to that effect to the Registrar of Companies. On registration of the notice the Joint Administrators' appointment would come to an end. In accordance with the provisions of paragraph 84(6) of Schedule B1 to the Insolvency Act 1986 the company will be deemed to be dissolved three months after the registration of the notice.

3. Actions taken during the Administration

3.1 Trading/wind down

The Company ceased to trade prior to filing the NOI and made all of its employees redundant on 31 May 2016 being the date up to which the payroll was paid.

Accordingly it was not possible to trade the business during the Administration (nor was there any merit in trading the business given the ongoing losses and lack of available funding).

Therefore the Joint Administrators sought to wind down the Company's affairs.

3.1.1 Retention of Title ("ROT")

A small number of ROT claims were received following our appointment. However, given the Company had ceased trading we aimed to limit the time spent on this area in order to prevent unnecessary costs being incurred.

Where possible we worked with ROT creditors to recover their assets and mitigate unsecured claims.

3.1.2 Third party assets

Certain assets of the Company were either on hire or under a lease agreement such as a water treatment plant, forklift trucks and balers. Where the identity of the third party could be identified, the Joint Administrators invited these parties to collect their assets from the Company premises before the premises were vacated 30 June 2016.

3.2 Sale of business

As previously reported, due to numerous challenges (in particular the inability to trade the business and the significant holding costs associated with the trading location) it was evident that a sale of business would not be achieved following appointment. Accordingly the Administration strategy focussed on winding down the Company's affairs and maximising realisations from the Company's asset base (which was fairly limited due to the majority of assets being subject to third party finance).

3.3 Realisation of assets

3.3.1 Stock

Stock realisations of £23,647 were generated from the residual finished goods stock at the Company's premises.

3.3.2 Plant and machinery

The small amount of owned plant and machinery was sold at auction and generated total recoveries (before costs of realisation) of £23,355.

3.3.3 Debtors

Debtor realisations after repaying RBSIF amounted to c.£215,412.

Fees of £13,657 have been paid to Hilton Baird for debtor collection assistance (including fees for issuing claims).

3.3.4 Cash bond held by Lombard

At the date of appointment Lombard held a cash bond of £250,000 which we understand was a condition of providing finance for the main recycling line.

The overall settlement under the buyback agreement resulted in a net cash surplus to the Company of c.£216,500 (after deductions for legal costs).

4. Receipts and Payments Account

We enclose a receipts and payments account for the Company in Appendix A, for the period 6 June 2016 to 5 June 2018.

5. Outcome for Creditors

5.1.1 Lombard

Lombard provided funding for the majority of the Company's recycling line and had a balance due under the termination agreement of £1.1m.

Lombard recovered their exposure in full under the buyback agreement and through a partial claim on the cash bond.

5.1.2 LWARB

LWARB have a second ranking debenture containing a fixed and floating charge with total exposure of c.£2.8m.

Total distributions of £222,726 have been made to LWARB.

5.2 Preferential creditors

Preferential creditor claims totalling £21,040 have been paid in full.

5.3 Non-preferential creditors

Total non-preferential claims of £5,487,649 were submitted in the Administration, of which, £5,462,462 were admitted for dividend purposes.

A first and final dividend of 0.79p in the pound was made to non-preferential creditors on 10 May 2018 by way of the Prescribed Part.

5.3.2 The Prescribed Part

The Prescribed Part is a proportion of floating charge assets set aside for unsecured creditors pursuant to section 176A of the Insolvency Act 1986. The Prescribed Part applies to floating charges created on or after 15 September 2003.

6. Administrators remuneration and disbursements and payments to other professionals

6.1 Administrators' remuneration

The statutory provisions relating to remuneration are set out in Rule 18.16 of the Insolvency (England and Wales) Rules 2016. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of Institute of Chartered Accountants at <https://www.icaew.com/en/technical/insolvency/creditors-guides>, or is available in hard copy upon written request to the Joint Administrators.

On 19 December 2016 secured and preferential creditors approved, in accordance with the provisions of Rule 2.106(5A) of the Insolvency Rules 1986 (as it was at the time, now Rule 18.18(4) of the Insolvency (England and Wales) Rules 2016), that the Joint Administrators' remuneration be fixed on the basis of time properly given by them and their staff in dealing with matters arising in the Administration.

To date, the Joint Administrators have incurred time costs of £294,418 against which fees of £145,000 have been drawn. This includes time spent on Prescribed Part matters.

An analysis of the time spent is attached at Appendix B for each grade of staff for the various areas of work carried out to 5 June 2018, as required by the Association of Business Recovery Professionals' Statement of Insolvency Practice No. 9.

The Administrators' remuneration has not exceeded the amount provided for in the fee estimate sent to creditors on 29 July 2016.

At Appendix C there is a statement of the Administrators' policy in relation to charging time and disbursements.

6.2 Administrators' disbursements

To date, the Joint Administrators have incurred Category 1 disbursements totalling £5,069.24, which can be summarised as follows:

Expense type	Incurred (£)	Paid (£)	Outstanding (£)
Travel	1,350.54	1,350.54	-
Accommodation	929.91	929.91	-
Meals/Subsistence	235.21	235.21	-
Printing, Photocopying, Postage/Courier	2,343.58	1,991.34	352.24
Bonding	210.00	210.00	-
Total	5,069.24	4,717.00	352.24

Note – there has been a reallocation between Category 1 and Category 2 disbursements

The outstanding Category 1 disbursements will not be recovered.

The secured and preferential creditors' approval has also been sought for drawing Category 2 disbursements. Category 2 disbursements totalling £550.80 have been incurred and can be summarised as follows:

Expense type	Incurred (£)	Paid (£)	Outstanding (£)
Mileage	550.80	550.80	-
Total	550.80	550.80	-

Appendix C provides a statement of the Joint Administrators' policy for charging disbursements.

In certain circumstances, creditors are entitled to request further information regarding the Administrators' remuneration or expenses, or to apply to court on the grounds that the costs are considered to be excessive. (Rules 18.9 and 18.34 of the Insolvency (England and Wales Rules 2016). Further information is provided in Appendix E.

6.3 Payment to other professionals

The Joint Administrators have engaged the following other professionals to assist them. They were chosen on the basis of their experience in similar assignments

Name of firm	Nature of service	How contracted to be paid
Hilco Appraisal	Asset advice, including valuation and sale of chattel assets.	Time cost basis and percentage of realisations achieved
Addleshaw Goddard LLP	Legal advice	Time cost basis
Hilton Baird	Debt collection	Percentage of realisations achieved

The fees paid to each of these professionals to date are included in the receipts and payments account at Appendix A and are as follows by firm:

Name of firm	£
Addleshaw Goddard LLP	24,506
Hilco Appraisal	4,850
Hilton Baird	13,657

6.4 Pre-administration costs

As previously advised, all unpaid pre-administration costs were not recovered.

7. Conclusion

In accordance with the terms of the Proposals, as there are no assets to be realised or distributions to be made, the Company will move from Administration to dissolution. The Administration will come to an end on the date on which the notice is registered by Companies House or on the date the Administration expires, being 5 June 2018, whichever is soon. The company will be deemed to be dissolved three months after the notice is registered by Companies House.

Should you have any queries please do not hesitate to contact my colleague, Tom Harvey, on 0113 298 2355.

Yours faithfully
for the Company



C G J King
Joint Administrator

C G J King is licensed in the United Kingdom to act as an insolvency practitioner by The Association of Chartered Certified Accountants and R H Kelly is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants of Scotland.

The affairs, business and property of the Company are being managed by the Joint Administrators, C G J King and R H Kelly, who act as agents of the Company only and without personal liability.

The Joint Administrators may act as data controllers of personal data as defined by the General Data Protection Regulation 2016/679, depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrator's appointment. Further details are included on the attached Data Privacy Notice.

Appendix A Receipts and Payments account from 6 June 2016 to 5 June 2018

Statement of Affairs Amount £	From 06/06/2017 to 05/12/2017 £	From 06/12/2017 to 5/06/2018 £	Total £
Receipts			
3,000 Sale of stock	23,647	-	23,647
210,949 Book debt surplus	215,412	-	215,412
50,000 Plant and machinery	23,323	32	23,355
- Property recharges	500	-	500
- Rates refund	1,925	-	1,925
11,319 Cash at appointment	6,079	-	6,079
- Bank interest	24	73	97
Cash Bond Held by Lombard	216,489	-	216,489
	487,399	105	487,504
Payments			
Administration Fees	(130,000)	(15,000)	(145,000)
Administrators Disbursements	(4,520)	(748)	(5,268)
Legal fees	(24,506)	-	(24,506)
Agents fees and disbursements	(4,850)	-	(4,850)
Debt collection expenses	(13,657)	-	(13,657)
Contractor costs	(1,637)	-	(1,637)
Utilities	(1,698)	-	(1,698)
Insurance	(1,759)	289	(1,470)
Service charge	(490)	-	(490)
Public Notices	(85)	(85)	(169)
Property charges	(640)	-	(640)
Storage Charges	(245)	(531)	(776)
Bank Charges	(35)	(24)	(59)
Irrecoverable VAT	-	(128)	(128)
Preferential creditors	(18,024)	(3,016)	(21,040)
Non-preferential creditors	-	(43,339)	(43,339)
Secured creditors - LWARB	(135,000)	(87,726)	(222,726)
	(337,144)	(150,309)	(487,453)
Cash on hand	150,255	(150,204)	50
Made up as follows:			
Cash at bank	150,255	(150,204)	51
VAT payable	-	-	-
VAT receivable	-	-	-
	150,255	(150,204)	51

Notes

1. Receipts and payments are stated net of VAT
2. The residual funds will be used for future bank charges on closure of the accounts

Appendix B Summary of Joint Administrators' Time Costs from 6 June 2016 to 5 June 2018

Ecotech London Limited (In Administration) Summary of Joint Administrators' time costs from 6 June 2016 to 5 June 2018

	Partner	Executive Director	Assistant Director	Senior Executive	Executive	Analyst	Support	Total
Hours								
Accounting and Administration	-	-	-	17.5	6.1	51.3	104.6	179.5
Bank & Statutory Reporting	5.0	16.5	-	21.0	-	12.5	-	55.0
Creditors (Mandatory)	2.0	1.0	16.5	5.0	-	33.3	-	57.8
Debtors	-	2.5	-	15.0	-	1.0	-	18.5
Employee Matters	-	0.2	7.1	3.0	27.0	10.0	-	47.3
General	-	1.5	-	-	1.1	8.0	-	10.6
Immediate Tasks	-	3.0	-	7.5	-	22.5	-	33.0
Investigation/CDDA (Mandatory)	-	1.0	-	-	-	-	-	1.0
Job Acceptance & Strategy (M)	-	1.0	-	-	-	-	-	1.0
Legal Issues	-	1.5	-	-	-	-	-	1.5
Other Assets (Mandatory)	-	16.5	-	25.5	-	1.0	-	43.0
Other Matters	-	-	-	14.5	-	-	-	14.5
Prescribed Part	-	4.3	-	34.0	8.0	177.5	-	223.8
Property	-	5.0	-	35.0	-	-	-	40.0
Public Relations Issues	-	1.0	-	-	-	-	-	1.0
Retention of Title	-	-	-	3.5	-	14.0	-	17.5
Statutory Duties	-	2.0	-	70.5	-	48.9	-	121.4
STF Licence and Plant	-	6.0	-	17.0	-	-	-	23.0
Trading (Mandatory)	-	-	-	1.0	-	-	-	1.0
VAT & Taxation	-	-	19.7	16.3	7.0	51.7	-	94.7
Total Hours	7.0	63.0	43.3	286.3	49.2	431.7	104.6	985.1
Time Costs (£)	4,670.0	40,665.5	25,698.6	111,795.0	15,658.5	66,564.0	29,366.0	294,418
Average Hourly Rate (£)	667	645	594	390	318	154	281	299

Appendix C Statement of Administrators Charging Policy for Remuneration and Disbursements Pursuant to Statement of Insolvency Practice No.9

The secured and preferential creditors have determined that the Joint Administrators' remuneration should be fixed on the basis of time properly spent by the Administrators and their staff in attending to matters arising in the Administration.

The Administrators have engaged a manager and other staff to work on the cases. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Administrators.

All time spent by staff working directly on case-related matters is charged to a separate time code established for each case. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown in Appendix B, and the current hourly rates are detailed below. The current hourly rates may be higher than the average rates, if hourly rates have increased over the period covered by this report

It is our firm's policy to review the charge out rates annually on 1 July and occasionally more frequently. The current and historical hourly rates are:

Department	Grade	Current hourly rate effective July 2015	Current hourly rate effective July 2016	Current hourly rate effective July 2017	Current hourly rate effective March 2018
Restructuring	Partner	660	710	745	780
	Executive Director	630	660	695	730
	Director	540	565	595	625
	Senior Manager	475	500	525	550
	Manager	370	390	410	430
	Executive	265	280	295	310
	Analyst	145 - 215	150 - 225	160-235	170-245
	Support/Intern	110	115	115	120
Tax	Partner	1125	1180	1250	
	Senior Manager	655 – 730	700 - 815	735-850	
	Manager	550	580	610	
	Executive	440	460	485	
	Analyst	100 – 265	108 - 208	117-230	

A copy of the R3 (Association of Business Recovery Professionals) creditors' guide to Administrators' fees may be obtained by contacting Tom Harvey at the above address, or at www.r3.org.uk/media/documents/publications/professional/Guide_to_Administrators_Fees_Nov2011.pdf

Statement of Insolvency Practice No. 9 (“SIP 9”) published by R3 (The Association of Business Recovery Professionals) divides disbursements into two categories.

Category 1 disbursements comprise payments made by the office holders’ firm, which comprise specific expenditure relating to the administration of the insolvent’s affairs and referable to payment to an independent third party. These disbursements can be paid from the insolvent’s assets without approval from the Committee. In line with SIP 9, it is our policy to disclose such disbursements drawn but not to seek approval for their payment.

Category 2 disbursements comprise payments made by the office holders’ firm which include elements of shared or overhead costs. Such disbursements are subject to approval from the secured and preferential creditors as if they were remuneration. It is our policy, in line with SIP 9, to seek approval for this category of disbursement before they are drawn. The Administrators are currently in the process of seeking the approval of the secured creditors for the Category 2 disbursements.

Appendix D Summary of Statutory Information

Company Information

Company Name:	Ecotech London Limited (In Administration)
Registered Office Address:	c/o Ernst & Young LLP 1 Bridgewater Place Water Lane Leeds LS11 5QR
Registered Number:	08573291
Trading Name(s):	Ecotech London Limited
Trading Address(es):	Unit 4 Marsh Way Fairview Industrial Park Rainham Essex RM13 8UH

Details of the Administrators and of their appointment

Administrators:	CGJ King and RH Kelly
Date of Appointment:	6 June 2016
By Whom Appointed:	The appointment was made by the Company Directors
Court Reference:	High Court of Justice, Chancery Division, Leeds District Registry – 478 of 2016.

Any of the functions to be performed or powers exercisable by the administrators may be carried out/exercised by any one of them acting alone or by any or all of them acting jointly.

Statement concerning the EC Regulation

The EC Council Regulation on Insolvency Proceedings does apply to this administration and the proceedings are main proceedings. This means that this Administration is conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union Member State.

Share capital

Class	Authorised		Issued and fully paid	
	Number	£	Number	£
Ordinary	1,301,386	1,301,386	1,301,386	1,301,386

Directors and secretary and their shareholdings

Name	Director or Secretary	Date appointed	Current shareholding
Javed Mawji	Director	18 June 2013	-
Lorna Mary Leonard	Director	18 November 2014	-
James Alexander Lanman	Director	1 March 2014	-
Fatehali Jaffer Mawji	Director	13 December 2013	-
David George Sargent	Director	13 December 2013	-
Ian Frederick Goodfellow	Director	13 December 2013	-
Markus Ingepass	Director	28 January 2014	-

Appendix E Creditors and members Request for Further Information in administration, winding up and bankruptcy - – Rule 18.9A, Insolvency Rules 2016

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
- (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) 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;
- (d) any unsecured creditor with the permission of the court; or
- (e) any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person, or persons who requested the information by—

- (a) providing all of the information requested;
- (b) providing some of the information requested; or
- (c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

- (a) the time or cost of preparation of the information would be excessive; or
- (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
- (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
- (d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

- (a) the office-holder giving reasons for not providing all of the information requested; or
- (b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
- (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
- (c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—

- (a) a secured creditor,
- (b) an unsecured creditor with either—
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
- (c) in a members' voluntary winding up—
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").