

The basis for fixing the liquidator's remuneration in a member's voluntary liquidation is set out in rules 4.148A and 4.148B. The basis is the same as for insolvent liquidations, except that it is to be determined by the members of the company in general meeting and not by the creditors. In determining the basis of the liquidator's remuneration the members must have regard to the same factors as the creditors do in an insolvent liquidation.

If the remuneration is not fixed in this way, it will be in accordance with the relevant statutory scale. In cases where the company goes into liquidation on or after 1 April 2004, the scale will be that set out in Schedule 6 to the Rules. In other cases it will be the scale laid down for official receivers in Schedule 2 to the Insolvency Regulations 1994, which is deemed still to apply in such cases. The same observations apply to the application of percentage or time costs as set out in relation to insolvent liquidations. Remuneration should not be drawn on the scale without first attempting to obtain the agreement of the members to a basis for fixing the remuneration, nor as an interim measure pending the agreement of the members.

In a members' voluntary liquidation where realisations are sufficient for payment of creditors in full with interest, it should be remembered that, notwithstanding the right of the creditors or the committee to fix the office holder's remuneration, it will be the debtor or the members, as the case may be, who will have the principal financial interest in the level of fees. The office holder should therefore on request provide them with information, in accordance with the principles set out in this Statement of Insolvency Practice, about how the remuneration, expenses and disbursements have been calculated.

MACKENZIE GOLDBERG JOHNSON LIMITED – FEE POLICY

It is the policy of Mackenzie Goldberg Johnson Limited to seek approval to draw fees by reference to the time properly given by the Insolvency Practitioner and other staff in attending to matters arising in the case. The charge-out rates of all grades of staff, including principals, who are likely to be involved in the case are as follows:

Staff Grade	Rate per Hour (Excluding VAT)
Insolvency Practitioner	325
Insolvency Manager	225
Insolvency Administrator	175
Support Staff	75

Charge-out rates may be subject to change. It is the policy of Mackenzie Goldberg Johnson Limited to recover the following categories of costs arising in the case (known as 'Category Two Disbursements') which may include an element of shared or allocated costs as follows:

Item	Charge	Rate
Paper	Per A4 Sheet	5p
Photocopier	Per A4 Sheet	5p
Envelopes	Each	10p
Postage	Package Rate	£1.50
Postage	Letter Rate	50p
Room Hire	Per 30 minute meeting	£50.00

Rule 4.148A Remuneration of liquidator in members' voluntary winding up

4.148A(1) [Entitlement] The liquidator is entitled to receive remuneration for his services as such.

4.148A(2) [How fixed] The remuneration shall be fixed either:

(a) as a percentage of the value of the assets which are realised or distributed, or of the one value and the other in combination, or

(b) by reference to the time properly given by the insolvency practitioner (as liquidator) and his staff in attending to matters arising in the winding up; and the company in general meeting shall determine whether the remuneration is to be fixed under subparagraph (a) or (b) and, if under subparagraph (a), the percentage to be applied as there mentioned.

4.148A(3) [Matters in determination] In arriving at that determination the company in general meeting shall have regard to the matters set out in paragraph (4) of Rule 4.127.

4.148A(4) [Otherwise fixed] Where the liquidator's remuneration is not fixed as above, the liquidator shall be entitled to remuneration calculated in accordance with the provisions of Rule 4.148B.

4.148A(4) [Otherwise fixed] If not fixed as above, the liquidator's remuneration shall be in accordance with the scale laid down for the official receiver by general regulations.

4.148A(5) [Application of r. 4.128] Rule 4.128 and Rule 4.127B shall apply in relation to the remuneration of the liquidator in respect of the matters there mentioned and for this purpose references in that Rule to 'the liquidation committee' and 'a meeting of creditors' shall be read as references to the company in general meeting.

4.148A(6) [Liquidator may apply to court] If the liquidator considers that the remuneration fixed for him by the company in general meeting, or as under paragraph (4), is insufficient, he may apply to the court for an order increasing its amount or rate.

4.148A(7) [Notice to contributories] the liquidator shall give at least 14 days' notice of an application under paragraph (6) to the company's contributories, or such one or more of them as the court may direct, and the contributories may nominate any one or more of their number to appear or be represented.

4.148A(8) [Costs of application] The court may, if it appears to be a proper case, order the costs of the liquidator's application, including the costs of any contributory appearing or being represented on it, to be paid out of the assets.

4.148B Liquidator's remuneration in members' voluntary liquidation where it is not fixed under Rule 4.148A

4.148B(1) This Rule applies where the liquidator's remuneration is not fixed in accordance with Rule 4.148A.

4.148B(2) [Application of scale] The liquidator shall be entitled by way of remuneration for his services as such, to such sum as is arrived at by-

(a) first applying the realisation scale set out in Schedule 6 to the monies received by him from the realisation of the assets of the company (including any Valued Added Tax thereon but after deducting any sums paid to secured creditors and any sums spent out of money received in carrying on the business of the company); and (b) then by adding to the sum arrived at under sub-paragraph (a) such sum as is arrived at by applying the distribution scale set out in Schedule 6 to the value of assets distributed to creditors of the company (including payments made in respect of preferential debts) and to contributories.

4.127(4) [Matters relevant r. 4.127(3) determination] In arriving at that determination, the committee shall have regard to the following matters:

- (a) the complexity (or otherwise) of the case,
- (b) any respects in which, in connection with the winding up, there falls on the insolvency practitioner (as liquidator) any responsibility of an exceptional kind or degree,
- (c) the effectiveness with which the insolvency practitioner appears to be carrying out, or to have carried out, his duties as liquidator, and
- (d) the value and nature of the assets with which the liquidator has to deal.