

Joint liquidators' progress report from 31 May 2019 to 30 May 2020

Fixi Plc - in liquidation

16 July 2020

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Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report.

Abbreviation or definition	Meaning
Company, Fixi	Fixi Plc
The Liquidators, we, our	Douglas Nigel Rackham and Michael John Andrew Jervis
Firm	PricewaterhouseCoopers LLP
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
CVL	Creditors' voluntary liquidation
HMRC	HM Revenue and Customs
Prescribed part	The amount set aside for Unsecured creditors from floating charge funds in accordance with Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
Secured creditors	Creditors with security in respect of their debt, in accordance with Section 248 IA86
Preferential creditors	Generally, claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
Segregated clients	Any party for whom Fixi has undertaken to receive or hold segregated Client Money (whether or not on trust and whether or not that undertaking has been complied with)
RPS	Redundancy Payments Service, an executive agency sponsored by the Department for Business, Energy and Industrial Strategy, which authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
Dentons Australia	Dentons Australia Limited
Dentons UK and ME	Dentons UK and Middle East LLP
FCA	Financial Conduct Authority
VREQ	Voluntary application for the imposition of requirements
FSCS	Financial Services Compensation Scheme
Drapac	Drapac Financial PTY Limited
Axicorp	AxiCorp Financial Services Pty Limited
Australian entities	Drapac Financial Pty Limited and Talberry Pty Ltd
Mr Drapac	Mr Goran Drapac
Unsecured creditors	Creditors who are neither secured nor preferential

This report has been prepared by Douglas Nigel Rackham and Michael John Andrew Jervis as Joint Liquidators of the Company, solely to comply with the Joint Liquidators' statutory duty to report to creditors under IR16 on the progress of the liquidation, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Joint Liquidators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Joint Liquidators' previous reports issued to the Company's creditors, which can be found at www.pwc.co.uk/fixi. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Douglas Nigel Rackham and Michael John Andrew Jervis have been appointed as Joint Liquidators of the Company. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Liquidators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

The Joint Liquidators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Liquidators.

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Key messages

Why we've sent you this report

I'm writing to update you on the progress of the liquidation of Fixi Plc in the 12 months since our appointment.

How much creditors might receive

The following table summarises the possible outcome for creditors, based on what we currently know.

Class of creditor	Current estimate (p in £)
Secured creditors	N/a
Preferential creditors	100p/£
Unsecured creditors	Unknown
Segregated creditors	Unknown

What you need to do

We're asking for outstanding claims from Unsecured creditors so that we can agree them for dividend purposes.

If you haven't already done so, please send your claim to us so that we can agree it. A claim form can be downloaded from our website at www.pwc.co.uk/fixi or you can get one by contacting Kelly Panther on kelly.panther@pwc.com.

Please note that should you wish to vote in relation to any decision procedure during the liquidation or object to a decision sought by deemed consent, you'll need to submit a proof of debt, even if one is not required for dividend purposes.

We are communicating with former employees separately to agree their claims.

Remuneration report

We are publishing our remuneration report to accompany this report. This sets out information on the work we have undertaken to date and that expect still to be done, together with the basis on which we propose to charge our fees.

The basis of our fees has been discussed with the members of the Committee, who are the fee approving body in this case, and they have agreed this fee structure in principle. Therefore the remuneration report is for your information only and can be found at www.pwc.co.uk/fixi.

Overview of what we've done to date

This is our first progress report to members and creditors.

We summarise below the Company's background and reasons for its insolvency:

The Company provided trading platforms to professional, institutional and retail clients since its incorporation in 2005. The business had been financially strained and the focus of regulatory attention, having made losses for a number of years. In December 2018, the Company reported to the FCA that it was below the minimum capital threshold due to poor revenues and a lack of funds being injected by the main shareholder.

The Company was unable to resolve its problems and talks with third party investors did not lead to anything tangible. As a result, the Company submitted a VREQ to the FCA on 20 December 2018.

Under the VREQ, the Company agreed to not conduct any regulated activities except with the written consent of the FCA, and to close all open trading positions.

All payments since the VREQ required authorisation from the FCA before being made.

On 21 December 2018, the main shareholder of the Company, Mr Goran Drapac (through his own shareholding and his control of Drapac) advised the FCA of his intention to informally wind the Company down and that he would meet all external liabilities.

On 11 January 2019 Mr Drapac and Drapac provided a guarantee to Fixi to support any solvency shortfall. This was effected through a General Security Agreement and Deed between Mr Drapac, Drapac and Fixi which guaranteed all amounts owed by Fixi. Drapac intended to sell its 2,000 shares in AxiCorp to satisfy such amounts.

On 11 February 2019, 300 of the 2,000 shares in Axicorp were sold, with the Company receiving £270,000 of the sales proceeds.

Mr Drapac continued discussions for the sale of the remaining 1,700 shares throughout March and April 2019, however the completion of the sale to an interested buyer continued to be delayed, with no clear indication of a timeline for completion.

Throughout this process, Fixi was returning segregated funds to Segregated clients, having requested confirmation of payment details from all of them. Most Segregated clients were paid during this process. At the date of liquidation there were clients who had not responded and as a result have not had their funds returned.

Following discussions with the FCA regarding the continued lack of progress in selling the remaining 1,700 shares in Axicorp, a board meeting of the directors of Fixi was held on 1 May 2019, where the board decided to put the Company into a CVL.

On 31 May 2019, Nigel Rackham and Michael Jervis were appointed joint liquidators of Fixi Plc.

On appointment, we secured and took control of the Company's assets, which included:

- Cash at bank
- Non intercompany/connected party book debts
- A rent deposit
- Software licences
- Investments in subsidiary companies
- The claim against the Australian entities, including intercompany debts, a claim for unpaid share capital from Goran Drapac and claims under the guarantee given by Goran Drapac and Drapac.

Further details regarding our progress in dealing with these and other matters can be found under "progress since we last reported".

Outcome for creditors

Secured creditors

The Company did not have any Secured creditors.

Preferential creditors (mainly employees)

We were advised that the Company's employees were made redundant and the majority were paid everything owed to them prior to the liquidation. Since then we've had a small number of claims from former employees both in the UK and Georgia. It has been difficult to establish the validity of all of the claims due to a lack of accounting records.

Should the received claims be valid and no further information comes to light regarding preferential claims, we should be in a position to pay the Preferential creditors in full. We intend to pay the dividend within the next 6 months. Please note that this time frame is dependent on how quickly we are able to finalise the claims received to date; the time frame may need to be extended should further work be necessary.

Unsecured creditors

Dividends become available for Unsecured creditors when there are sufficient funds (after the costs of the liquidation) to pay the secured and Preferential creditors in full, with an amount left over. In certain circumstances, part of the amount available for Secured creditors may be ring-fenced for the benefit of Unsecured creditors. This prescribed part is paid out of 'net property', which is floating charge realisations after costs, and after paying – or setting aside enough to pay Preferential creditors in full. But it only has to be made available where the floating charge was created on or after 15 September 2003.

In this case the prescribed part doesn't apply because there is no floating charge registered against the Company.

We think a dividend will be paid to the Unsecured creditors based on what we know currently, however, the quantum is highly dependent on asset realisations. Therefore, as the liquidation progresses we will be able to advise creditors of future dividend prospects with more certainty of the percentage return.

The amount of the dividend will depend on the final level of submitted claims, future realisations and liquidation costs. Some creditors will be entitled to FSCS compensation.

Segregated clients

As mentioned earlier, the majority of segregated funds were returned to clients pre-appointment. The costs of agreeing Segregated claims, including determining whether those claims are indeed properly constituted as client money claims and not ordinary unsecured claims, would likely be substantial. In consequence it has been determined that the most cost effective approach is to treat all claims as ordinary unsecured claims and to aggregate the segregated funds with the house assets so all clients and creditors will receive a dividend pari passu.

We are cognizant that most genuine claimants to segregated funds are likely to be eligible for compensation by the FSCS. The claimants will therefore be fully protected in any event. The approach above has been agreed by the FSCS.

Financial Services Compensation Scheme

As Fixi was authorised by the FCA and provided FSCS protected financial products, the FSCS has agreed to pay compensation of up to £85,000, to investment creditors that meet the relevant criteria. We have developed a protocol with the FSCS to facilitate the payment of compensation to those creditors.

If you believe that you are entitled to compensation under this scheme, please submit a proof of debt, with supporting evidence, to us at uk_fixi_creditors@pwc.com.

We are liaising with the FSCS to track compensation payments made. As compensation is paid to creditors the original claimant assigns their rights in full to the FSCS. So creditors who have received compensation from the FSCS will not be entitled to participate in any distribution from the liquidation.

Further details of compensation can be found at <https://www.fscs.org.uk/what-we-cover/investments/>

To date we have received 79 claims from clients and creditors. 32 of these claims have been reviewed, agreed and compensated by the FSCS. They have paid £1.26m in compensation to the 32 clients.

Progress since we last reported

Realisation of assets

Cash at bank

We have successfully recovered £843,640 of cash balances from the Company's various bank accounts, electronic wallet accounts and funds held by solicitors. These funds have been secured in the liquidation bank accounts.

In addition, we recovered funds previously held as segregated funds as outlined in the table below in the sum of £60,774 (converted using exchange rates as at 30 April 2020). We have agreed with the FSCS as a subrogated creditor in relation to the segregated funds that we are therefore taking steps to close these accounts and transfer the funds to the general liquidation bank account, for the benefit of all creditors. As discussed above, we don't believe that segregated creditors will be prejudiced by the transfer of funds into the general liquidation bank account.

The following table outlines the Segregated client funds recovered:

Currency of funds received	Amounts received (local currency)	Amounts received (GBP equivalent)*
Pounds Sterling	2,835.63	2,835.63
Japanese Yen	80,546.00	597.21
Australian Dollars	4,765.53	2,473.29
US Dollars	69,204.38	54,867.50

*exchange rate used as at 30 April 2020

Non intercompany/connected party book debts

We identified a small number of non-intercompany debtor balances and wrote to the parties involved to request payment. The debts were either disputed or we received no response. We will pursue those which we believe warrant further investigation.

Rent deposit

A rent deposit of £1,934, paid on a flat for one of the Company's directors was recovered.

Software licences

We investigated whether two software licences, listed as assets in the Company's records, could be sold. However we determined that the licences were not assignable and as we did not have permission to sell these licences, we are taking no further action.

Investment in subsidiary companies

We identified from the Company's accounts that it had three subsidiary companies. However our investigations identified that none of the three subsidiaries was actively trading or had realisable value.

Claim against Australian entities and Mr Drapac

As mentioned earlier in this report, Mr Drapac and Drapac had provided a guarantee to Fixi to support any solvency shortfall, effected through a General Security Agreement and Deed. Immediately on appointment, we contacted Mr Drapac and Drapac, to request a contribution to the liquidation under the guarantee.

We did not receive a suitable offer and therefore instructed Dentons Australia to write to both parties to seek settlement. We were advised shortly after that Drapac had gone into liquidation and we are corresponding with the liquidator about Fixi's claim in the Drapac liquidation.

We are continuing to negotiate with all parties involved with a view to reaching a full and final settlement with Mr Drapac and the Australian entities. However, given the confidential nature of these negotiations, we're not able to provide more detail in this report.

Connected party transactions

There were no connected party transactions during the period covered by this report.

Other issues

In the course of our work, we have corresponded with and responded to requests from UK regulators and regulators from abroad. We have used our specialist Forensics colleagues to help us with regards to gaining access to emails in relation to above information requests.

Following our discussions with the FSCS, Fixi was declared in default on 30 August 2019. As a result, the FSCS are able to cover eligible client claims. We have worked with the FSCS to formulate a process for claims agreement and payment of compensation. We have also worked with them, as a significant creditor, to become a member of the creditors' committee.

To date the FSCS have paid £1.26m in compensation to 32 clients.

We have worked with our specialist employee team to undertake a review of the Company's employee situation. We have also been working with the Redundancy Payments Service in respect of the Company and employee information, submitting the relevant statutory forms.

Additionally, given Fixi's presence in Georgia, we undertook a review of the position in respect of the Georgian branch employees and what Georgian citizens could be entitled to under UK insolvency law.

Statutory and compliance

We have engaged with our specialist VAT, tax and pension specialists in this case to ensure that we comply with the statutory and regulatory requirements.

Tax matters

On our appointment we liaised with the tax team in relation to the Company's tax position.

The post appointment tax return for the year ended 28 May 2020 will be prepared and submitted in advance of the statutory deadline.

VAT matters

The Company was registered for VAT, however, it soon became clear that there were no physical assets to realise in the liquidation and on the advice of our VAT team the Company was deregistered for VAT from 1 January 2020. Any VAT that needs to be reclaimed will be done using the relevant forms from HMRC.

Regulatory pension issues

We instructed PwC's specialist pension team to undertake an initial review of the Company's pension schemes and arrange for the initial statutory notices to be sent to the pensions regulators and pensions manager notifying them of the liquidation.

Liquidation committee (“Committee”)

On 25 June 2019 creditors agreed by deemed consent to a Committee being formed. On formation of the Committee the members were as follows:

1. Simon Williams
2. Jacob Ben Zaken
3. Fortinbras Asset Management GmbH
4. Star Hat Solutions Limited

We have held regular meetings with the Committee since its formation and continue to keep them updated as to the progress of the liquidation. We last met with the liquidation committee on 17 April 2020.

There has recently been a change in the membership of the Committee. The FSCS became a member on 18 May 2020.

To date the liquidators have convened and held a number of both informal and formal meetings with the Committee members. We have actively engaged with the Committee regarding the progress and overall strategy of the liquidation. We have regularly updated them and sought their views on our negotiations with Mr Drapac and the Australian entities. We have also communicated with the members of the Committee on an ad hoc basis when necessary.

Investigations and actions

We have reviewed the Company’s affairs and taken into account any points raised by creditors in discharging our duties under the Company Directors’ Disqualification Act 1986 and Statement of Insolvency Practice No.2. At this time, nothing has come to our attention to suggest that we need to do any more work in line with our duties.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the liquidation from 31 May 2019 to 30 May 2020.

Our expenses

We set out in Appendix B a statement of the expenses we’ve incurred to the date covered by this report and an estimate of our future expenses.

The statement excludes any potential tax liabilities that we may need to pay as a liquidation expense in due course because amounts will depend on the position at the end of the tax accounting period.

Our fees

The basis of our fees has not yet been approved. The Committee are the approving body for our fees and we will shortly seek formal fee approval from them.

As previously noted we set out in our remuneration report an update on our fees, disbursements and other related matters. The report can be found at www.pwc.co.uk/fixi.

Statement of affairs’ fees

By letter dated 26 April 2019, our services were extended to assisting the directors with drafting the Statement of Affairs, director’s report and preparing for the Company entering voluntary liquidation. Our fees for this work, of £20,000 were paid by the Company, prior to liquidation.

Other pre-appointment fees

We were originally appointed in December 2018 to provide advice to the Company. In relation to this work, we billed our costs in advance. As a result, there is a £15,070.82 credit owed to Fixi. We have agreed with the Committee that we will deduct this amount from our first fee payment in the liquidation

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge our fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/liquidations-creditor-fee-guide-6-april-2017.ashx?la=en>

You can also get a copy free of charge by telephoning Kelly Panther on 0113 289 4205.

What we still need to do

We are still negotiating with Mr Drapac's advisors with a view to reaching settlement with him and other Australian entities. We are hopeful of a positive result and anticipate that we will be able to pay a dividend to creditors in due course.

Other outstanding tasks are outlined below. We will :

- Agree the basis of our fees with the Committee;
- Agree Preferential creditors claims and distribute funds accordingly;
- Agree unsecured claims and distribute funds accordingly;
- File tax returns and pay any tax due to HMRC; and
- Complete closure tasks (final report, closing internal systems, closure of bank accounts).

Next report

We expect to send our next report to creditors at the end of the liquidation or in about 12 months, whichever is the sooner.

If you've got any questions, please get in touch with Kelly Panther on 0113 289 4205.

Yours faithfully



Nigel Rackham
Joint liquidator

Appendices

Appendix A: Receipts and payments

Fixi Plc - GBP receipts and payments account from 31 May 2019 to 30 May 2020

Directors' statement of affairs (£)		31 May 2019 to 30 May 2020 (£)	Total (£)
Receipts			
-	Sundry debts and refunds	1,934.00	1,934.00
80,000	Intangible assets	-	-
34,000	Cash in hand (segregated)	2,835.63	2,835.63
832,799	Cash in hand (non segregated)	843,640.33	843,640.33
-	Bank interest	2,611.92	2,611.92
946,799	Total Receipts	851,021.88	851,021.88
Payments			
-	Legal fees and expenses	(24,000.02)	(24,000.02)
-	IT services	(3,373.60)	(3,373.60)
-	Storage costs	(1,560.16)	(1,560.16)
-	Statutory advertising	(154.00)	(154.00)
-	Property/asset expenses	(3,726.66)	(3,726.66)
-	Employee/subcontractor expenses	(2,520.00)	(2,520.00)
-	Bank charges	(144.00)	(144.00)
-	Total Payments	(35,478.44)	(35,478.44)
946,799	Net receipts	815,543.44	815,543.44
	VAT Control Account	(312.00)	(312.00)
	Balance held in Interest Bearing Account	815,231.44	815,231.44

Notes:

1 All items are stated net of VAT.

2 Funds are held in interest bearing account

3 The majority of segregated funds were returned to clients prior to the liquidators' appointment.

* The company paid invoices prior to our appointment which account for the difference between the cash in hand figure and cash as per the statement of affairs figure.

** The cash balance from the Directors' statement of affairs includes balances in all currencies. We have presented the figures as at the progress report date, in their original currency.

Fixi Plc - USD receipts and payments account from 31 May 2019 to 30 May 2020

Directors' statement of affairs		31 May 2019 to 30 May 2020
(\$)		(\$)
	Receipts	
-	Cash in hand (segregated)	69,204.38
-	Bank interest	589.61
-	Total Receipts	69,793.99
	Payments	
-	Bank charges	(36.83)
-	Total Payments	(36.83)
-	Net receipts	69,757.16
-	VAT Control Account	-
-	Balance held in Interest Bearing Account	69,757.16

GBP equivalent - £56,503.30 exchange rate used - 0.810 as at 30 May 2020

Fixi Plc Japanese Yen receipts and payments account from 31 May 2019 to 30 May 2020

Directors' statement of affairs		31 May 2019 to 30 May 2020
(¥)		(¥)
	Receipts	
-	Cash in hand (segregated)	80,546.00
-	Total Receipts	80,546.00
	Payments	
-	Total Payments	-
-	Net receipts	80,546.00
	VAT Control Account	-
	Balance	80,546.00

GBP equivalent - £604.10 exchange rate used - 0.007 as at 30 May 2020

Fixi Plc Australian Dollars receipts and payments account from 31 May 2019 to 30 May 2020

Directors' statement of affairs		31 May 2019 to 30 May 2020
(\$)		(\$)
-	Receipts	
-	Cash in hand (segregated)	4,765.83
-	Total Receipts	4,765.83
-	Payments	
-	Total Payments	-
-	Net receipts	4,765.83
	VAT Control Account	-
	Balance	4,765.83

GBP equivalent - £2,578.31 exchange rate used - 0.541 as at 30 May 2020

Appendix B: Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as liquidators from the estate and includes our fees, but excludes distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as a liquidation expense because amounts becoming due will depend on the position at the end of the tax accounting period.

The total expenses estimate for the case is £55,572. The expenses table does not include the liquidators' time costs as the basis of the liquidators fees has not yet been determined. More information in relation to the breakdown of the total time costs incurred to date can be found in the remuneration report on the dedicated website, www.pwc.co.uk/fixi.

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date.

Nature of expenses	Purpose of expense	Incurred to date (£)	Estimate of future expenses (£)	Anticipated total (£)
Legal fees and expenses - Dentons UK and ME	Legal advice and correspondence relating to recoveries and potential realisation of value to the Company	2,975	-	2,975
Legal fees and expenses - Dentons Australia	Legal advice and correspondence relating to recovering funds from Mr Drapac and the Australian entities	21,025	9,000	30,025
IT Services	Costs relating to reviewing archived company emails	3,374	-	3,374
Storage costs	Costs for the storage of the Company's books and records	2,219	6,649	8,868
Statutory advertising	Statutory requirement to advertise the liquidators' appointment and declaration of dividend	154	154	308
Property/ asset expenses	Rental payment	3,727	-	3,727
Employee subcontractor costs & expenses	Debts recovery/ claims review	2,520	-	2,520
Bank charges	Typically these are charges for any necessary same day or international payments at a cost of £15 per payment	144	186	330
Office holders' disbursements	Category 1 and 2 disbursements as described below	1,555	1,891	3,446
Total expenses		37,692	17,880	55,572

Appendix C: Remuneration update

In order to provide creditors with more information in relation to our fees, we have prepared a separate remuneration report to be published on the website at the same time as this report. This sets out information on the work undertaken to date and expected still to be done, together with the basis on which we propose to charge our fees.

The basis of our fees has been discussed with the members of the Committee, who are the fee approving body in this case.

Payments to associates

We have not made any payments to associates in the period covered by this report.

Disbursements

We don't need to get approval to draw expenses or disbursements unless they are for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called 'Category 2' disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Disbursement	SIP9 definition
Category 1	Payments to independent third parties where there is specific expenditure directly referable to the appointment in question.
Category 2	Costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that may be incurred by the office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis.

Our firm's disbursements policy allows for all properly incurred expenses to be recharged to the case. We don't need approval from creditors to draw Category 1 disbursements as these have all been provided by third parties, but we do need approval to draw Category 2 disbursements as these are for services provided by our firm. The body of creditors who approve our fees also have responsibility for agreeing the policies for the payment of Category 2 disbursements, which in this case are as follows:

Category	Policy	Costs incurred (£)
2	Photocopying – at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	44
2	Mileage – At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	-
1	All other disbursements reimbursed at cost	
	Insurance	225
	Postage	29
	Courier costs	75
	Company search	236
	Archiving costs	946
Total		1,555

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the liquidation where the relationship could give rise to a conflict of interest.

Details of subcontracted work

We asked Erik Franx, a director of the Company, to assist with gathering book debt information and agreement of some creditor claims in the early stages of the liquidation. Our staff or the liquidators would normally do this work but we felt that it would be more cost effective to ask Mr Franx to do it, as we had limited access to company records. We have continued with this work subsequently to ending the arrangement with Mr Franx.

Legal and other professional firms

We instructed the following professionals on this case:

Service provided	Name of firm	Reason selected	Basis of fees
Legal advice, including: Advice relating to Mr Drapac and the Australian entities and potential realisation of value from the entities.	Dentons Australia	Legal knowledge	Time costs and disbursements
Legal advice, including: Advice relating to recoveries and potential realisation of value to Fixi.	Dentons UK & ME	Legal knowledge	Time costs and disbursements
Consultancy work by a director of the Company: Debtor collection. Ad hoc information to enable us to progress matters.	F.W. Franx	Knowledge of the company	Set fee
Property agents, including: Rent payments	Chase Evans	Existing contract with Fixi	Set fee in payment of rent due

We require all third party professionals to submit time costs analyses and narrative or a schedule of realisations achieved in support of invoices rendered. We undertake the following steps to review professional firms' costs:

- comparison with upfront budgets;
- review of time costs analysis;
- review of disbursements claimed; and
- ongoing dialogue with regards to the work being performed.

Appendix D: Other information

Company's registered name:	Fixi Plc
Trading name:	Fixi Plc
Registered number:	05577579
Registered address:	8th Floor Central Square, 29 Wellington Street, Leeds, LS1 4DL
Date of the Liquidators' appointment:	31 May 2019
Liquidators' names, addresses and contact details:	Douglas Nigel Rackham of PwC, 7 More London, Riverside, London, SE1 2RT Michael John Andrew Jervis of PwC, 7 More London, Riverside, London, SE1 2RT Tel: 0113 289 4205
