

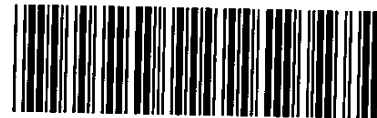
# AM22

## Notice of move from administration to creditors' voluntary liquidation



Companies House

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COMPANIES HOUSE

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### 1 Company details

Company number 0 1 7 5 9 4 6 7

Company name in full Selec Systems Limited

→ Filling in this form  
Please complete in typescript or in  
bold black capitals.

### 2 Court details

Court name High Court of Justice

Court case number 6 4 2 0 1 8

### 3 Administrator's name

Full forename(s) Stephen James

Surname Hobson

### 4 Administrator's address

Building name/number Centenary House

Street Peninsula Park

Post town Rydon Lane

County/Region Exeter

Postcode E X 2 7 X E

Country

## AM22

Notice of move from administration to creditors' voluntary liquidation

<b>5</b>	<b>Administrator's name <sup>①</sup></b>	
Full forename(s)	Lucinda Clare	<b>① Other administrator</b> Use this section to tell us about another administrator.
Surname	Coleman	
<b>6</b>	<b>Administrator's address <sup>②</sup></b>	
Building name/number	Centenary House	<b>② Other administrator</b> Use this section to tell us about another administrator.
Street	Peninsula Park	
Post town	Rydon Lane	
County/Region	Exeter	
Postcode	E X 2 7 X E	
Country		
<b>7</b>	<b>Appointor/applicant's name</b>	
	Give the name of the person who made the appointment or the administration application.	
Full forename(s)	Raymond	
Surname	Self	
<b>8</b>	<b>Proposed liquidator's name</b>	
Full forename(s)	Stephen James	
Surname	Hobson	
Insolvency practitioner number	0 0 6 4 7 3	
<b>9</b>	<b>Proposed liquidator's address</b>	
Building name/number	Vantage Point	
Street	Woodwater Park	
Post town	Pynes Hill	
County/Region	Exeter	
Postcode	E X 2 5 F D	
Country		

AM22

Notice of move from administration to creditors' voluntary liquidation

**10 Proposed liquidator's name<sup>①</sup>**

Full forename(s) Lucinda Clare

Surname Coleman

Insolvency practitioner number 1 0 7 1 0

**① Other liquidator**  
Use this section to tell us about another liquidator.**11 Proposed liquidator's address<sup>②</sup>**

Building name/number Centenary House

Street Peninsula Park

Post town Rydon Lane

County/Region Exeter

Postcode E X 2 7 X E

Country

**② Other liquidator**  
Use this section to tell us about another liquidator.**12 Period of progress report**

From date 1 6 0 3 2 0 1 8

To date 1 5 0 2 2 0 1 9

**13 Final progress report**☒ I have attached a copy of the final progress report.**14 Sign and date**

Administrator's signature

Signature

X

X

Signature date

2

2

0

2

2

0

1

9

AM22

Notice of move from administration to creditors' voluntary liquidation



### Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Nick Harris
Company name	Francis Clark LLP
Address	Centenary House Peninsula Park
Post town	Rydon Lane
County/Region	Exeter
Postcode	E X 2 7 X E
Country	
DX	
Telephone	01392 667000



### Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



### Important information

All information on this form will appear on the public record.



### Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.



### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

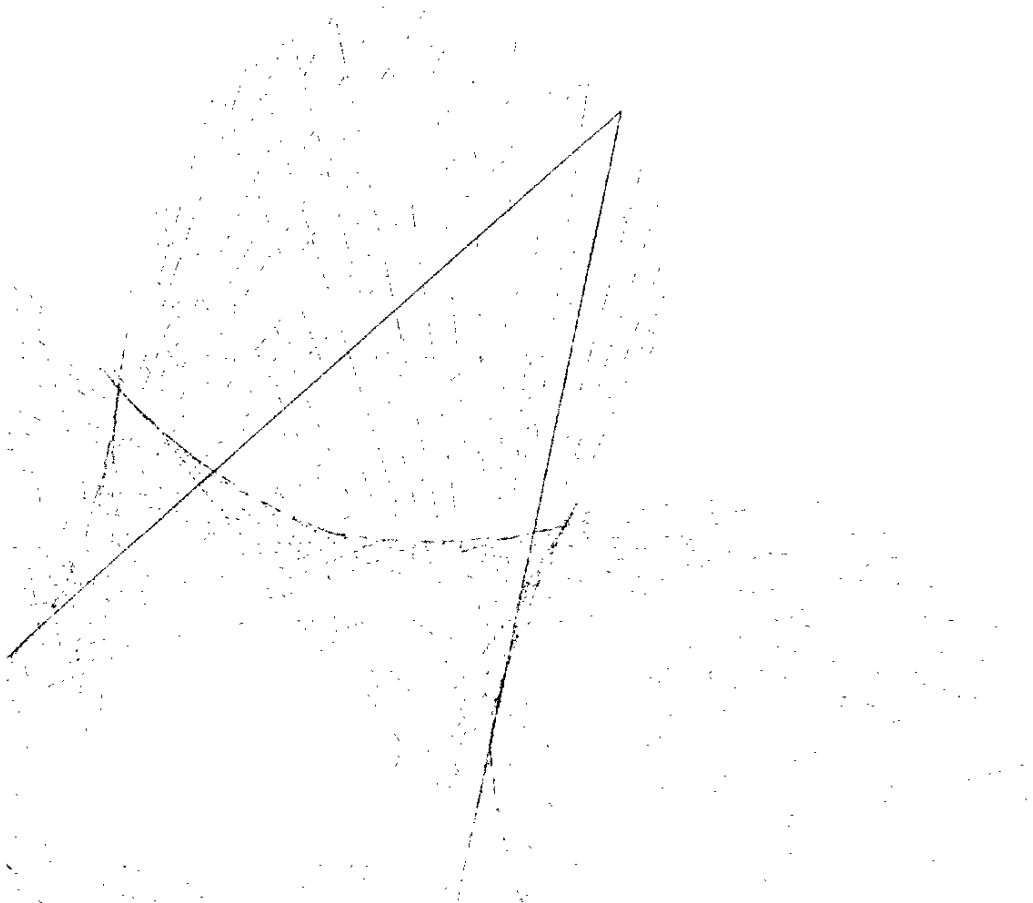
# **Joint Administrators' Final Progress Report**

**Selec Systems Limited –  
In Administration**

**15 February 2019**

**PKF FRANCISCLARK**

Chartered accountants & business advisers



## **SELEC SYSTEMS LIMITED - IN ADMINISTRATION**

### **CONTENTS**

- 1** Introduction
- 2** Progress of the Administration
- 3** Unrealised Assets
- 4** Outcome for Creditors
- 5** Joint Administrators Remuneration
- 6** Creditors' Rights
- 7** Ending the Administration

### **APPENDICES**

- A** Receipts and Payments Account for the Period from 16 September 2018 to 15 February 2019 including a Cumulative Receipts and Payments Account for the Period from 16 March 2018 to 15 February 2019.
- B1** Time Analysis for the Period from 16 September 2018 to 15 September 2019
- B2** Cumulative Time Analysis for the Period from 16 March 2018 to 15 February 2019
- C** Outcome Statement as at 15 February 2019
- D** Additional information in relation to Joint Administrators' Fees, Expenses & Disbursements

## **SELEC SYSTEMS LIMITED - IN ADMINISTRATION**

### **1 Introduction**

- 1.1 I, together with my colleague Lucinda Clare Coleman, was appointed Joint Administrator of Selec Systems Limited ("the Company") on 16 March 2018. The appointment was made by the sole director of the Company, Mr Ray Self.
- 1.2 This Administration has been handled by Francis Clark LLP at Centenary House, Peninsula Park, Rydon Lane, Exeter, EX2 7XE. The Administrators' contact details are by phone on 01392 667000 or via email at [business.recovery@francisclark.co.uk](mailto:business.recovery@francisclark.co.uk). The Administration is registered in the High Court of Justice, under reference number 64 of 2018.
- 1.3 Information about the way that we will use, and store personal data on insolvency appointments can be found at <http://francisclarkinsolvency.co.uk/creditor-login/>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.4 The trading address of the Company is Vale Lane Works, Vale Lane, Axminster, EX13 5PX.
- 1.5 The registered office of the Company is Centenary House, Peninsula Park, Rydon Lane, Exeter, EX2 7XE and its registered number is 01759467.
- 1.6 As the Administration has now completed, I am required to provide a progress report covering the period since my last report which ended on 15 September 2018. This is my final report in the Administration and covers the period from 16 September 2018 to 15 February 2019. ("the Period") and should be read in conjunction with my earlier proposals report and any previous progress reports which have been issued.

### **2 Progress of the Administration**

- 2.1 As noted previously, the statutory objective pursued in the Administration was achieving a better result than would be likely if the company were wound up. In addition to the pursuance of this statutory objective, the Administrators have duties imposed by insolvency and other legislation, some of which may not have provided any financial benefit to creditors.
- 2.2 This section of the report provides creditors with an overview of the progress made in the Period, both in terms of the statutory objective, but also work which is required of the Administrators under other related legislation.
- 2.3 At Appendix A is my Receipts and Payments Account covering the period of this report together with a cumulative Receipts and Payments Account from the date of my appointment to the conclusion of the Administration.
- 2.4 Attached at Appendix B1 is a time analysis outlining the time spent by the Administrators and their staff during the Period.
- 2.5 Further information about the basis of remuneration agreed in this case can be found in section 5 of this report.

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

- 2.6 As noted previously, the Administrators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work undertaken in this regard has been outlined previously.

## **SELEC SYSTEMS LIMITED - IN ADMINISTRATION**

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

#### **Amount due from Selnet (Co) Ltd**

- 2.7 Creditors will recall from my previous progress report that Selnet (Co) Ltd ('Selnet') owed Selec £1,223.96 in relation to assets previously purchased from Selec and an unpaid intercompany debt.
- 2.8 I wrote to Selnet requesting payment of this balance by 12 October 2018 failing which I would instruct debt collectors to collect on my behalf. No payment was made by this date so I instructed Bennett Williams Solicitors to collect on my behalf.
- 2.9 Selnet has now paid the balance in full via a payment plan. The last payment was received on 28 January 2019.

#### **Stock**

- 2.10 Creditors will recall that the Company had some unsold stock that was potentially subject to both finance from Henry Howard Finance ('HH') and a retention of title (ROT) claim from its supplier Infinite Distribution ('Infinite').
- 2.11 I concluded that the stock was not subject to finance from HH. I was in correspondence with Infinite via email and telephone regarding its potential ROT claim. Infinite went into administration on 18 September 2018.
- 2.12 I have reviewed the papers from Infinite. I am writing to the administrators of Infinite to reject the Infinite ROT claim. I have instructed MST auctioneers to sell the unsold stock on behalf of the Company.
- 2.13 After costs to date the administrators are holding funds of £17,443

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

- 2.14 Further information on the anticipated outcome for creditors in this case can be found at section 4 of this report. The Administrators are not only required to deal with correspondence and claims from unsecured creditors (which have included retention of title claims), but also those of any secured and preferential creditors of the Company.
- 2.15 Claims from preferential creditors involved employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.16 I consider the following matters worth noting in my report to creditors at this stage:
- I have received 25 unsecured creditor claims in this case with a value of £327,368.46. I believe there are a further 52 unsecured creditors who are yet to claim.
  - Per the directors statement of affairs £86,423.06 was owed to RBS Invoice Finance who were granted a fixed and floating charge on 5 January 2016. As noted in previous reports RBSIF have been paid in full.
  - 12 employee claims are being dealt with
  - I anticipate claims from preferential creditors totalling £2,348.66 which are likely to be paid in full.



## **SELEC SYSTEMS LIMITED - IN ADMINISTRATION**

### *Investigations*

- 2.17 Some of the work the Administrators 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 these investigations reveal potential asset recoveries that the Administrators can pursue for the benefit of creditors.
- 2.18 I can confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 2.19 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 information provided by creditors either at the initial meeting (where held) or as a response to my request to complete an investigation questionnaire.
- 2.20 I have identified some potentially challengeable transactions in the period leading up to the company ceasing to trade. As my investigations are on-going, and in order not to prejudice matters, I am unable to comment further at this stage.

### **3 Unrealised Assets**

- 3.1 The following assets have yet to be realised and will now be dealt with by the Liquidator once appointed:
- Unsold stock subject to a potential ROT claim as detailed above
  - The potentially challengeable transactions in the period leading up to the company ceasing to trade as detailed in section 2.20 above.
  - A potential VAT bad debt relief claim as detailed in my progress report to 15 September 2018.

### **4 Outcome for Creditors**

- 4.1 An Outcome Statement as at 15 February 2019 is attached at Appendix C.

#### *Secured Creditors*

- 4.2 RBS Invoice Finance holds a fixed and floating charge over the Company's book debts. At the date of the Administration the indebtedness to the secured creditor was estimated at £70,175.05 and has now been agreed at £75,347.72, and this amount has been collected in full.

#### *Preferential Creditors*

- 4.3 The statement of affairs estimated preferential creditor claims of £2,348.66 from the redundancy payments service for outstanding holiday pay due to former Selec employees and the outstanding payments to a pension scheme. I received the claim from the Redundancy Payments Service for £1,315.79 on 4 January 2019. These claims have not yet been agreed. I anticipate preferential creditors will be paid in full.

## SELEC SYSTEMS LIMITED - IN ADMINISTRATION

### *Unsecured Creditors*

- 4.4 I have received claims totalling £327,368.46 from 25 creditors. I have yet to receive claims from 52 creditors whose debts total £419,488.98 as per the Company's statement of affairs.
- 4.5 The Company granted a fixed and floating charge to NatWest Bank plc on 3 December 1991. Accordingly, there is no requirement for the Administrators to create a fund out of the Company's net floating charge property for the benefit of unsecured creditors (known as the Prescribed Part), which only applies to charges created after 15 September 2003. Furthermore it appears from the Company books and records that no debt is due to NatWest Bank plc.
- 4.6 As detailed above, the Company also granted a fixed and floating charge to RBS Invoice Finance Limited on 5 January 2016. RBS Invoice Finance Limited have been paid in full under their fixed charge over the book debts.
- 4.7 Based on present information, I anticipate a dividend of c 1p in the £ will be available to the unsecured creditors. The Company will exit into Creditors' Voluntary Liquidation soon to facilitate the payment of a dividend to the unsecured creditors.

## **5 Joint Administrators' Remuneration**

- 5.1 The basis of the Administrators' fees has been fixed in the Administration by reference to the time properly spent by him and his staff in managing the Administration. My fees estimate/information was provided to creditors when the basis of my remuneration was approved and was based on information available to me at that time.
- 5.2 A copy of that estimate is reproduced below:

Category of work	Estimated Number of Hours	Average blended charge out rate £	Estimated cost £
Administration	66.00	164.34	10,846.70
Realisation of assets	38.00	211.75	8,046.31
Creditors	33.00	168.73	5,568.20
Investigations	26.00	139.07	3,615.91
Total estimated fees	163.00	172.25	28,077.12

- 5.3 Under the proposal my fees are capped at £28,077.12
- 5.4 My time costs for the Period are £7,092.15. This represents 37.80 hours at an average rate of £187.62 per hour. Attached as Appendix B1 is a Time Analysis which provides details of the activity costs incurred by staff grade during this final period in respect of the costs fixed by reference to time properly spent by me in managing the Administration. A narrative explanation of the work undertaken by the Administrator during the Period can be found at section 2 of this report.
- 5.5 Attached as Appendix B2 is a cumulative Time Analysis for the period from the date of my appointment to 15 February 2019 which provides details of my total time costs in the Administration. These time costs total £32,649.47 which represents 179.50 hours at an average rate of £181.89 per hour.
- 5.6 £22,019.33 plus disbursements of £147.28 has been drawn against my accrued time costs.
- 5.7 The balance of the Administrators' unbilled time costs are £10,630.14
- 5.8 £6,057.79 will be drawn as an expense of the Liquidation. This remains within the fees estimate approval obtained from creditors.

## **SELEC SYSTEMS LIMITED - IN ADMINISTRATION**

- 5.9 £4,572.35 of unbilled time costs are outside the fees estimate approval obtained from creditors. The Joint Liquidators may request creditors approve that these unpaid time costs can be drawn as an expense of the liquidation.
- 5.10 The Joint Administrators time costs have exceeded my previous fee estimate for the following reasons:
- The sale of stock and fixtures and fittings to Selnet was time consuming for my staff and then in order to secure payment of this balance (also the intercompany balance) my staff had to continuously chase for payments to be made. When payments were not made I then had to refer the matter to solicitors which also increased time costs.
  - The significant time taken to deal with the claim of third parties regarding the unsold stock that was originally claimed to be owned by a third party and then by infinite was not anticipated in my fee estimate.
- 5.11 Attached at Appendix D is additional information in relation to the Administrators' fees and the expenses and disbursements incurred in the Administration.
- 5.12 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from <http://francisclarkinsolvency.co.uk/creditor-login>.

## **6 Creditors' rights**

- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Administrators provide further information about his remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrators, as set out in this progress report, are excessive.

## **7 Ending the Administration**

- 7.1 A copy of the notice bringing the Administration to an end and moving the Company into Creditors' Voluntary Liquidation is enclosed with this report, which has been sent to the Registrar of Companies for filing. Once this notice is registered, the Company will be in liquidation and I would confirm that I will become the appointed Liquidator, as agreed in my earlier proposals.
- 7.2 As liquidator, I will be required to report to creditors on the progress of the liquidation within two months of the anniversary of my appointment. If a dividend is to be declared sooner, I will write to creditors to provide appropriate details in the intervening period.
- 7.3 If any creditors have not yet submitted their proof of debt, please ensure this is forwarded to my office as soon as possible in order that your claim can be admitted for dividend purposes.
- 7.4 My intention is that the basis of my remuneration as Liquidator remain the same as in the Administration. My fees estimate for the work I anticipate will be required in the liquidation and details of the expenses I anticipate are likely to be incurred will be forwarded to creditors for approval in due course.
- 7.5 The Administrators' appointment will end following the registration of the notice by the Registrar of Companies. A copy of this notice is enclosed.

**SELEC SYSTEMS LIMITED - IN ADMINISTRATION**

7.6 The Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect.

For and on behalf of  
Selec Systems Limited



Stephen Hobson  
Joint Administrator

22 February 2018  
Date

# SELEC SYSTEMS LIMITED - IN ADMINISTRATION

## Appendix A

**Receipts and Payments Account for the Period from 16 September 2018 to 15 February 2019 including a Cumulative Receipts and Payments Account for the Period from 16 March 2018 to 15 February 2019.**

S of A £	16 March 2018 to 15 September 2018		16 September 2018 to 15 February 2019		Total 16 March 2018 to 15 February 2019	
	£	£	£	£	£	£
<b>SECURED ASSETS</b>						
90,555.62 Book Debts	103,256.77		-		103,256.77	
(70,175.05) Due to: RBS Invoice Finance Limited	(75,347.72)		-		(75,347.72)	
Less: Debt Collection Expenses	(5,540.78)		-		(5,540.78)	
		22,368.27		-		22,368.27
<b>ASSET REALISATIONS</b>						
400.00 Furniture, Fittings & Equipment	-		500.00		500.00	
Motor Vehicles	3,500.00		-		3,500.00	
3,100.00 Stock	3,500.00		-		3,500.00	
5,303.90 Balance due from Selnet (Co) Ltd	-		1,223.96		1,223.96	
Insurance Refund	2,651.61		-		2,651.61	
12,252.21 Cash at Bank	12,506.61		-		12,506.61	
Bank Interest Gross	19.37		20.66		40.03	
Sundry Refund	79.16		88.35		167.51	
		22,256.75		1,832.97		24,089.72
<b>COST OF REALISATIONS</b>						
Professional Fees	1,838.00		-		1,838.00	
Specific Bond	55.00		-		55.00	
Assisting the director in placing the company into administration	4,024.30		-		4,024.30	
Office Holders Fees	22,019.33		-		22,019.33	
Statutory Advertising	68.70		-		68.70	
Mileage	23.58		-		23.58	
Agents/Valuers Fees	742.50		-		742.50	
Debt Collection Expenses	-		145.93		145.93	
Collection of Books and Records	97.50		-		97.50	
		(28,868.91)		(145.93)		(29,014.84)
<b>PREFERENTIAL CREDITORS</b>						
(1,845.56) Employee Hol Pay	-					
(503.19) Pension Schemes	-					
<b>UNSECURED CREDITORS</b>						
(161,499.72) Trade & Expense Creditors	-					
(54,926.95) Employees	-					
(21,315.85) Landlord	-					
(164,726.35) Banks/Institutions	-					
(157,549.59) HMRC - PAYE	-					
(48,000.00) HMRC - VAT	-					
<b>DISTRIBUTIONS</b>						
(179,958.00) Share Premium	-					
(140.00) Ordinary Shareholders	-					
<b>(749,028.44)</b>		<b>15,756.11</b>		<b>1,687.04</b>		<b>17,443.15</b>
<b>REPRESENTED BY</b>						
Vat Receivable	5,706.18		29.18		5,735.36	
Bank Current Account - interest bearing	10,749.93		1,757.86		12,507.79	
Vat Payable	(700.00)		(100.00)		(800.00)	
		<b>15,756.11</b>		<b>1,687.04</b>		<b>17,443.15</b>

# SELEC SYSTEMS LIMITED - IN ADMINISTRATION

## Appendix B1

### Time Analysis for the Period from 16 September 2018 to 15 September 2019

Work type	Hours				Total Hours	Time Cost £	Average hourly rate £
	Partner	Senior Manager	Managers & Other Senior Professionals	Junior Administrator & Support Staff			
Administration	1.31	16.90	-	12.98	31.19	5,584.50	179.05
Realisations of Assets	0.06	4.27	-	-	4.33	1,020.85	235.76
Creditors	-	1.26	-	0.35	1.61	329.35	204.57
Investigations	-	0.67	-	-	0.67	157.45	235.00
<b>Total hours</b>	<b>1.37</b>	<b>23.10</b>	<b>-</b>	<b>13.33</b>	<b>37.80</b>	<b>7,092.15</b>	<b>187.62</b>
Time cost c/f from progress report						3,537.99	
<b>Total Time Costs</b>						<b>7,092.15</b>	
<b>Outstanding Time Costs</b>						<b>10,630.14</b>	
Charge out rates per hour for grade							
Current Range £	290	235	195-170	95-75			
01/2018 to 06/2018 range £	290-243	222-180	185-135	90-75			
07/2017 to 12/2017 range £	285-243	222-180	162-160	76-73			
01/2017 to 06/2017 range £	285-243	217-180	158	150-71			
07/2016 to 12/2016 range £	285-243	217-180	158	145-71			
01/2016 to 06/2016 range £	280-232	212-174	154	140-69			
<b>Standard Activity</b>			<b>Examples of work</b>				
Administration and planning			Case planning Administrative set up Appointment notification Maintenance of records Statutory reporting				
Realisation of assets			Identifying, securing, insuring assets Retention of title Debt collection Property, business and asset sales				
Creditors			Communications with creditors Creditors' claims (including employees and other preferential creditors)				
Investigations			SIP 2 review CDDA reports Investigating antecedent transactions				

# SELEC SYSTEMS LIMITED - IN ADMINISTRATION

## Appendix B2

### Cumulative Time Analysis for the Period from 16 March 2018 to 15 February 2019

Work type	Hours				Total Hours	Time Cost £	Average hourly rate £
	Partner	Senior Manager	Managers & Other Senior Professionals	Junior Administrator & Support Staff			
Administration	3.48	53.86	15.76	37.52	110.62	18,992.01	171.69
Realisations of Assets	0.43	20.27	-	-	20.70	4,730.82	228.54
Creditors	0.02	14.24	7.47	3.95	25.68	4,835.11	188.28
Investigations	0.79	13.91	1.90	5.90	22.50	4,091.53	181.85
<b>Total hours</b>	<b>4.72</b>	<b>102.28</b>	<b>25.13</b>	<b>47.37</b>	<b>179.50</b>	<b>32,649.47</b>	<b>181.89</b>
Total Time Costs						32,649.47	
Less: Fee taken						(22,019.33)	
Time costs written off						-	
Outstanding Time Costs						10,630.14	
Charge out rates per hour for grade							
Current Range £	290	235	195-170	95-75			
01/2018 to 06/2018 range £	290-243	222-180	185-135	90-75			
07/2017 to 12/2017 range £	285-243	222-180	162-160	76-73			
01/2017 to 06/2017 range £	285-243	217-180	158	150-71			
07/2016 to 12/2016 range £	285-243	217-180	158	145-71			
01/2016 to 06/2016 range £	280-232	212-174	154	140-69			
<b>Standard Activity</b>	<b>Examples of work</b>						
Administration and planning	Case planning Administrative set up Appointment notification Maintenance of records Statutory reporting						
Realisation of assets	Identifying, securing, insuring assets Retention of title Debt collection Property, business and asset sales						
Creditors	Communications with creditors Creditors' claims (including employees and other preferential creditors)						
Investigations	SIP 2 review CDDA reports Investigating antecedent transactions						

# SELEC SYSTEMS LIMITED - IN ADMINISTRATION

## Appendix C

### Outcome Statement as at 15 February 2019

	£	£	£
	Realised to date	Estimated future realisations	Total Realisations
<b>ASSETS SUBJECT TO A FIXED CHARGE:</b>			
Book debts	103,256.77	0.00	103,256.77
Less: Due to RBS Invoice Finance Limited	(75,347.72)	0.00	(75,347.72)
Less: Debt collection expenses	(5,540.78)	0.00	(5,540.78)
Surplus			22,368.27
<b>ASSETS NOT SUBJECT TO A CHARGE:</b>			
Furniture, Fittings & Equipment	500.00	0.00	500.00
Stock	3,500.00	2,000.00	5,500.00
Motor Vehicles	3,500.00	0.00	3,500.00
Balance due from Selnet (Co) Limited	1,223.96	0.00	1,223.96
Cash at bank	12,506.61	0.00	12,506.61
Surplus brought down	22,368.27	0.00	22,368.27
Other assets	2,859.15	0.00	2,859.15
<b>TOTAL ASSETS</b>	<b>46,457.99</b>		<b>48,457.99</b>
<b>COSTS OF ADMINISTRATION:</b>			
Pre administration costs	5,862.30	0.00	5,862.30
Administrators' fees - approved	22,019.33	6,057.79	28,077.12
Administrators' fees to be approved	0.00	4,572.35	4,572.35
Administrators' disbursements	390.71	0.00	390.71
Other professional costs	0.00	250.00	250.00
Agents' fees	742.50	0.00	742.50
<b>TOTAL COSTS OF ADMINISTRATION</b>	<b>(29,014.84)</b>		<b>(39,894.98)</b>
<b>Available for preferential creditors</b>			<b>8,563.01</b>
Preferential creditors			(2,348.66)
<b>Available for unsecured creditors</b>			<b>6,214.35</b>
Unsecured creditors			
Trade & expense creditors			161,499.72
Employees			54,926.95
Landlord			21,315.85
Banks/Institutions			164,726.35
HM Revenue & Customs			205,549.59
Total			(608,018.46)
<b>Dividend to unsecured creditors</b>			<b>1.02 p in the £</b>
<b>Deficiency to unsecured creditors</b>			<b>(601,804.11)</b>
Members			
Share premium			179,958.00
Ordinary shareholders			140.00
Total			(180,098.00)
<b>Deficiency to members</b>			<b>(781,902.11)</b>
Notes			
Subject to the costs of the subsequent liquidation process			



## SELEC SYSTEMS LIMITED - IN ADMINISTRATION

### Appendix D

#### Additional Information in Relation to the Joint Administrators' Fees, Expenses & Disbursements

##### 1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 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.
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case.

##### 2 Professional Advisors

- 2.1 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
Kitsons LLP (legal advice)	Fixed Fee plus VAT and disbursements
2020 Trutees (pension advice)	Fixed Fee plus VAT

- 2.2 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.

##### 3 Joint Administrators' Expenses & Disbursements

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the Administration was provided to creditors in the Administrators' Proposals Report a copy of which is set out below:

Expense	Estimated cost £
Agents' costs for sale of chattel assets	375.00
Debt collection fees (5% of realisations)	211.40
Insurance	200.00
Statutory advertising	68.70
Specific penalty bond	30.00
External storage of company's books and records	500.00
Re-direction of the Company's mail	204.00
Category 2 disbursements charged by the firm:	
Business mileage	47.16

## SELEC SYSTEMS LIMITED - IN ADMINISTRATION

### *Current position of Joint Administrators' expenses*

- 3.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Agents' costs for sale of chattel assets	742.50	-	742.50
Debt collection fees (5% of realisations)	5,540.78	-	5,540.78
Insurance	-	-	-
Pension scheme report	-	250.00	250.00
Statutory advertising	68.70	-	68.70
Specific penalty bond	55.00	40.00	95.00
External storage of company's books and records	-	125.00	500.00
Category 2 disbursements	23.58	22.73	46.31
Business mileage			

- 3.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.

- 3.4 Category 2 disbursements 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 include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided in the Administrators' Proposals Report and approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

## 4 Charge-Out Rates

- 4.1 Francis Clark LLP's current charge-out rates effective from 1 July 2018 are detailed below. Please note this firm records its time in minimum units of 36 Seconds.

### Charge out Rates

Partner	£290
Senior Manager	£235
Manager	£170-195
Administrator	£135
Junior Administrator	£95
Support	£75