

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number	0	2	6	4	4	4	1	8
Company name in full	Subscan Technology Limited							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s)	Francis Graham
Surname	Newton

3 Liquidator's address

Building name/number	Central Square
Street	29 Wellington Street
Post town	Leeds
County/Region	
Postcode	L S 1 4 D L
Country	

4 Liquidator's name ①

Full forename(s)	
Surname	

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number	
Street	
Post town	
County/Region	
Postcode	
Country	

② Other liquidator

Use this section to tell us about
another liquidator.

**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 **Benjamin Peterson**

Company name **BDO LLP**

Address **5 Temple Square**

Temple Street

Post town **Liverpool**

County/Region

Postcode **L 2 5 R H**

Country

DX

Telephone **01512 374 500**

**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 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 or email 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

Subscan Technology Limited
(In Liquidation)
Joint Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 08/02/2020 To 07/02/2021 £	From 08/02/2017 To 07/02/2021 £
	FIXED CHARGE ASSETS		
283,500.00	Book Debts	NIL	NIL
(393,757.00)	HSBC IF	NIL	NIL
Uncertain	Intellectual Property	NIL	6,500.00
		NIL	6,500.00
	FIXED CHARGE COSTS		
	Legal Fees	NIL	4,000.00
		NIL	(4,000.00)
	HP ASSETS		
78,723.60	Plant & Machinery	NIL	67,500.00
(86,330.22)	HP/Leasing Companies	NIL	(52,200.00)
118,200.00	Motor Vehicles	NIL	22,600.00
(109,163.50)	HP/Leasing Companies	NIL	(10,606.17)
		NIL	27,293.83
	ASSET REALISATIONS		
	Bank Interest Gross	25.32	222.22
NIL	Cash	NIL	NIL
1,000.00	Director's loan account	NIL	12,000.00
29,636.00	Directors' loan accounts	NIL	NIL
5,650.00	Furniture & Equipment	NIL	NIL
	IT Equipment	NIL	786.00
44,000.00	Motor Vehicles	NIL	27,550.00
23,280.00	Plant & Machinery	NIL	8,000.00
	Rates Refund	NIL	2,837.89
2,460.00	Rent deposits	NIL	NIL
	Road Tax Refund	NIL	311.24
NIL	Stock - Work in Progress	NIL	NIL
NIL	VAT Refund	NIL	NIL
		25.32	51,707.35
	COST OF REALISATIONS		
	Agents/Valuers Fees	NIL	17,868.11
	Bank Charges	3.00	7.40
	Corporation Tax	NIL	14.85
	Insurance of Assets	NIL	3,020.60
	Legal Fees (1)	NIL	3,000.00
	Liquidators Disbursements	NIL	316.58
	Liquidator's Fees	6,000.00	34,000.00
	Preparation of S.of A.	NIL	15,000.00
	Printing & Postage	NIL	1,129.09
	Property costs	NIL	75.00
	Specific Bond	NIL	200.00
	Statutory Advertising	NIL	237.00
		(6,003.00)	(74,868.63)
	PREFERENTIAL CREDITORS		
(3,888.00)	Employee holiday pay	NIL	NIL
(35,172.00)	Employee wage arrears	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDS		
(35,057.00)	HSBC Bank Plc	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(221,984.00)	Employee redundancy and notice pay	NIL	NIL

Subscan Technology Limited
(In Liquidation)
Joint Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 08/02/2020 To 07/02/2021 £	From 08/02/2017 To 07/02/2021 £
(52,234.00)	Employee wage arrears	NIL	NIL
(92,400.00)	H M Revenue & Customs	NIL	NIL
(507,073.54)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(181.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(950,790.66)		(5,977.68)	6,632.55
	REPRESENTED BY		
	Bank 2 Current		11,049.67
	Unidentified Receipt		(12,042.54)
	Vat Input		7,625.42
			6,632.55

Joint Liquidator

TO ALL KNOWN CREDITORS

29 March 2021

Our Ref FGN/AM/00269619/A6

Please ask for
Alice Denmark
0151 237 4497
BRCMTMidlandsAndBristol@bdo.co.uk

Dear Madams/Sirs

Subscan Technology Limited - In Creditors' Voluntary Liquidation ('the Company')
Registered number: 02644418

I set out, below, an annual progress report in accordance with Section 104A of the Insolvency Act 1986 and Rules 18.3 and 18.7 of the Insolvency (England and Wales) Rules 2016 ('the Rules').

This report covers the period 8 February 2020 to 7 February 2021 ('the Period') and should be read in conjunction with previous reports circulated to creditors.

Professional information regarding the Liquidator

The Liquidator is Francis Graham Newton (officeholder No: 9310) of BDO LLP, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Please note that Edward Kerr (officeholder No: 9021) of BDO LLP, Regent House, Clinton Avenue, Nottingham, NG5 1AZ passed away on 13 November 2020.

The Liquidation commenced on 8 February 2017.

Receipts and Payments

I attach, for your information, a summary of my Receipts and Payments account, analysed to show activity in the Period, compared to the whole of the Liquidation. The account shows a balance in hand of £6,632.

The receipts and payments shown are largely self-explanatory. With the exception of bank interest of £25, there has been no receipts during the Period. Bank charges of £3 have been incurred and the payment in respect of the Liquidator's remuneration is detailed later in the report.

Progress of the Liquidation

During the Period, I have dealt with the continuing statutory obligations of the Liquidation.

Creditors will recall from my previous report that the Liquidation estate had received a sum of £12,043 via the Company's old bank account, which I had been unable to identify, beyond doubt, as an asset of the Company. The position with regard to this matter has not concluded as there is still an element of uncertainty as to the final allocation of these funds. I hope to resolve this matter shortly, following which I will be in a position to take the necessary steps to draw the Liquidation to a close.

Assets

With the exception of the unidentified receipts discussed in the previous section, all assets in the Liquidation have been realised.

I can confirm that there are no assets of a peculiar or special nature which cannot be sold. Consequently, there has been no distribution of unsold assets to creditors, as mentioned in Rules 18.10/14.13 of the Insolvency (England & Wales) Rules 2016.

Future Prospects

Secured Creditors

As reported previously, the Company operated an invoice finance agreement with HSBC Invoice Finance (UK) Limited ('HSBCIF'). HSBCIF have been paid in full.

HSBC Bank plc ('the Bank') benefits from a fixed and floating charge over the assets of the Company, by virtue of a debenture dated 31 August 2005. Under HSBCIF's Contract Monies Clause, the Bank received the sum of £6,605 in respect of a credit balance of the debtor ledger. There will be no further distributions to the Bank, who will suffer a shortfall on their indebtedness.

Preferential Creditors

As previously reported, preferential claims total £58,329. There will be no distribution to preferential creditors in this matter.

Unsecured Creditors

Claims received to date total £828,388. Time has not been spent in agreeing the claims, as there is no prospect of a dividend becoming available to the unsecured creditors.

Prescribed Part

Under Section 176A of the Insolvency Act 1986, where, after 15 September 2003, a company has granted a floating charge to a secured creditor, a proportion of the net property of that company must be made available purely for the unsecured creditors.

The Company did grant a floating charge after this date however, as previously reported, as there are insufficient assets to enable a distribution to the Bank under its floating charge, there will be no net property and the provisions of the Prescribed Part will not be applied in this case.

Investigations

The Liquidator has a duty to investigate the affairs of the company and also the conduct of the directors and in respect of the latter, to submit a confidential statutory report to the Secretary of State. I confirm that a report has been submitted.

I have completed my review of the Company's affairs and assets to establish whether there are any actions that can be investigated for the benefit of the creditors and concluded there are no causes of action to be pursued.

Liquidator's Remuneration

As previously reported, the fees of BDO LLP in respect of assisting the directors in preparing the Statement of Affairs and convening the creditors' meeting, of £15,000 plus VAT and disbursements, were approved by creditors on 8 February 2017 and have been paid.

Pursuant to the Rules, the Liquidator is obliged to fix their remuneration in accordance with Rule 18.16. This permits remuneration to be fixed either:

- (1) as a percentage of the assets realised and distributed; and/or
- (2) by reference to the time the Liquidator and the staff have spent attending to matters in the liquidation; and/or
- (3) as a set amount; and/or
- (4) as a combination of the above.

The Liquidator's remuneration was approved by the creditors of the Company on 27 April 2018, via a decision procedure by correspondence. Creditors approved the Liquidator's fees on the basis of time properly spent in dealing with issues in the Liquidation.

To date, I have drawn £34,000 in respect of remuneration, £6,000 of which was drawn in the Period.

I attach two schedules detailing the time costs incurred to date. The first schedule covers the Period and records time costs of £6,375, which represents 32 hours spent at an average charge out rate of £199 per hour.

The second schedule covers the whole period of appointment and records time costs of £157,602 which represents 721 hours spent at an average charge out rate of £218 per hour.

Also included is the approved Fee Estimate, annotated with a column showing the time costs accrued in respect of each activity.

For guidance, I enclose a document that outlines the policy of BDO LLP in respect of fees and disbursements.

Liquidator's Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements. No category 1 disbursements have been incurred since my previous report.

Some Liquidators recharge expenses, for example printing, photocopying and telephone costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors before they can be drawn, and these are known as category 2 disbursements. The policy of BDO LLP in respect of this appointment is not to charge any category 2 disbursements with the exception of mileage on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to the creditors. No category 2 disbursements have accrued since my previous report.

Total disbursements of £754 have been incurred and paid in this Liquidation as detailed below.

	Cat. 1 (£)	Cat. 2 (£)	Total (£)
Statutory Advertising	237.00	-	237.00
Statutory Bonding	200.00	-	200.00
Travel	30.37	-	30.37
Mileage	-	286.21	286.21
Total	467.37	286.21	753.58

Creditors' rights

I provide at the end of this report an extract from the Rules setting out the rights of creditors to request further information and/or challenge the remuneration or expenses within the Liquidation. Creditors may access information setting out creditors' rights in respect of the approval of the Liquidator's remuneration at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

I am bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code can be found at: <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

If you require any further information please contact me or my colleague Alice Denmark at BRCMTMidlandsAndBristol@bdo.co.uk.

Yours faithfully
for and on behalf of
Subscan Technology Limited



Francis Graham Newton
Liquidator
Authorised by the Insolvency Practitioners Association in the UK

Enclosures
Receipts and Payments Account
SIP 9 Time Cost Report for the Period
SIP 9 Time Cost Report for the period of Liquidation
Fees Estimate to Accrued Time Comparison
BDO LLP Policy in Respect of Fees and Disbursements
Statement of Creditors' Rights in respect of Fees and Disbursements

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(In Liquidation)
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		NIL	6,500.00
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	Legal Fees	NIL	4,000.00
		NIL	(4,000.00)
	HP ASSETS		
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118,200.00	Motor Vehicles	NIL	22,600.00
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	Rates Refund	NIL	2,837.89
2,460.00	Rent deposits	NIL	NIL
	Road Tax Refund	NIL	311.24
NIL	Stock - Work in Progress	NIL	NIL
NIL	VAT Refund	NIL	NIL
		25.32	51,707.35
	COST OF REALISATIONS		
	Agents/Valuers Fees	NIL	17,868.11
	Bank Charges	3.00	7.40
	Corporation Tax	NIL	14.85
	Insurance of Assets	NIL	3,020.60
	Legal Fees (1)	NIL	3,000.00
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	Printing & Postage	NIL	1,129.09
	Property costs	NIL	75.00
	Specific Bond	NIL	200.00
	Statutory Advertising	NIL	237.00
		(6,003.00)	(74,868.63)
	PREFERENTIAL CREDITORS		
(3,888.00)	Employee holiday pay	NIL	NIL
(35,172.00)	Employee wage arrears	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDTS		
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Subscan Technology Limited
(In Liquidation)
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		NIL	NIL
	DISTRIBUTIONS		
(181.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(950,790.66)		(5,977.68)	6,632.55
	REPRESENTED BY		
	Bank 2 Current		11,049.67
	Unidentified Receipt		(12,042.54)
	Vat Input		7,625.42
			6,632.55

Joint Liquidator

Name of Assignment Subscan Technology Limited 00269619

Summary of Time Charged and Rates Applicable for the Period From 08/02/2020 to 07/02/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL		AV'G
	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	
		£		£		£		£		£		£		£	
C. Planning and Strategy			0.30	114.00									0.30	114.00	380.0
D. General Administration	0.90	502.90	7.95	2,473.65	3.05	659.20	0.40	33.80	11.00	845.35	0.35	40.60	23.65	4,555.50	192.6
I. Reporting	0.45	247.05	0.90	342.00	5.10	963.90			2.15	152.65			8.60	1,705.60	198.3
	1.35	749.95	9.15	2,929.65	8.15	1,623.10	0.40	33.80	13.15	998.00	0.35	40.60			
													32.55	6,375.10	
Net Total														0.00	
Secretarial Expense														0.00	
Other Disbursements														0.00	
Billed														0.00	
Grand Total														6,375.10	



Name of Assignment Subscan Technology Limited 00269619

Detail of Time Charged and Rates Applicable for the Period From 08/02/2017 to 07/02/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
B. Steps on Appointment														
02. Statutory Documentation	2.30	1,170.70			17.45	3,524.90							19.75	4,695.60
07. Attendance at Premises					0.50	101.00							0.50	101.00
12. Setting up Internal Files					1.70	343.40							1.70	343.40
99. Other Matters			3.40	1,108.40									3.40	1,108.40
sub total -	2.30	1,170.70	3.40	1,108.40	19.65	3,969.30							25.35	6,248.40
B. Steps on Appointment														
C. Planning and Strategy														
07. Strategy Planning	1.25	644.50	5.70	1,678.00	4.05	842.45							11.00	3,164.95
99. Other Matters			0.30	68.70	0.40	82.80							0.70	151.50
sub total -	1.25	644.50	6.00	1,746.70	4.45	925.25							11.70	3,316.45
C. Planning and Strategy														
D. General Administration														
01. Insurance Matters			3.90	911.05	11.95	2,420.90							15.85	3,331.95
02. VAT	0.60	312.00	2.70	849.50	4.85	975.20			1.60	276.40	0.25	29.00	10.00	2,442.40
03. Taxation	0.75	404.50	1.05	381.40	5.50	1,174.60			0.25	29.75			7.55	1,990.25
04. Instruct Liase Solicitors			4.75	1,443.75	2.20	444.40							6.95	1,888.15
05. Investigations	1.00	509.00	21.90	5,531.05	5.50	1,116.25							28.40	7,156.30



Name of Assignment Subscan Technology Limited 00269619

Detail of Time Charged and Rates Applicable for the Period From 08/02/2017 to 07/02/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
06. Conduct Reports	0.95	488.35	22.80	5,174.00	3.20	657.15							26.95	6,319.50
07. Receipts/Payments/Accounts	0.55	290.45	9.60	2,395.45	6.95	1,319.40	1.90	189.00	23.05	1,963.25	1.05	78.90	43.10	6,236.45
08. Remuneration Issues	0.65	343.85	7.50	2,293.55	7.35	1,541.75	0.30	62.10	2.55	170.85			18.35	4,412.10
09. Statutory Matters	0.40	208.00	11.20	2,615.95	0.85	174.70			0.20	13.40			12.65	3,012.05
13. General Meetings			1.35	302.40									1.35	302.40
14. General Discussions	0.60	305.40			3.55	719.60					0.10	6.90	4.25	1,031.90
15. Gen. Admin. Correspondence	3.65	1,936.65	8.40	3,070.45	8.90	1,810.25	2.80	405.70	13.45	1,030.10	0.75	51.75	37.95	8,304.90
16. Maintain Internal Files			28.25	8,524.30	20.00	4,087.90							48.25	12,612.20
sub total -	9.15	4,798.20	123.40	33,493.15	80.80	16,442.10	5.00	656.80	41.10	3,483.75	2.15	166.55	261.60	59,040.55
D. General Administration														
E. Assets Realisation/Dealing														
04. Agent Instruction/Liasing			0.10	33.30	2.75	555.50							2.85	588.80
06. Property Related Matters	0.70	356.30	6.55	1,508.50	6.35	1,285.20	3.65	737.30					17.25	3,887.30
07. Debt Collection	0.20	101.80	24.30	6,259.15	8.80	1,805.35							33.30	8,166.30
08. Dealing with Chattel Assets			20.10	5,106.95	1.55	313.10							21.65	5,420.05
09. Dealing with other Assets	1.55	799.75	67.75	18,257.50	20.65	4,252.30	0.20	40.40					90.15	23,349.95



Name of Assignment Subscan Technology Limited 00269619

Detail of Time Charged and Rates Applicable for the Period From 08/02/2017 to 07/02/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
10. HP Leasing Matters			4.35	1,117.90	12.85	2,598.95	1.85	373.70					19.05	4,090.55
11. Disclaiming Assets	0.50	254.50											0.50	254.50
12. Retention of Title			1.05	255.60	1.95	393.90							3.00	649.50
14. Sale of Business Assets	0.20	101.80	11.60	3,781.60	5.65	1,141.30							17.45	5,024.70
99. Other Matters	0.40	203.60	3.55	838.10									3.95	1,041.70
sub total -	3.55	1,817.75	139.35	37,158.60	60.55	12,345.60	5.70	1,151.40					209.15	52,473.35
E. Assets Realisation/Dealing														
G. Employee Matters														
02. Dealing with Employees			12.90	2,890.85	0.10	20.20							13.00	2,911.05
03. EPA Matters			1.10	279.10							67.05	7,366.90	68.15	7,646.00
04. Pension Issues			4.75	1,080.95					0.50	54.50			5.25	1,135.45
99. Other Matters			5.90	1,321.60					1.45	249.40			7.35	1,571.00
sub total -			24.65	5,572.50	0.10	20.20			1.95	303.90	67.05	7,366.90	93.75	13,263.50
G. Employee Matters														
H. Creditor Claims														
02. Secured Creditors			6.65	1,643.70	3.70	763.65							10.35	2,407.35
03. Preferential Creditors			5.40	1,209.60	0.25	51.75							5.65	1,261.35



Name of Assignment Subscan Technology Limited 00269619

Detail of Time Charged and Rates Applicable for the Period From 08/02/2017 to 07/02/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
04 Non-Preferential Creditors			11.30	3,102.35	22.50	4,619.25			1.70	161.15			35.50	7,882.75
06 Other Creditors			0.40	130.40					0.20	34.40			0.60	164.80
sub total - H. Creditor Claims			23.75	6,086.05	26.45	5,434.65			1.90	195.55			52.10	11,716.25
I. Reporting														
01 Statutory Reporting	3.20	1,695.80	11.10	2,954.85	6.20	1,171.60	3.85	459.25	30.70	2,096.10			55.05	8,377.60
04 Reporting to Creditors	0.50	270.50	5.20	1,496.50	6.45	1,335.15							12.15	3,102.45
sub total - I. Reporting	3.70	1,966.30	16.30	4,451.65	12.65	2,506.75	3.85	459.25	30.70	2,096.10			67.20	11,480.05
J. Distribution and Closure														
02 Distributions							0.55	63.80					0.55	63.80
sub total - J. Distribution and Closure				0.00			0.55	63.80					0.55	63.80
Net Total													157,602.35	
Secretarial Expense													0.00	
Other Disbursements													0.00	
Billed													0.00	
Grand Total													157,602.35	



Subscan Technology Limited - In Creditors' Voluntary Liquidation

Fees Estimate to Accrued Time Comparison

Below is the original fees estimate annotated with a column showing the time costs accrued in respect of each activity.

Fees Estimate as at 4 April 2017 compared to accrued time as at 7 February 2021

Liquidator's Fees	Total Hours	Blended Rate £	Estimated Fee £	Accrued Fee £
Summary Activity				
B. Steps on Appointment	25.35	246.49	6,248.40	6,248.40
C. Planning and Strategy	9.50	309.47	2,940.00	3,316.45
D. General Administration	211.50	268.77	56,844.00	59,040.55
E. Assets Realisation/Dealing	172.50	291.51	50,285.00	52,473.35
F. Trading Related Matters	0.00	0.00	0.00	0.00
G. Employee Matters	99.50	141.42	14,071.00	13,263.50
H. Creditor Claims	65.00	237.23	15,420.00	11,716.25
I. Reporting	32.50	171.88	5,586.00	11,480.05
J. Distribution and Closure	23.00	188.04	4,325.00	63.80
TOTAL			155,719.40	157,602.35

Expenses Estimate

Officeholder CAT 1 Disbursements	754	1,566
Officeholder CAT 2 Disbursements	210	286
Other Expenses		
Agents Costs	17,868	17,868
Solicitors costs	8,000	7,000

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The fees that have accrued have exceeded the level of the approved fees estimate in this Liquidation. However, due to the level of realisations in this case, the actual fees drawn will be significantly below the costs accrued.



Detail of Work Undertaken

C: Planning and Strategy

This relates to time costs incurred by the Liquidators and the staff in managing/monitoring the case and reviewing the position, in line with internal BDO requirements. This ensures that all on-going matters are progressed efficiently and dealt with in a timely manner.

This work is primarily led by the Liquidator and Director, with input from the rest of the team where appropriate.

Although there is no direct benefit to creditors, planning and strategy ensures that key issues are identified and resolved/progressed in an effective and efficient manner, allowing for an orderly progression of the case.

D: General Administration

General administration covers time costs incurred by the Liquidator and the staff in dealing with various matters arising in the Liquidation. This includes, but is not limited to, the following matters:

- Compiling and filing VAT returns, arranging VAT deregistration and ongoing VAT reclaims;
- Reviewing the Company tax position and submitting any necessary information to HMRC, including annual tax returns;
- Further work in relation to the statutory CDDA report;
- Cashiering (processing receipts and payments, bank reconciliations, correspondence with the bank, updating the receipts and payments account);
- Dealing with remuneration matters;
- Dealing with statutory matters required by the Rules;
- General case filing and maintaining internal files in line with BDO requirements;

The majority of this work requires a range of insolvency knowledge and experience, balanced with accounting and administrative skills. This work is predominantly undertaken by staff at Manager and Assistant Manager level, with input from other grades as required.

The majority of points referred to above are requirements placed upon us pursuant to the Rules, BDO internal policies and accounting requirements (such as VAT returns, corporation tax returns etc.). Although there is no specific benefit to creditors, we are required to deal with these matters as part of our day-to-day responsibilities in managing the case.

The category also includes time spent in dealing with the unidentified receipts matter as referred to earlier in the report.

I: Reporting

Preparing periodic reports to creditors regarding the progress achieved, including preparation of receipts and payments accounts, a suitable analysis of time costs accrued and a review of actual costs and accrued costs against fees drawn.

The Director is responsible for leading the reporting and delegating production of the accounts, fee analysis and comparisons to suitably experienced staff. Much of the basic accounting and analysis is conducted by case administrators, with the reports prepared and finalised by assistant managers and managers.



This is a statutory requirement and ensures that the creditors are kept up to date with case developments.



Subscan Technology Limited - In Creditors' Voluntary Liquidation

In accordance with best practice I provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within my firm who may be involved in working on the insolvency, follows:

GRADE	£
Partner	591
Director/Manager	201-591
Assistant Manager	151-227
Senior Administrator	140-227
Administrator	74-211
Other Staff	74-110

This in no way implies that staff at all such grades will work on the case. The rates charged by BDO LLP are reviewed in December and July each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories:-

- Pre Appointment
- Steps upon Appointment
- Planning and Strategy
- General Administration
- Asset Realisation/Management
- Trading Related Matters
- Employee Matters
- Creditor Claims
- Reporting
- Distribution and Closure
- Other Issues.

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.



Other Costs

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.

1) Category 1

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents etc. In each case the recharge will be reimbursement of a specific expense incurred.

2) Category 2

We propose to recover from the estate the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff. Where costs are incurred in respect of mileage, approval will be sought in accordance with the Insolvency (England and Wales) Rules 2016 to recover this disbursement.

Where applicable, all disbursements will be subject to VAT at the prevailing rate.

BDO LLP
29 March 2021

Statement from the Insolvency (England and Wales) Rules 2016 regarding the rights of creditors in respect of the Joint Liquidators' fees and expenses:

Creditors' and members' requests for further information in administration, winding up and bankruptcy

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').

Applications under rules 18.34 and 18.35 where the court has given permission for the application

18.36.—(1) This rule applies to applications made with permission under rules 18.34 and 18.35.

- (2) Where the court has given permission, it must fix a venue for the application to be heard.
- (3) The applicant must, at least 14 days before the hearing, deliver to the office-holder a notice stating the venue and accompanied by a copy of the application and of any evidence on which the applicant intends to rely.
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders—
 - (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
 - (b) an order reducing any fixed rate or amount;
 - (c) an order changing the basis of remuneration;
 - (d) an order that some or all of the remuneration or expenses in question is not to be treated as expenses of the administration, winding up or bankruptcy;
 - (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
 - (i) the administrator or Liquidator or the administrator's or Liquidator's personal representative to the company, or
 - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
 - (f) any other order that it thinks just.
- (5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.
- (6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration, winding up or bankruptcy.

Applications under rule 18.34 where the court's permission is not required for the application

18.37.—(1) On receipt of an application under rule 18.34 for which the court's permission is not required, the court may, if it is satisfied that no sufficient cause is shown for the application, dismiss it without giving notice to any party other than the applicant.

- (2) Unless the application is dismissed, the court must fix a venue for it to be heard.
- (3) The applicant must, at least 14 days before any hearing, deliver to the office-holder a notice stating the venue with a copy of the application and of any evidence on which the applicant intends to rely.
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders—
 - (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
 - (b) an order reducing any fixed rate or amount;
 - (c) an order changing the basis of remuneration;
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration or winding up or bankruptcy;
 - (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
 - (i) the administrator or Liquidator or the administrator's or Liquidator's personal representative to the company, or
 - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
 - (f) any other order that it thinks just.
- (5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.
- (6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration or as winding up or bankruptcy.