

**ACE TELECOM TRADING LIMITED IN LIQUIDATION****JOINT LIQUIDATORS' PROGRESS REPORT**

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# **ACE TELECOM TRADING LIMITED IN LIQUIDATION**

## **JOINT LIQUIDATORS' PROGRESS REPORT**

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### **1. PURPOSE OF REPORT**

This report has been prepared in accordance with insolvency legislation to provide creditors and members of the company with information relating to the progress of the liquidation in the period from . This report should be read in conjunction with any previous reports that have been issued, copies of which are available on request

This report has been prepared solely to comply with the statutory requirements of Rule 4 49B of the Insolvency Rules 1986 (as amended). The purpose of the report is to provide creditors and members with information relating to the progress of the Winding Up in the period from . It has not been prepared for use in respect of any purpose, or to inform any investment decision in relation to any debt or financial interest in the company Any estimated outcomes for creditors are illustrative and may be subject to significant change Neither the Liquidators nor Baker Tilly Restructuring and Recovery LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

### **2. JOINT LIQUIDATORS' APPOINTMENT**

Adrian Allen and David Griffin of Baker Tilly Restructuring and Recovery LLP, 25 Farringdon Street, London EC4A 4AB were appointed Joint Liquidators of Ace Telecom Trading Limited on 12 July 2013 by the Secretary of State

As a result of David Griffin leaving Baker Tilly Restructuring and Recovery LLP, by Court Order dated 15 November 2014 he was removed as Joint Liquidator and Mark Wilson of Baker Tilly Restructuring and Recovery LLP was appointed in his place A Notice to this effect was advertised in the London Gazette on 4 December 2013, and in accordance with the terms of the Order, David Griffin was released from office with effect from 29 January 2014 The costs of the application were met by Baker Tilly Restructuring and Recovery LLP The Order also provided that each creditor of the estate was at liberty to apply to vary or discharge the Order (within 21 days of publication in the Gazette (check terms of the order).

### **3. COMPANY DETAILS**

We attach as Appendix A an extract of information from the company's file held at Companies House

#### **4. RECEIPTS AND PAYMENTS SUMMARY**

We attach as Appendix B a summary of our receipts and payments for the period from 12 July 2013 to 11 July 2014.

##### **VAT Basis**

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.

#### **5. CREDITORS' CLAIMS**

HM Revenue and Customs ("HMRC") is the sole creditor of the Company. The claim as set out in the Estimated Financial Position totalled £18,359,830.52 in respect of outstanding VAT, Corporate Tax and PAYE. However, HMRC have recently submitted an additional proof of debt form in the amount of £645,600 in respect of the section 429 ITEPA avoidance scheme used by the directors of the company; this amount was omitted from the original claim submitted.

As at today's date, creditor claims total £19,005,430 52

Attempts to agree creditors' claims will be made if a distribution is likely and as such no attempts to agree claims have been made so far.

#### **6. PRESCRIBED PART**

There are no creditors secured by charges over the assets and undertakings of the Company created on or after 15 September 2003. There is therefore no requirement to estimate the amount of the Prescribed Part of the assets under Section 176A of the Insolvency Act 1986 (as amended)

#### **7. DIVIDEND PROSPECTS FOR CREDITORS**

Once any assets have been realised, there will be a clearer indication of the dividend prospects for unsecured creditors.

#### **8. CONDUCT OF THE WINDING UP IN THE PREVIOUS TWELVE MONTHS**

The Company was incorporated on 14 August 2000. It began trading as a wholesaler of electrical goods.

The Company directors, Mr James Reed, Mr Adrian Sumnall and Mr Neil Pursell have been interviewed by the Official Receiver ("OR"). The fourth director, Mr Neil Proctor passed away in September 2013 and therefore has not been able to provide any comments in relation to the trading of the Company.

The Liquidators have interviewed Mr Sumnall and Mr Pursell. Mr Reed will be contacted shortly to attend an interview to also discuss the Company's affairs and his involvement therein.

It appears that the Company was involved in Missing Trader Intra Community ("MTIC") fraud which defrauded HMRC of millions of pounds

MTIC fraud is also known as "Carousel fraud" and involves the circular trade of small electrical components, such as computer chips and mobile phones, that are imported often from Europe and sold onwards to many parties within a deal chain. The chain transactions often occur on the same date involving only paper transactions and stock that rarely leaves the freight forwarders.

Wragge Lawrence & Co are currently assisting the Liquidators in obtaining further information from HMRC regarding the Company's transactions and due diligence, given the suspected MTIC fraud. This will assist us in our investigations considerably given the directors have advised they do not hold the Company's books and records and our attempts to locate them to date have been unsuccessful.

## **9. ASSETS REMAINING TO BE REALISED**

The bank commonly used by MTIC traders was the First Curacao International Bank ("FCIB"), which has been frozen and is in the process of being wound up by the Dutch Authorities. On current information, we are unaware of any balance held at the FCIB in the name of the Company. Despite the Liquidators' requests for information from the bank, we have not received a response in relation to this query, however investigations are ongoing in this regard.

### **9.1 Potential Claim for Compensation for Mis-selling of Interest Rate Hedging Product**

As you may be aware, a settlement agreement was recently reached between the Financial Conduct Authority ("FCA") and certain major banks in relation to the sale of interest rate hedging products. We are currently investigating whether or not the Company was sold a relevant Interest Rate Hedging Product, and whether there is an entitlement to redress whether inside the framework of the FCA settlement, or otherwise.

At present, there are no known assets remaining to be realised, however, investigations remain ongoing.

## **10. ADMINISTRATION AND PLANNING**

This has included the initial review of the papers from the Official Receiver ("OR") and communication with the OR, the initial notice of appointment that is sent to all relevant parties, communication and interview with two of the Company directors, completion of the internal case reviews and completion of the first annual progress report.

## **11. JOINT LIQUIDATORS' REMUNERATION AND DISBURSEMENTS**

### **11.1. Basis of Remuneration**

The basis of the Joint Liquidators' remuneration was approved by HM Revenue and Customs on 6 September 2013, when the following resolution was passed:

"The Liquidators shall be authorised to draw their remuneration based upon their time costs by reference to the time properly given by the Liquidators and their staff, in attending to matters arising in the liquidation at Baker Tilly Restructuring and Recovery LLP standard hourly rates, at the rates prevailing at the time the work is done"

### **11.2. Remuneration and Disbursements incurred in the period from**

In accordance with insolvency legislation we are required to report remuneration 'charged'. This reflects the time charged to the case and is the maximum that can be taken in fees by the Joint Liquidators. It does not necessarily reflect the amount of remuneration that will ultimately be taken by the Joint Liquidators in remuneration. If there are insufficient realisations to allow the Joint Liquidators remuneration to be recovered in full, any balance will be written off. Details of any write off will be set out in the final report.

#### **11.2.1. Joint Liquidators' remuneration**

I have incurred time costs of £40,753.30 in respect of work done in the current period (a summary of which is set out in appendix G). Details of any sums drawn in respect of remuneration for the period covered by this report are set out in the receipts and payments account (appendix B).

Attached are the following:

- Appendix C Baker Tilly Restructuring and Recovery LLP's Charging, Expenses and Disbursements Policy Statement.
- Appendix D Joint Liquidators' Charge Out and Disbursement Rates,
- Appendix E Category 2 Disbursements Table,
- Appendix F Statement of Expenses incurred by The Liquidators' in the period from 12 July 2013 to 11 July 2014,
- Appendix G Joint Liquidators' Time Cost Analysis for the period set out above

#### **11.2.2. Joint Liquidators' disbursements**

The basis of the Joint Liquidators' drawing disbursements was approved by HM Revenue and Customs on 6 September 2013, when the following resolution was passed:

"The Liquidators be authorised to draw 'Category 2' disbursements out of the assets as an expense of the Winding Up, at the rates prevailing when the cost is incurred"

Disbursements incurred in the period in accordance with the resolution above are detailed on Appendix E.

### **11.3. Total remuneration incurred and paid to date since appointment**

We have incurred time costs of £41,009.30 since the date of our appointment in accordance with the resolution set out above. Of this, the whole amount remains outstanding

Although the resolution approved by HM Revenue & Customs entitles me to recover remuneration based upon time costs by reference to matters arising in the Winding Up it is unlikely that these costs will be recovered in full.

Should you require any further information please do not hesitate to contact me at [rrlondon.s1@bakertilly.co.uk](mailto:rrlondon.s1@bakertilly.co.uk)

## **12. JOINT LIQUIDATORS' STATEMENT OF EXPENSES**

A statement of the expenses incurred during the period, is attached at Appendix F. This includes all expenses incurred by the Joint Liquidators in the period of the report irrespective of whether they have been paid or not and may include estimated amounts where actual invoices have not been received. The receipts and payments abstract at Appendix B sets out the expenses actually paid in the period together with cumulative figures

## **13. CREDITORS' RIGHT TO INFORMATION AND ABILITY TO CHALLENGE EXPENSES**

In accordance with the provisions of Rules 4.49E and 4.131 of the Insolvency Rules 1986 creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses.

A request for further information must be made in writing within 21 days of receipt of this report.

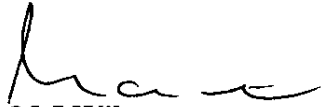
Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the remuneration charged, the basis fixed or expenses incurred by the liquidator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question

A Creditors Guide to Fees Charged by Liquidators, can be accessed at the website of the Insolvency Practitioners Association ([www.insolvency-practitioners.org.uk](http://www.insolvency-practitioners.org.uk) - "Regulation and Guidance > Creditors Guides to Fees"), or the Institute of Chartered Accountants in England & Wales ([www.icaew.com](http://www.icaew.com) - "Technical Resources > Insolvency > Creditors' guides"). Alternatively I can provide you with a copy on written request to my office

Should you have any further queries please do not hesitate to contact me.

Yours faithfully



**M J Wilson**

**Baker Tilly Restructuring and Recovery LLP**  
**Joint Liquidator**

Adrian Allen is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales  
Mark Wilson is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

## **APPENDIX A**

### **STATUTORY INFORMATION**

COURT & REFERENCE	In the High Court of Justice No 3718 of 2013
COMPANY NAME	Ace Telecom Trading Limited
PREVIOUS COMPANY NAMES	Jacksons I.T. Solutions Limited (2001)
COMPANY NUMBER:	04052361
DATE OF INCORPORATION.	14 August 2000
TRADING NAME	Ace Telecom Trading Limited
TRADING ADDRESS:	The Meridian 4 Copthall House Station Square Coventry CV1 2FL
PRINCIPAL ACTIVITY	Wholesale of electronic equipment
REGISTERED OFFICE:	Baker Tilly Restructuring and Recovery LLP 25 Farringdon Street London EC4A 4AB
PREVIOUS REGISTERED OFFICE	The Meridian 4 Copthall House Station Square Coventry CV1 2FL



## APPENDIX B

### Receipts and Payments Abstract: QZACETEL - Ace Telecom Trading Limited In Liquidation Bank, Cash and Cash Investment Accounts From: 12/07/2013 To: 11/07/2014

		12/07/2013 to 11/07/2014		Total to 11/07/2014
		£	£	£
SOA Value				£
£				
	RECEIPTS	( 0.00)		( 0 00)
	PAYMENTS			
0 00	ISA Quarterly Charges	(88.00)		(88 00)
0.00	Official Receivers Debit Balance	(1,070 00)		(1,070.00)
				(1,158 00)
			(1,158.00)	
			(1,158 00)	(1,158 00)
0.00				
	REPRESENTED BY ISA - LQD3804883		(1,158 00)	(1,158 00)
				(1,158 00)

## **APPENDIX C**

### **BAKER TILLY RESTRUCTURING AND RECOVERY LLP**

#### **CHARGING, EXPENSES AND DISBURSEMENTS POLICY STATEMENT**

##### **Charging policy**

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done
- The current charge rates for Baker Tilly Restructuring and Recovery LLP London are attached
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it
- Baker Tilly Restructuring and Recovery LLP's charge out rates are reviewed periodically.

##### **Expenses and disbursements policy**

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as "Category 1" disbursements
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as "Category 2" disbursements
- A resolution to consider approving "Category 2" disbursements at the rates prevailing at the time the cost is incurred to Baker Tilly Restructuring and Recovery LLP London will be proposed to the relevant approving party in accordance with the legislative requirements
- General office overheads are not re-charged to the insolvency estate as a disbursement
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate.

## APPENDIX D

### BAKER TILLY RESTRUCTURING AND RECOVERY LLP JOINT LIQUIDATORS' CURRENT CHARGE OUT AND DISBURSEMENT RATES

HOURLY CHARGE OUT RATES		
	Rates at commencement £	Current rates £
Partner	400 to 475	485
Directors / Associate Directors	300 to 410	300 to 410
Manager	195 to 250	250 to 265
Assistant Managers	180 to 200	200 to 220
Administrators	100 to 145	145 to 180
Support staff	100 to 105	100 to 105

"CATEGORY 2" DISBURSEMENT RATES	
Internal room hire	£50-£200 dependent on room
Subsistence	£25 per night (from 3 <sup>rd</sup> September 2013) £23 per night (up to 2 <sup>nd</sup> September 2013)
Travel (car)	38p per mile (up to and including 31 March 2010) 40p per mile (from 1 April 2010) 42 5p per mile (from 1 April 2011)
"Tracker" searches	£10 per case

**APPENDIX E****BAKER TILLY RESTRUCTURING AND RECOVERY LLP****JOINT LIQUIDATORS' CATEGORY 2 DISBURSEMENTS TABLE**

Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest		
Recipient, Type and Purpose	Paid	Unpaid
	£	£
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

## APPENDIX F

**STATEMENT OF EXPENSES INCURRED BY THE JOINT LIQUIDATORS IN THE PERIOD FROM 12 JULY 2013 TO 11 JULY 2014**

Type and Purpose	Incurring Period
	£
Insolvency Bond	28.75
Company Searches	77.00
Courier	6.30
Legal & Professional Fees	666.80
Library Searches	72.00
Travel	665.80
Total	£1,516.36

# APPENDIX G

## JOINT LIQUIDATORS' TIME COST ANALYSIS

FOR THE PERIOD FROM 12 JULY 2013 TO 11 JULY 2014

Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
<b>Administration and Planning</b>									
Appointment	0 0	0 4	0 0	0 0	1 9	0 0	2 3	£395 50	171 96
Background information	0 0	0 1	0 0	0 0	7 8	0 0	7 9	£1,161 00	146 96
Case Management	0 7	5 2	0 5	0 0	15 1	1 5	23 0	£4,663 00	202 74
Director(s)/debtor/bankrupt	0 0	8 2	0 0	0 0	15 0	0 0	23 2	£4,850 00	209 05
Pension Scheme	0 0	0 0	0 0	0 0	0 2	0 0	0 2	£29 00	145 00
Post-appointment - general	0 0	0 3	0 0	0 0	1 6	0 0	1 9	£322 00	169 47
Pre-appointment matters	0 1	0 0	0 0	0 0	0 0	0 0	0 1	£48 50	485 00
Receipts and Payments	0 0	0 2	0 1	0 0	3 5	0 1	3 9	£629 50	161 41
Tax Matters	0 0	1 2	0 0	0 0	1 4	0 0	2 6	£563 00	216 54
<b>Total</b>	<b>0 8</b>	<b>15 6</b>	<b>0 6</b>	<b>0 0</b>	<b>46 5</b>	<b>1 6</b>	<b>65 1</b>	<b>£12,661 50</b>	<b>194 49</b>
<b>Investigations</b>									
DTI/Official Receiver	0 0	0 0	0 0	0 0	2 4	0 0	2 4	£348 00	145 00
Investigations/CDDA	0 0	35 1	0 0	0 0	27 3	0 0	62 4	£17,285 00	277 00
<b>Total</b>	<b>0 0</b>	<b>35 1</b>	<b>0 0</b>	<b>0 0</b>	<b>29 7</b>	<b>0 0</b>	<b>64 8</b>	<b>£17,633 00</b>	<b>272 11</b>
<b>Realisation of Assets</b>									
Assets - general/other	0 0	0 1	0 0	0 0	2 2	0 0	2 3	£349 00	151 74
Land and Property	0 0	0 2	0 0	0 0	2 8	0 0	3 0	£486 00	162 00
<b>Total</b>	<b>0 0</b>	<b>0 3</b>	<b>0 0</b>	<b>0 0</b>	<b>5 0</b>	<b>0 0</b>	<b>5 3</b>	<b>£835 00</b>	<b>157 55</b>
<b>Creditors</b>									
1st creditors/shareholders meetings and reports	0 0	0 0	0 0	0 0	3 7	0 0	3 7	£536 50	145 00
Secured Creditors	0 0	0 0	0 0	0 0	0 5	0 0	0 5	£72 50	145 00
Unsecured Creditors	0 0	3 1	0 0	0 0	3 8	0 0	6 9	£1,661 00	240 72
<b>Total</b>	<b>0 0</b>	<b>3 1</b>	<b>0 0</b>	<b>0 0</b>	<b>8 0</b>	<b>0 0</b>	<b>11 1</b>	<b>£2,270 00</b>	<b>204 50</b>
<b>Case Specific Matters - Legal Matters</b>									
Legal Matters	1 2	13 5	0 0	0 0	17 0	0 7	32 4	£7,353 80	226 97
<b>Total</b>	<b>1 2</b>	<b>13 5</b>	<b>0 0</b>	<b>0 0</b>	<b>17 0</b>	<b>0 7</b>	<b>32 4</b>	<b>£7,353 80</b>	<b>226 97</b>
<b>Total Hours</b>	<b>2 0</b>	<b>67 6</b>	<b>0 6</b>	<b>0 0</b>	<b>106 2</b>	<b>2 3</b>	<b>178 7</b>	<b>£40,753 30</b>	<b>228 05</b>
<b>Total Time Cost</b>	<b>£970 00</b>	<b>£23,910 00</b>	<b>£157 50</b>	<b>£0 00</b>	<b>£15,480 30</b>	<b>£235 50</b>	<b>£40,753 30</b>		
	<b>485 00</b>	<b>353 70</b>	<b>262 50</b>	<b>0 00</b>	<b>145 77</b>	<b>102 39</b>	<b>228 05</b>		

Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
<b>Administration and Planning</b>									
<b>Appointment</b>									
Appointment documentation	0 0	0 2	0 0	0 0	0 4	0 0	0 6	£ 118 00	196 67
Case planning/strategy	0 0	0 2	0 0	0 0	0 0	0 0	0 2	£ 60 00	300 00
I2 / PASO case set up & data entry	0 0	0 0	0 0	0 0	1 5	0 0	1 5	£ 217 50	145 00
<b>Total</b>	<b>0 0</b>	<b>0 4</b>	<b>0 0</b>	<b>0 0</b>	<b>1 9</b>	<b>0 0</b>	<b>2 3</b>	<b>£ 395 50</b>	<b>171 96</b>
<b>Background information</b>									
Meetings/corres/tel	0 0	0 0	0 0	0 0	0 8	0 0	0 8	£ 116 00	145 00
Company searches	0 0	0 1	0 0	0 0	5 8	0 0	5 9	£ 871 00	147 63
Collecting & scheduling Books and Records	0 0	0 0	0 0	0 0	1 2	0 0	1 2	£ 174 00	145 00
<b>Total</b>	<b>0 0</b>	<b>0 1</b>	<b>0 0</b>	<b>0 0</b>	<b>7 8</b>	<b>0 0</b>	<b>7 9</b>	<b>£ 1,161 00</b>	<b>146 96</b>
<b>Case Management</b>									
Filing	0 0	0 3	0 0	0 0	1 0	1 5	2 8	£ 402 50	143 75
Bond review	0 0	0 2	0 0	0 0	0 8	0 0	1 0	£ 184 00	184 00
Case review / KPI Reports	0 7	2 5	0 5	0 0	3 7	0 0	7 4	£ 1,976 00	267 03
Communication with Joint office holder	0 0	0 0	0 0	0 0	1 2	0 0	1 2	£ 181 00	150 83
Compliance/Task updates/checklists	0 0	0 0	0 0	0 0	4 0	0 0	4 0	£ 589 00	147 25
Ongoing case planning/strategy	0 0	2 2	0 0	0 0	4 4	0 0	6 6	£ 1,330 50	201 59
<b>Total</b>	<b>0 7</b>	<b>5 2</b>	<b>0 5</b>	<b>0 0</b>	<b>15 1</b>	<b>1 5</b>	<b>23 0</b>	<b>£ 4,663 00</b>	<b>202 74</b>
<b>Director(s)/debtor /bankrupt</b>									
Correspondence/tel	0 0	0 4	0 0	0 0	8 6	0 0	9 0	£ 1,372 00	152 44
Meetings	0 0	7 8	0 0	0 0	6 4	0 0	14 2	£ 3,478 00	244 93
<b>Total</b>	<b>0 0</b>	<b>8 2</b>	<b>0 0</b>	<b>0 0</b>	<b>15 0</b>	<b>0 0</b>	<b>23 2</b>	<b>£ 4,850 00</b>	<b>209 05</b>
<b>Pension Scheme</b>									
General	0 0	0 0	0 0	0 0	0 2	0 0	0 2	£ 29 00	145 00
<b>Total</b>	<b>0 0</b>	<b>0 0</b>	<b>0 0</b>	<b>0 0</b>	<b>0 2</b>	<b>0 0</b>	<b>0 2</b>	<b>£ 29 00</b>	<b>145 00</b>
<b>Post-appointment - general</b>									
Statutory filing/advertising	0 0	0 3	0 0	0 0	1 6	0 0	1 9	£ 322 00	169 47
<b>Total</b>	<b>0 0</b>	<b>0 3</b>	<b>0 0</b>	<b>0 0</b>	<b>1 6</b>	<b>0 0</b>	<b>1 9</b>	<b>£ 322 00</b>	<b>169 47</b>
<b>Pre-appointment matters</b>									
Conflict checks/pre-appointment acceptance review	0 1	0 0	0 0	0 0	0 0	0 0	0 1	£ 48 50	485 00
<b>Total</b>	<b>0 1</b>	<b>0 0</b>	<b>0 0</b>	<b>0 0</b>	<b>0 0</b>	<b>0 0</b>	<b>0 1</b>	<b>£ 48 50</b>	<b>485 00</b>

<b>Receipts and Payments</b>									
Cashiering	0 0	0 0	0 0	0 0	1 0	0 0	1 0	£ 155 00	155 00
Receipts and Payments	0 0	0 1	0 1	0 0	2 3	0 1	2 6	£ 413 50	159 04
Journals	0 0	0 0	0 0	0 0	0 1	0 0	0 1	£ 15 50	155 00
Bank Reconciliations	0 0	0 0	0 0	0 0	0 1	0 0	0 1	£ 15 50	155 00
Investment of funds - review	0 0	0 1	0 0	0 0	0 0	0 0	0 1	£ 30 00	300 00
<b>Total</b>	<b>0 0</b>	<b>0 2</b>	<b>0 1</b>	<b>0 0</b>	<b>3 5</b>	<b>0 1</b>	<b>3 9</b>	<b>£ 629 50</b>	<b>161 41</b>
<b>Tax Matters</b>									
CT/IT/CGT post-appointment returns	0 0	0 0	0 0	0 0	0 3	0 0	0 3	£ 43 50	145 00
VAT post-appointment returns	0 0	0 0	0 0	0 0	0 8	0 0	0 8	£ 116 00	145 00
Pre-appointment VAT & Tax returns	0 0	1 2	0 0	0 0	0 3	0 0	1 5	£ 403 50	269 00
<b>Total</b>	<b>0 0</b>	<b>1 2</b>	<b>0 0</b>	<b>0 0</b>	<b>1 4</b>	<b>0 0</b>	<b>2 6</b>	<b>£ 563 00</b>	<b>216 54</b>
<b>Total</b>	<b>0 8</b>	<b>15 6</b>	<b>0 6</b>	<b>0 0</b>	<b>46 5</b>	<b>1 6</b>	<b>65 1</b>	<b>£12,661 50</b>	<b>194 49</b>
<b>Investigations</b>									
<b>DTI/Official Receiver</b>									
Correspondence/tel	0 0	0 0	0 0	0 0	2 4	0 0	2 4	£ 348 00	145 00
<b>Total</b>	<b>0 0</b>	<b>0 0</b>	<b>0 0</b>	<b>0 0</b>	<b>2 4</b>	<b>0 0</b>	<b>2 4</b>	<b>£ 348 00</b>	<b>145 00</b>
<b>Investigations/CDDA</b>									
Wrongful/fraudulent trading	0 0	0 0	0 0	0 0	0 1	0 0	0 1	£ 14 50	145 00
General review of books & records & other papers	0 0	3 0	0 0	0 0	10 1	0 0	13 1	£2,424 50	185 08
Other general matters	0 0	32 1	0 0	0 0	17 1	0 0	49 2	£14,846 00	301 75
<b>Total</b>	<b>0 0</b>	<b>35 1</b>	<b>0 0</b>	<b>0 0</b>	<b>27 3</b>	<b>0 0</b>	<b>62 4</b>	<b>£17,285 00</b>	<b>277 00</b>
<b>Total</b>	<b>0 0</b>	<b>35 1</b>	<b>0 0</b>	<b>0 0</b>	<b>29 7</b>	<b>0 0</b>	<b>64 8</b>	<b>£17,633 00</b>	<b>272 11</b>
<b>Realisation of Assets</b>									
<b>Assets - general/other</b>									
Legal	0 0	0 1	0 0	0 0	0 0	0 0	0 1	£ 30 00	300 00
Other	0 0	0 0	0 0	0 0	2 2	0 0	2 2	£ 319 00	145 00
<b>Total</b>	<b>0 0</b>	<b>0 1</b>	<b>0 0</b>	<b>0 0</b>	<b>2 2</b>	<b>0 0</b>	<b>2 3</b>	<b>£ 349 00</b>	<b>151 74</b>
<b>Land and Property</b>									
Legal	0 0	0 2	0 0	0 0	0 0	0 0	0 2	£ 80 00	400 00
Other major land & property issues	0 0	0 0	0 0	0 0	2 8	0 0	2 8	£ 406 00	145 00
<b>Total</b>	<b>0 0</b>	<b>0 2</b>	<b>0 0</b>	<b>0 0</b>	<b>2 8</b>	<b>0 0</b>	<b>3 0</b>	<b>£ 486 00</b>	<b>162 00</b>
<b>Total</b>	<b>0 0</b>	<b>0 3</b>	<b>0 0</b>	<b>0 0</b>	<b>5 0</b>	<b>0 0</b>	<b>5 3</b>	<b>£ 835 00</b>	<b>157 55</b>



<b>Creditors</b>									
<b>1st creditors/shareholders meetings and reports</b>									
Drafting reports	0 0	0 0	0 0	0 0	3 5	0 0	3 5	£ 507 50	145 00
Minutes	0 0	0 0	0 0	0 0	0 2	0 0	0 2	£ 29 00	145 00
<b>Total</b>	<b>0 0</b>	<b>0 0</b>	<b>0 0</b>	<b>0 0</b>	<b>3 7</b>	<b>0 0</b>	<b>3 7</b>	<b>£ 536 50</b>	<b>145.00</b>
<b>Secured Creditors</b>									
Meetings/corres/tel	0 0	0 0	0 0	0 0	0 5	0 0	0 5	£ 72 50	145 00
<b>Total</b>	<b>0 0</b>	<b>0 0</b>	<b>0 0</b>	<b>0 0</b>	<b>0 5</b>	<b>0 0</b>	<b>0 5</b>	<b>£ 72.50</b>	<b>145 00</b>
<b>Unsecured Creditors</b>									
Correspondence/tel	0 0	1 4	0 0	0 0	3 8	0 0	5 2	£ 981 00	188 65
Meetings	0 0	1 7	0 0	0 0	0 0	0 0	1 7	£ 680 00	400 00
<b>Total</b>	<b>0 0</b>	<b>3.1</b>	<b>0 0</b>	<b>0 0</b>	<b>3 8</b>	<b>0 0</b>	<b>6 9</b>	<b>£ 1,661 00</b>	<b>240 72</b>
<b>Total</b>	<b>0 0</b>	<b>3.1</b>	<b>0 0</b>	<b>0 0</b>	<b>8 0</b>	<b>0 0</b>	<b>11 1</b>	<b>£ 2,270 00</b>	<b>204 50</b>
<b>Case Specific Matters - Legal Matters</b>									
<b>Legal Matters</b>									
Meetings/corres/tel	1 0	8 2	0 0	0 0	14 9	0 7	24 8	£ 5,278 30	212 83
Litigation	0 2	0 0	0 0	0 0	2 1	0 0	2 3	£ 450 50	195 87
Other major issues	0 0	5 3	0 0	0 0	0 0	0 0	5 3	£ 1,625 00	306 60
<b>Total</b>	<b>1 2</b>	<b>13 5</b>	<b>0 0</b>	<b>0 0</b>	<b>17 0</b>	<b>0 7</b>	<b>32 4</b>	<b>£ 7,353 80</b>	<b>226 97</b>
<b>Total</b>	<b>1 2</b>	<b>13 5</b>	<b>0 0</b>	<b>0 0</b>	<b>17 0</b>	<b>0 7</b>	<b>32 4</b>	<b>£ 7,353.80</b>	<b>226 97</b>
<b>Total Hours</b>	<b>2 0</b>	<b>67 6</b>	<b>0 6</b>	<b>0.0</b>	<b>106 2</b>	<b>2 3</b>	<b>178 7</b>	<b>£40,753 30</b>	<b>228 05</b>
<b>Total Time Cost</b>	<b>£ 970.00</b>	<b>£23,910 00</b>	<b>£ 157 50</b>	<b>£ 0 00</b>	<b>£ 15,480.30</b>	<b>£ 235.50</b>	<b>£40,753 30</b>		
	<b>485 00</b>	<b>353 70</b>	<b>262 50</b>	<b>0 00</b>	<b>145 77</b>	<b>102 39</b>	<b>228 05</b>		

Please note that we have re-designed our SIP9 analysis table to provide a more detailed analysis of the grades of staff within the firm. Please note that this change does not alter the value of time costs recorded, purely the column within the table to which that time, and cost, has been allocated.

## NOTES TO APPENDIX G

### JOINT LIQUIDATORS' TIME COST ANALYSIS

#### a) **Administration and Planning**

This includes dealing with the commencement of the case administration, statutory filing of appointment documents with Companies' House, requesting the submission of the Statement of Affairs and filing it at Companies' House, together with day-to-day case administration duties, maintenance of records and ongoing statutory obligations. These include but are not limited to handling receipts and payments, VAT and corporation tax issues such as the monthly VAT returns, pension queries and general correspondence. Other matters which are required to be dealt with as part of the appointment and which will fall under this heading include case planning and strategy, case reviews, bonding, obtaining company searches, maintenance and obtaining books and records, general meetings / correspondence, statutory and other advertising, insurance, re-directed mail, statutory receipts and payments accounts, dealing with (including the winding up of) company pension schemes where applicable.

#### b) **Investigations**

Where appropriate this will include such matters as investigation of pre-appointment transactions in accordance with the relevant Statement of Insolvency Practice (SIP 2), preparing reports / returns in accordance with the Company Directors' Disqualification Acts and the investigation of any potential antecedent transactions such as transactions at under value and preferences which may result in legal action resulting in a recoverable asset.

#### c) **Realisation of Assets**

This includes dealing with all aspects of the realisation of assets including identifying, securing and insuring assets, and (where applicable), property, business and asset sales, retention of title claims and debt collection. Other matters dealt with during the case administration which will relate to asset realisation may commonly include effecting disclaimers, dealing with landlords, liaising with agents, undertaking inventories, meetings with purchasers / directors, arranging collection of leased assets, obtaining insurance, pursuing antecedent claims identified as part of the investigation work set out above. Details of the specific asset realisation work undertaken on this case are set out in the main body of the report. Asset realisation is considered to be a key aspect of the case administration.

#### d) **Trading**

Where the company has continued trading following the Joint Liquidators' appointment our staff will have had to set up accounts with suppliers in order to trade on an ongoing basis. Payments to suppliers and general correspondence with these have been undertaken. Where trading has ceased, accounts will have been closed and final bills paid. Other matters will also have been dealt with in accordance with the usual trading obligations such as dealing with employees and payroll.

#### e) **Creditors**

Queries from and correspondence with creditors and employees have been necessary aspects of the case administration process. The preparation of the Joint Liquidators' proposals has been undertaken including the attendant aspects of providing and obtaining the required information, convening the creditors' meeting etc. A brief report on the outcome of the creditors' meeting and the report on the first six months of the administration period have both been prepared.

#### f) **Case Specific Matters**

Any case specific matters will generally be set out in the body of the report but will commonly include meetings, correspondence and telephone calls relating to specific issues in the case which do not fall into any the categories set out above and are specific to the case in question. This may include work done in relation to litigation, general advice or other major issues.