

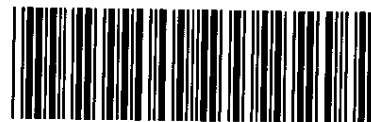
AM10

Notice of administrator's progress report



Companies House

SATURDAY



A8EYP1B5

A08

28/09/2019

#293

COMPANIES HOUSE

1 Company details

Company number 0 4 4 0 4 0 7 8

Company name in full Astley Facades Limited

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

2 Administrator's name

Full forename(s) Peter John

Surname Harold

3 Administrator's address

Building name/number Suite 6

Street

Post town 1-7 Taylor Street

County/Region Bury

Postcode B L 9 6 D T

Country

4 Administrator's name ①

Full forename(s)

Surname

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other administrator
Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

| | | | | | | | | |
|-----------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| From date | ^d 0 | ^d 3 | ^m 0 | ^m 3 | ^y 2 | ^y 0 | ^y 1 | ^y 9 |
| To date | ^d 0 | ^d 2 | ^m 0 | ^m 9 | ^y 2 | ^y 0 | ^y 1 | ^y 9 |

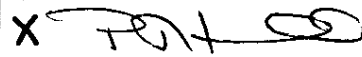
7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X 

X

Signature date

| | | | | | | | |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| ^d 2 | ^d 7 | ^m 0 | ^m 9 | ^y 2 | ^y 0 | ^y 1 | ^y 9 |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|

AM10

Notice of administrator's progress report

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 Peter John Harold

Company name Bespoke Insolvency Solutions

Address Suite 6
1-7 Taylor Street

Post town Bury

County/Region

Postcode B L 9 6 D T

Country

DX

Telephone 01204 238236

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

Astley Facades Limited
(In Administration)
Administrator's Summary of Receipts & Payments

| Statement of Affairs £ | | From 03/03/2019 To 02/09/2019 £ | From 03/03/2017 To 02/09/2019 £ |
|------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| | ASSET REALISATIONS | | |
| 25,002.00 | Bank Fee Refund | NIL | 25,002.00 |
| | Bank Interest Gross | 1.36 | 11,196.44 |
| 6,000.00 | Book Debts | NIL | NIL |
| 1,560.00 | Plant & Machinery, Furniture & Equip | NIL | 1,560.00 |
| | Rates Refund | NIL | 1,036.55 |
| | | 1.36 | 38,794.99 |
| | COST OF REALISATIONS | | |
| | Administrators Fees | NIL | 25,000.00 |
| | Bordereau | NIL | 196.00 |
| | Corporation Tax | NIL | 2,238.19 |
| | Legal Fees | NIL | 500.00 |
| | PAYE & NI | NIL | 117.38 |
| | Pension Advice | NIL | 750.00 |
| | Pension Contributions | NIL | 97.14 |
| | Photocopying | NIL | 79.65 |
| | Stationery & Postage | NIL | 89.03 |
| | Statutory Advertising | NIL | 84.60 |
| | Storage Costs | NIL | 577.00 |
| | Wages & Salaries | NIL | 979.89 |
| | | NIL | (30,708.88) |
| (12,682.00) | PREFERENTIAL CREDITORS | | |
| | Employee Arrears/Hol Pay | NIL | 6,738.33 |
| | | NIL | (6,738.33) |
| (731,857.00) | FLOATING CHARGE CREDITORS | | |
| | Floating Charge Creditor | NIL | NIL |
| | | NIL | NIL |
| | UNSECURED CREDITORS | | |
| (89,618.00) | Employees | NIL | NIL |
| (50,000.00) | HM Revenue & Customs - PAYE & NI | NIL | NIL |
| (50,000.00) | HM Revenue & Customs - VAT | NIL | NIL |
| (294,137.00) | Trade & Expense Creditors | NIL | NIL |
| | | NIL | NIL |
| | DISTRIBUTIONS | | |
| (100.00) | Ordinary Shareholders | NIL | NIL |
| | | NIL | NIL |
| (1,195,832.00) | | 1.36 | 1,347.78 |
| | REPRESENTED BY | | |
| | OBS Current Account (IB) | | 1,347.78 |
| | | | 1,347.78 |

Note:

All Estate Bank Accounts are Interest Bearing



Peter John Harold
Administrator

Fifth Progress Report to Creditors

**ASTLEY FACADES LIMITED
(COMPANY NUMBER:04404078)**

REGISTERED OFFICE: SUITE 6, 1-7 TAYLOR STREET, BURY BL9 6DT

**ADMINISTRATOR'S FIFTH PROGRESS REPORT TO CREDITORS IN ACCORDANCE
WITH RULE 18.6 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016**

DATE: 27 SEPTEMBER 2019

**IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
LIVERPOOL DISTRICT REGISTRY**

COURT NUMBER 115 OF 2017

Contents

1. Glossary
2. Introduction
3. Receipts & Payments
4. Progress of the Administration
5. Investigation
6. Administrator's Fees and Disbursements
7. Creditors' Rights
8. Outstanding Costs
9. Further Reporting
10. Conclusion of the Administration

Appendices

1. Receipts and Payments Account
2. Bespoke Insolvency Solutions' Schedule of Charge Out and Disbursements Rates

1. Glossary

| | |
|------------------------------|--|
| the Company | Astley Facades Limited (registration number 04404078) |
| the Administrator | Peter John Harold of Bespoke Insolvency Solutions, Suite 6 1-7 Taylor Street, Bury BL9 6DT |
| Bespoke Insolvency Solutions | OBS Recovery Limited trading as Bespoke Insolvency Solutions |
| the Appointment Date | 3 March 2017 being the date of appointment of the Administrator |
| the Appointor | Shaun Maclean, the QFCH |
| the Directors | Shaun Maclean Martin Holmes Stephen McGowan |
| the Bank | The Royal Bank of Scotland, the Company's bankers |
| the Valuers | JPS Chartered Surveyors |
| the Solicitors | Goldsmith Bowers Solicitors |
| Prescribed Part | Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's property (floating charge assets less costs of realisation) shall be made available to the non-preferential unsecured creditors. |
| QFC | Qualifying Floating Charge |
| QFCH | Shaun Maclean |

| | |
|--------------------------|---|
| CVA | Company Voluntary Arrangement |
| SoA | Statement of Affairs |
| RPS | Redundancy Payments Service |
| TUPE | The Transfer of Undertaking (Protection of Employment) Regulations 2006 |
| BEIS | The Department of Business, Energy and Industrial Strategy |
| ICAEW | The Institute of Chartered Accountants in England and Wales |
| the Act | the Insolvency Act 1986 (as amended) |
| the Rules | <i>the Insolvency (England and Wales) Rules 2016</i> |
| EC Regulation | EC Regulation on Insolvency Proceedings 2000 |
| Category 1 Disbursements | The Administrator's firms external supplies of incidental services specifically identifiable to the case. |
| Category 2 Disbursements | The Administrator's firms internal costs and expenses in dealing with the Administration that comprises a cost allocation |
| SIP 9 | Statement of Insolvency Practice 9 (E & W), Remuneration of Office Holders |
| SIP 13 | Statement of Insolvency Practice 13 (E & W), Acquisition of assets of insolvent companies by directors. |

SIP 15

Statement of Insolvency Practice 15 (E & W), Reporting and providing information on their functions to Committees in formal insolvencies.

2. Introduction

I write to provide you with an update on the progress of the Administration in accordance with Rule 18.6 of the Insolvency (England and Wales) Rules 2016, covering the 6 month period from 3 March 2019 to 2 September 2019 ("the Period"). Please note that the Administration was extended by the consent of the Secured Creditors of the Company until 2 March 2019. On my application on the 25 February 2019 the High Court of Justice, Business and property Court in Manchester extended the Administration to 2 March 2020. This report includes certain information required to be provided to creditors in accordance with the Rules

With effect from 20 May 2019 OBS Recovery Limited trades as Bespoke Insolvency Solutions from new premises at Suite 6, 1-7 Taylor Street, Bury BL9 6DT.

Information about the way that we will use, and store personal data on insolvency appointments or can be found at <https://bespokeinsolvency.co.uk/privacy-policy/> If you are unable to download this, please contact us and a hard copy will be provided to you.

This report should be read in conjunction with my previous circulars which can all be found on the following website www.IPS-docs.com. If you would like to receive a hard copy of any previous circulars please contact this office and they will be sent to you. For this reason, it is not proposed to report in detail on matters that have already been dealt with.

As previously advised, Peter John Harold was appointed Administrator of Astley Facades Limited in The High Court of Justice, Chancery Division, Liverpool District Registry on 3 March 2017 under Court administration number 115 of 2017.

The appointment was made by the Appointor, in accordance with Paragraph 14 of Schedule B1 of the Act.

This Administration is being handled by Peter John Harold of Bespoke Insolvency Solutions, Suite 6, 1-7 Taylor Street, Bury BL9 6DT. The Administrator's contact details are by phone on 01204 238236 or via email at info@bespokeinsolvency.co.uk.

The trading address of the Company was Unit 19 Hurricane Court, Hurricane Drive, Liverpool International Business Park, Liverpool L24 8RL.

The registered office of the Company is C/O Suite 6, 1-7 Taylor Street, Bury BL9 6DT and prior to the Administration it was at Unit 19 Hurricane Court, Hurricane Drive, Liverpool International Business Park, Liverpool L24 8RL. The Company's registered number is 04404078.

3. Receipts and Payments

A receipts and payments account for the Period and for the Administration to date is attached at Appendix 1.

4. Progress of the administration

4.1 Administrator's Proposals

The Proposals were circulated to all known members and creditors on 25 April 2017 to consider the Administrator's Proposals. The proposals were deemed approved on 10 May 2017 and notification of the outcome was circulated to creditors on 12 May 2017.

4.2 Asset Realisations

You may recall that the statutory objective being pursued in the Administration is to realise property in order to make a distribution to one or more secured creditors or preferential creditors.

This section of the report provides creditors with an update on the progress made in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Administrator under other related legislation.

4.2.1 Book Debts & Retentions

As outlined in my previous progress report the outstanding book debts and retentions were referred to Naismiths Chartered Surveyors ("Naismiths"), a book debt collection agent specialising in construction debts.

As previously advised Naismiths had indicated that it is unlikely that there will be any further realisations in this matter. It was proposed that the book debts and retentions of both this company and Astley Facades Limited be passed to Pythagoras Capital who specialise in disputed contract debts. This matter was raised with the QFCH as the charges of Pythagoras Capital are substantial percentage of any recoveries. Therefore, the approval of the QFCH was required before formal instructions could be provided. This has now been obtained and the collection of the book debts and retentions are now being dealt with by Pythagoras Capital. It was at their request that I make the application to extend the Administration as they considered that recovery was likely to be higher than if the Company had not entered into liquidation. During the period no further recoveries have been made.

4.2.2 Gross Bank Interest

A sum of £1.36 has been received in the Period

4.3 Payments

No Payment were made in the period

4.4. Creditors

The Administrator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.

Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.

The above work will not necessarily bring any financial benefit to creditors generally, however if the Administrator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a Company has, the more time and cost will be involved by the Administrator in dealing with those claims. The Administrator sets out below the position of the creditors to date:-

4.4.1 Employees and Preferential Creditors

As previously advised, the Company had eight employees excluding its Directors. Shortly prior to my appointment five employees were made redundant and upon my appointment a further two employees were made redundant on economic grounds. One employee was retained for a period of one week to assist the Administrator in collating the information required to progress the Administration.

A claim has been received from the Redundancy Payments Office in the sum of £2,511.37 in respect of unpaid wages and accrued holiday pay. In addition there were 6 former employees who had residual preferential claims totalling £4,226.96 in respect of wages and accrued holiday pay not met by the Redundancy Payments Office. Therefore the total preferential claims amount to £6,738.33 and a first and final payment of 100p in the £ was declared and paid on 26 July 2018.

4.4.2 Secured Creditors

Following a review of the Register of Mortgages and Charges, held at Companies House on the 15 November 2016 a fixed and floating charge was granted to the QFCH and this was registered at Companies House on 21 November 2016. An estimated sum of £731,857 is owed to the QFCH under this charge and it is not expected to be settled in full from the realisations.

The Company has no further secured creditors.

4.4.3 Prescribed Part

In accordance with Rule 3.35(6)(a)(i) of the Rules, the Administrator must estimate the amount of funds available to unsecured creditors in respect of the Prescribed Part.

This provision applies where the Company has granted a floating charge to a creditor after 15 September 2003. The Company has granted a floating charge to the QFCH registered on 21 November 2016. Based on no further realisation in respect of the contract balance realisations and after deducting costs the estimated Prescribed Part is below the prescribed minimum and

therefore the Prescribed Part will not apply. Similarly, the provisions of Section 176A (3) and 176A (5) will not apply.

4.4.4 Other Creditors

During the course of the Administration I have received trade and expense creditor claims totalling £945,541. I have received a claim from H M Revenue & Customs in the sum of £9,454 in respect of PAYE/NIC. I have also received a claim from the Redundancy Payments Office in the sum of £20,878 in respect of employee claims for Redundancy & Notice Pay.

Based on current information there is no prospect of a dividend becoming payable to unsecured creditors within this Administration.

4.4.5 Limitation Act

It should be noted that the Limitation Act 1980 continues to apply to all debts due from the Company. Case law indicates that where a company is in administration, time does not stop running for limitation purposes pursuant to the Limitation Act 1980. If you have any concerns in relation to your claim against the Company becoming time-barred during the course of the administration, we strongly recommend that you seek independent legal advice on the options available to you to prevent this.

5. Investigation

Some of the work the Administrator is 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 Administrator can pursue for the benefit of creditors.

In accordance with SIP 2 I can advise that I have conducted an investigation into the affairs of the Company and I can report that I have not identified any further assets, prior transactions by the Company, or the conduct of any person involved with the Company that could give rise to a recovery for the estate.

During the course of the Administration, to comply with my statutory obligations, I have carried out a review of the Director's conduct and have submitted my report to the Directors Disqualification Unit of the BEIS as required. The contents of this report are confidential.

6. Administrator's Fees and Disbursements

6.1. Pre-Appointment Administrator's Fees and Disbursements

The Administrator's pre-appointment costs were minimal and have therefore been written off.

The Solicitors were instructed to prepare and lodge the appointment documentation and their costs amounted to £1,500 plus VAT. The Solicitors have subsequently agreed to reduce their fee to £500 plus VAT and this has now been paid

6.2. Administrator's Fees and Disbursements

As there was no prospect of a dividend distribution to the unsecured creditors except by way of the Prescribed Part (further details of which are provided within this report below) I sought approval of the following Resolutions from both the Preferential and Secured Creditors. The Preferential Creditors approved my fees as follows:-

Resolution 1

Under Rule 3.52 of the Insolvency Rules and in the absence of a Creditors' Committee, the unpaid pre-administration fees and disbursements as detailed in the Administrator's Proposals be approved. These are as follows:

The Solicitors costs of £1,500 plus VAT

Resolution 2

Under Rule 18.8 of the Insolvency Rules and in the absence of a Creditors' Committee, the remuneration of the Administrator be a fixed fee of £25,000 plus VAT and 20% of realisations plus VAT after deduction of the fixed fee.

ASTLEY FACADES LIMITED
ADMINISTRATOR'S FIFTH PROGRESS REPORT TO CREDITORS
DATE: 27 SEPTEMBER 2019

Resolution 3

That the Administrator be authorised to draw Category 2 disbursements in accordance with their firm's published tariff.

Resolution 4

The Administrator will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon his appointment as Administrator ceasing to have effect.

The Preferential Creditors approved these Resolutions on **2 June 2017**. The Administrator has drawn a total of £25,000 for the entire period of the Administration to date as approved by the Secured creditor.

Details of the Administrator's disbursements incurred to date and paid including the comparison with the estimated disbursements previously disclosed in the Administrator's proposals are set out below and are shown net of VAT:

| Supplier | Work Undertaken | Costs incurred since last report | Costs paid | Total costs incurred | Total costs paid | Estimated total costs |
|--------------------------|-----------------|----------------------------------|------------|----------------------|------------------|-----------------------|
| Courts Advertising | Advertising | £0.00 | £0.00 | £84.60 | £84.60 | £169.20 |
| Refresh Recovery Limited | Photocopying | £0.00 | £0.00 | £87.60 | £79.65 | £135.00 |
| Refresh Recovery Limited | Postage | £0.00 | £0.00 | £118.18 | £89.03 | £175.00 |
| Willis | Bordereau | £0.00 | £0.00 | £196.00 | £196.00 | £196.00 |
| Iron Mountain | Storage Costs | £0.00 | £0.00 | £577.00 | £577.00 | £1,000.00 |
| High Court of Justice | Court fee | £0.00 | £0.00 | £95.00 | £0.00 | £0.00 |

6.3. Professional Advisors

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
2020 Trustees Limited - for pension advice

Basis of Fee Arrangement
Fixed Fee of £750.00



| | |
|---|--|
| Naismiths Chartered Surveyors – for the pursuit of the outstanding book debts and retentions | 20% of net realisations |
| Turner Parkinson Solicitors – for the application of extension of Administration including Counsel's fees of £500 | Fixed Fee of £750 plus Disbursements of £500 |
| Pythagoras Capital | 50% of net recoveries prior to instigating legal proceedings. 65% of net recoveries after instigation of legal proceedings. |

6.4 Administrator's Charge Out and Disbursement Rates

Details of my firm's current charge out and disbursement rates can be found in the attached schedule.

6.5 Creditors Guide to Fees

A full copy of a creditors' guide to fees can be downloaded from the following site:

[https://bespokeinsolvency.co.uk/wp-content/uploads/2019/05/Guide to Administrators Fees Oct 2015.pdf](https://bespokeinsolvency.co.uk/wp-content/uploads/2019/05/Guide%20to%20Administrators%20Fees%20Oct%202015.pdf)

7. Creditors' Rights

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 Administrator provide further information about his remuneration or expenses which have been itemised in this progress report.

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 the basis fixed for the Administrator's remuneration, the remuneration charged or the expenses incurred by the Administrator as set out in this progress report are excessive.

8. Outstanding costs

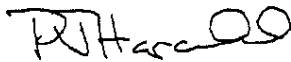
All post appointment expenses that have been incurred and the amounts paid are shown above. There are no other outstanding costs except that Bespoke Insolvency Solutions have paid the aforementioned legal and counsel's fees for the extension of the administration but have not yet raised a disbursements invoice to the Company

9. Further Reporting

In accordance with Rule 18.6 of the Insolvency (England and Wales) Rules 2016, I will issue a further report in the next six months.

10. Conclusion of the Administration

As it is currently predicted that no funds are available for distribution to the unsecured creditors within this Administration, in accordance with Paragraph 84(1) of Schedule B1 of the Insolvency Act 1986, it is proposed that the Company is moved from Administration to dissolution upon the conclusion of the Administrator's duties.



Peter John Harold
Administrator

Appendix 1 – Receipts and Payments Account

Astley Facades Limited
(In Administration)

ADMINISTRATOR'S RECEIPTS AND PAYMENTS ACCOUNT

| | Statement of affairs £ | From 03/03/2019 To 02/09/2019 £ | From 03/03/2017 To 02/09/2019 £ |
|--|------------------------------|---------------------------------------|---------------------------------------|
| RECEIPTS | | | |
| Bank Fee Refund | 25,002.00 | 0.00 | 25,002.00 |
| Plant & Machinery, Furniture & Equipme | 1,560.00 | 0.00 | 1,560.00 |
| Book Debts | 6,000.00 | 0.00 | 0.00 |
| Rates Refund | | 0.00 | 1,036.55 |
| Bank Interest Gross | | 1.36 | 11,196.44 |
| | | <u>1.36</u> | <u>38,794.99</u> |
| PAYMENTS | | | |
| Bordereau | | 0.00 | 196.00 |
| Administrators Fees | | 0.00 | 25,000.00 |
| Pension Advice | | 0.00 | 750.00 |
| Legal Fees | | 0.00 | 500.00 |
| Corporation Tax | | 0.00 | 2,238.19 |
| Stationery & Postage | | 0.00 | 89.03 |
| Photocopying | | 0.00 | 79.65 |
| Storage Costs | | 0.00 | 577.00 |
| Statutory Advertising | | 0.00 | 84.60 |
| Pension Contributions | | 0.00 | 97.14 |
| Wages & Salaries | | 0.00 | 979.89 |
| PAYE & NI | | 0.00 | 117.38 |
| Employee Arrears/Hol Pay | (12,682.00) | 0.00 | 6,738.33 |
| Floating Charge Creditor | (731,857.00) | 0.00 | 0.00 |
| Trade & Expense Creditors | (294,137.00) | 0.00 | 0.00 |
| Employees | (89,618.00) | 0.00 | 0.00 |
| HM Revenue & Customs - PAYE & NIC | (50,000.00) | 0.00 | 0.00 |
| HM Revenue & Customs - VAT | (50,000.00) | 0.00 | 0.00 |
| Ordinary Shareholders | (100.00) | 0.00 | 0.00 |
| | | <u>0.00</u> | <u>37,447.21</u> |
| BALANCE - 02 September 2019 | | | <u><u>1,347.78</u></u> |

Note:
All Estate Bank Accounts are Interest Bearing


Peter John Harold
Administrator

Appendix 2 – Bespoke Insolvency - Schedule of Charge Out and Disbursements Rates

Bespoke Insolvency Solutions FEE AND EXPENSES FOR ADMINISTRATORS

1. TIME COST AND CHARGES OUT RATES

Although a resolution for the Administrator's fees was not sought on a time costs basis, it should be noted that the current charge out rates for this Firm are as follows:-

| Grade of Staff | (£ per hour) |
|---------------------------------|---------------------|
| Insolvency Practitioner/Partner | 335 |
| Senior Manager | 280 |
| Manager | 250 |
| Case Supervisor | 180 |
| Senior Case Administrator | 140 |
| Case Administrator | 100 |

All charge out rates are subject to periodic review. Any material amendments to charge out rates shall be advised to Creditors (or the Creditors' Committee, if appropriate) in subsequent statutory report. Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried out as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff. Time is recorded in units of 0.10 of an hour (i.e. 6 minute units).

The work involved in this assignment mainly relates to the following:

Administration and Planning

Administration and planning - This represents the work that has been and will be involved in the routine administrative functions of the case by the office holder and his staff, together with the control and supervision of the work done on the case by the office holder. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and regulation. Tasks under this heading will include inter alia:

- Case Planning
- Administrative set up including creation of files on firm's insolvency software
- Maintenance of records
- Opening, maintaining and managing the Estate accounts
- Post appointment VAT compliance
- Liaison with secured creditors, obtaining charge documents and validating security
- Post appointment Corporation Tax compliance
- Securing and Scheduling company's books and records
- Undertaking case progression reviews (typically at the end of month 1 and every six months thereafter) and general management of case
- Routine correspondence and e-mails

Investigation

The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure (and also in respect of matters such as misfeasance and wrongful trading). The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of

creditors. If potential recoveries or matters for further investigation are identified then the office holder will need to investigate them in detail and to bring recovery actions where necessary. Such recovery actions will be for the benefit of the creditors. The office holder is also required by legislation to report to the Department for Business, Innovation and Skills on the conduct of the directors and the work to enable them to comply with his statutory obligations is of no direct benefit to the creditors, although it may identify potential recovery actions. Tasks under this heading will include inter alia:

- Recovering the books and records and reviewing the same
- Review and compliance with Statement of Insolvency (SIP 2)
- Sending out questionnaires to Directors and reviewing the same once completed.
- Review and identify potential asset recoveries by seeking and obtaining information from relevant third parties, such as banks, accountants, solicitors etc
- Taking actions for recovery if any potential assets are identified
- Report to the Department of Business, Innovation and Skills in accordance with the Company Directors Disqualification Act 1986 ("CDDA").

Realisation of assets

This is the work that has been and need to be undertaken to realise the known assets in the case. If this work is undertaken, the office holder anticipates that the assets will realise the estimated to realise amounts provided to creditors. Such realisations will be for the benefit of the creditors. Tasks under this heading will include inter alia:

- Review statement of affairs, accounts and books and records together with communications with directors and other third parties to identify the assets of the company
- Corresponding with Bank to collect Complex fee refund
- Instructing Chartered Surveyors to assist in the realisation of book debts
- Instructing Agents to value chattel assets.
- Dealing with Agents regarding chattel assets and sale to one of the former directors
- Liaising with secured creditors over the realisation of the assets subject to a charge
- Liaising with Finance Companies re return of their vehicles

Creditors

Employees - The office holder has dealt with the ex-employees in order to ensure that their claims are processed appropriately by the Redundancy Payments Office ("RPO"). That work included dealing with queries received from both the ex-employees and the RPO to facilitate the processing of the claims. The office holder is required to undertake this work as part of his statutory functions.

Claims of creditors - the office holder needs maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

Dividends - the office holder has to undertake certain statutory formalities in order to enable him to pay a dividend to creditors. This include writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.

Tasks under this heading will include inter alia:

- Communication with creditors by email, post or telephone
- Processing creditors' claims and maintaining up to date creditor information (including employees and any preferential creditors)
- Requesting additional information from creditors in support of their proof of debt
- Liaison with Redundancy Fund
- Dealing with pre-appointment taxation issues relating to VAT, PAYE/NI, CIS and Corporation tax
- Adjudicate claims
- Payment of a first and final dividend of 100p in the £ to preferential creditors

Statutory Matters

The office holder is obliged follow various statutory and regulatory obligations. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow. Tasks under this heading will include inter alia:

- Notifying creditors of the office holder's appointment and filing statutory appointment documents at Companies House
- Arranging statutory advertising in London Gazette
- Notifications to HM Revenue & Customs re appointment and submission of VAT 769
- Obtaining a specific penalty bond and quarterly reviews
- Preparation of Proposals to be put to creditors
- Filing statutory documents at Companies House following approval or rejection of Proposals
- Submission of progress report and return to Companies House
- Submission of documents regarding extension of the Administration
- Submission of final return to Companies House

Fee Proposal

The approval of the Administrator's fee was sought from the secured and preferential creditors. As this calculated on a fixed fee basis, consideration was given both to the work to be undertaken as set out above and time cost incurred in similar Administrations dealt with. In addition to the normal compliance matters, Administrations with more realisable assets involve considerable additional work both in dealing with the realisation of those assets and also with dealing with creditors which are generally of a higher value and volume. Therefore it is considered that the agreed fixed fee was an appropriate, reasonable and commensurate reflection of the work likely to be carried out by the Administrator. The fixed fee was drawn as soon as funds allowed after payment of the Pre-Appointment fees and disbursements and the Administrator's category 1 & 2 disbursements.

A creditors' guide to Administrator's fees is attached. A full copy of this guide can be downloaded from the following site:-

https://bespokeinsolvency.co.uk/wp-content/uploads/2019/05/Guide_to_Administrators_Fees_Oct_2015.pdf

2. EXPENSES & DISBURSEMENT COSTS

Where the Insolvency Practitioner in the firm acts as office-holder of an insolvent estate, the firm will seek to re-charge these costs (plus VAT where applicable). In such cases to comply with Statement of Insolvency Practice 9 (SIP9), the standard disbursement cost and expense re-charge calculations will be based upon the firm's standard policy which is as follows:

Category 1 Disbursements

These costs will include, among other:-

| | |
|-------------------------|---|
| Statutory Advertising: | As per advertisers/agents invoice currently £84.60 per advert |
| Statutory Bonding: | Charged at cost |
| Postal Redirection: | Charged at cost |
| Courier : | Charged at cost |
| Postage: | First class postal charges based on the weight of the circular. |
| Storage: | Pro rata per number of boxes per storage charge invoice. An external storage provider provides this facility to the firm. Current charges are £2.50 for the box and £4.08 per box per annum for the storage |
| Room Hire: | No charge is made for meeting within the firm's office but charges made by others are charged at cost |
| Land Registry Searches: | As per Land Registry invoice |
| Companies House Search: | As per Companies House invoice |
| Travel: | Charged at costs for public transport, taxis and car parking |
| Legal Costs: | As per agreed rates |

Category 2 Disbursements

This relates to expenditure which may be directly related to the insolvent estate, or where the costs is apportioned or allocated over a number of such cases and estimates are used in the calculation. Such disbursements require creditor approval.

| | |
|--------------------|---|
| Photocopier/Paper: | £0.15 per sheet – irrespective of size. Based on average costs of machine consumables (toner cartridges, maintenance etc) and paper |
| Travel: | 45p per mile which is the cost reimbursed to staff |

All the above costs are subject to periodic review. Any material amendments to costs shall be advised to Creditors (or the Creditors' Committee, if appropriate) in subsequent statutory reports.