

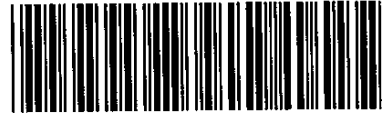
LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



A19 *A81MLZJ4* #237
20/03/2019
COMPANIES HOUSE

1	Company details	
Company number	0 5 1 1 6 8 6 6	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Sterling Geophysical Surveys Limited	
2	Liquidator's name	
Full forename(s)	Lee	
Surname	Causer	
3	Liquidator's address	
Building name/number	35 Calthorpe Road	
Street	Edgbaston, Birmingham	
Post town	West Midlands	
County/Region		
Postcode	B 1 5 1 T S	
Country		
4	Liquidator's name ①	
Full forename(s)	Christine	① Other liquidator Use this section to tell us about another liquidator.
Surname	Francis	
5	Liquidator's address ②	
Building name/number	150 Aldersgate Street	② Other liquidator Use this section to tell us about another liquidator.
Street	London	
Post town	EC1A 4AB	
County/Region		
Postcode		
Country		

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report											
From date	^d 2	^d 2	^m 0	^m 1	^y 2	^y 0	^y 1	^y 8				
To date	^d 2	^d 1	^m 0	^m 1	^y 2	^y 0	^y 1	^y 9				
7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												
8	Sign and date											
Liquidator's signature	Signature X <i>e francis</i> X											
Signature date	^d 1	^d 9	^m 0	^m 3	^y 2	^y 0	^y 1	^y 9				

LIQ03

Notice of progress report in voluntary winding up



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 **Christine Francis**

Company name **BDO LLP**

Address **150 Aldersgate Street**
London

Post town **EC1A 4AB**

County/Region

Postcode

Country

DX

Telephone **+44 (0)20 7334 9191**



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

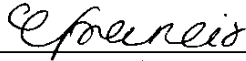
This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Sterling Geophysical Surveys Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 22/01/2018 To 21/01/2019 £	From 22/01/2018 To 21/01/2019 £
	FINANCED ASSET 1		
400.00	Computer equipment	NIL	NIL
(957.00)	Dell Financial Services	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
4,000.00	Furniture & equipment	4,500.00	4,500.00
	Business rates refund	603.01	603.01
14,686.00	Cash at bank	14,057.73	14,057.73
86,639.00	Trade debtors	77,234.58	77,234.58
Uncertain	Accrued income - NRS	9,600.00	9,600.00
Uncertain	Accrued income - IPP	36,000.00	36,000.00
Uncertain	Accrued income - Mappeo	NIL	NIL
		141,995.32	141,995.32
	OTHER REALISATIONS		
Uncertain	Sterling Power Group Ltd	NIL	NIL
Uncertain	Sterling Power Utilities Ltd	NIL	NIL
	Interest gross of tax	96.91	96.91
Uncertain	Sterling Power International Ltd	NIL	NIL
2,431.00	Rent deposit	NIL	NIL
		96.91	96.91
	COSTS OF REALISATION		
	Agent's fees & expenses	1,000.00	1,000.00
		(1,000.00)	(1,000.00)
	COSTS OF ADMINISTRATION		
	Debt collection fees	15,403.19	15,403.19
	Agent's fees in agreeing employee clai	2,175.00	2,175.00
	Bank charges	2.22	2.22
	Insurance	392.00	392.00
	Postage	39.00	39.00
	Statutory advertising	230.85	230.85
	Specific penalty bond	200.00	200.00
	Storage costs	528.90	528.90
	Redirection of mail	204.00	204.00
	Pre appointment fee	8,000.00	8,000.00
	Liquidators' fees	32,908.75	32,908.75
	Professional fees - bank analysis	840.00	840.00
		(60,923.91)	(60,923.91)
	PREFERENTIAL CREDITORS		
(61,481.14)	Employees wage arrears & holiday pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(453,465.70)	Trade & expense creditors	NIL	NIL
(225,204.23)	Employees and directors	NIL	NIL
(565,581.25)	HM Revenue & Customs	NIL	NIL
(17,818.00)	Intercompany creditors	NIL	NIL
		NIL	NIL

Sterling Geophysical Surveys Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 22/01/2018 To 21/01/2019 £	From 22/01/2018 To 21/01/2019 £
	CONTRIBUTORIES		
(1.00)	Ordinary shareholders	NIL NIL	NIL NIL
(1,216,352.32)		80,168.32	80,168.32
	REPRESENTED BY		
	VAT receivable		4,894.88
	Bank current a/c		76,173.44
	VAT payable		(900.00)
			80,168.32



 Christine Francis
 Joint Liquidator

CONTENTS

1. Statutory information
2. Progress to date
3. *Investigations*
4. Joint liquidators' remuneration
5. Joint liquidators' expenses
6. Creditors' rights
7. Liabilities

APPENDICES

- Appendix I Receipts and payments account
- Appendix II Breakdown of time costs and examples of work undertaken in a liquidation
- Appendix III Schedule of expenses incurred
- Appendix IV Revised fee estimate dated 18 March 2019

This report is intended for use by those parties entitled to a copy thereof under the Insolvency (England and Wales) Rules 2016. It may contain information that is privileged, confidential or exempt from disclosure and any dissemination, distribution or copying of it and its attachments is strictly prohibited. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

Any estimated outcomes for creditors are for illustration only and cannot be relied upon as guidance as to the actual outcome for creditors.

Lee Causer and Christine Francis are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales in the UK.

1. STATUTORY INFORMATION

Company name:	Sterling Geophysical Surveys Limited
Company number:	05116866
Registered office:	Suite 17, Building 6 Croxley Business Park Hatters Lane Watford WD18 8YH
Date of appointment:	22 January 2018
Former liquidator:	Michael Finch (22 January 2018 to 11 January 2019)
Joint liquidators:	Lee Causer (22 January 2018 to date) Christine Francis (appointed by Court Order on 11 January 2019)
Joint liquidators' address:	Suite 17, Building 6 Croxley Business Park Hatters Lane Watford WD18 8YH

2. PROGRESS TO DATE

- 2.1. The receipts and payments account attached in Appendix I details the asset realisations during the period of this report. Below is a summary of the work undertaken in respect of each asset category during the period from the date of liquidation to 21 January 2019 ("the annual reporting period") and therefore contains information detailed in my previous report to creditors dated 20 July 2018.

CHATTEL ASSETS

- 2.2. The Company's unencumbered chattel assets were estimated to have a realisable value of £4,000 in the statement of affairs. Following liquidation, Hilco Global (a firm of valuers and surveyors) were instructed to assist in realising the Company's furniture and equipment which was located at the trading premises. After corresponding with several interested parties, two offers were received to purchase these items.
- 2.3. The first offer involved the furniture and equipment remaining in situ and was subject to the third party also negotiating an assignment of the lease on the trading premises. The rent on the trading premises had been paid to the end of February 2018 and as such, any assignment needed to be completed prior to this as the Company would become liable for the next rental payment on 1 March 2018.
- 2.4. The second offer was for slightly less and only involved the equipment, however, it did include the removal of these items from site prior to the next rental payment becoming due (including the return of the computer equipment subject to a finance agreement with Dell Financial Services). It also provided for the computer equipment to be wiped to ensure there were no data breaches.
- 2.5. Following lengthy discussions with both parties, it was established that the third party looking to take an assignment of the lease would be unable to complete this prior to 1 March 2018 and was

not willing to cover the rental payment that the Company would become liable for. After taking into account associated costs and the impact of the next rental payment, it was concluded that the second offer would provide a better outcome for creditors as whole and this was therefore accepted. Subsequently, a further agreement was reached with the third party who was unsuccessful to purchase and remove the remaining furniture items from the property. Neither party is connected to the Company.

- 2.6. The assets were cleared from the Company's trading premises which was then disclaimed. From the sale of these items, the sum of £4,500 plus VAT has been received into the liquidation.

BUSINESS RATES REFUND

- 2.7. After the trading premises were disclaimed, a business rates refund of £603.01 was requested and received from the local authority.

CASH AT BANK

- 2.8. The Company's records showed that the balance of £14,686 was held in accounts operated with Clydesdale & Yorkshire Bank plc ("CYBG") and Secure Trust Bank plc ("STB"). These accounts were initially kept open to capture any payments from outstanding trade debtors. After an initial period, during which the larger group's administration team assisted in pursuing outstanding debtor balances, CYBG and STB were instructed to close the accounts. The balance of £14,057.73 was received into the liquidation. The difference from the balance originally expected is due to final charges that were applied to the accounts upon closure.

TRADE DEBTORS AND ACCRUED INCOME PROJECTS

- 2.9. The statement of affairs showed that the Company's debtor ledger had a book value of £120,090 at the date of liquidation. This was estimated to realise £86,639 after making provisions for any bad or doubtful debts. In addition, there were three customers where the Company had provided ad hoc services and prospective income had accrued but had not yet been invoiced. The income on these projects was valued at £54,000, however, due to the lack of formal agreements with the customers concerning the projects, their estimated to realise value was marked as uncertain.
- 2.10. Debtor balances totalling £2,800.98 had been paid into the pre-appointment bank accounts following the date of liquidation, and these funds were subsequently transferred to the liquidators upon closure of the pre-appointment accounts. The remaining ledger was passed to JP Associates ("JPA"), a firm of debt recovery specialists, to pursue together with the three projects where income had accrued.
- 2.11. The largest debtor included on the Company's ledger had outstanding invoices of just over £59,000. After initial contact from JPA they issued a counter claim in respect of services that they provided to the Company of circa £22,000. They were also one of the three customers where accrued income could be claimed. JPA entered into correspondence with this customer and having reviewed the counter claim, it was agreed that set-off applied. As a result, the sum of £36,196.97 was received in settlement of the trade debtor balance, together with a further payment of £36,000 plus VAT in respect of the accrued income.
- 2.12. JPA also corresponded with the remaining debtors and the other two parties where income had accrued. Their collection efforts have now been completed and during the annual reporting period, realisations totalling £77,234.58 were achieved from the trade debtors ledger (including the settlement of the largest debtor balance detailed in point 2.11 above). Since the anniversary date a final small realisation of £132 has been received from the ledger.
- 2.13. JPA also achieved a payment of £9,600 plus VAT from one customer where income had accrued, which exceeded the initial value of this project. The third project was subject to a grant and

required any expenses to first be audited before they were paid. The terms of the grant also provided for it to terminate if the Company was placed into liquidation. Based on a review of the project, it was concluded that it was uneconomical to pursue the value of the accrued income. No further sums are therefore expected from these assets.

ASSOCIATED COMPANIES DEBTS

- 2.14. At the date of liquidation, balances were owed from associated companies with a book value totalling £293,017. All of these companies are subject to their own insolvency proceedings and claims have been registered in the event funds become available from those cases. Whilst no dividends are currently expected from the liquidations of Sterling Power Utilities Limited and Sterling Power International Limited, the annual progress report for Sterling Power Group Limited estimates that a dividend in the region of 18.6p in the £ will become available.

RENT DEPOSIT

- 2.15. The landlord of the trading premises held a rent deposit which was estimated to realise £2,431 after the deduction of rent arrears. As part of the property clearance, the landlord advised that the boiler on the premises was not in working order and as this was the Company's responsibility to maintain, the remainder of the deposit would be used to cover the repair costs. They have since submitted a claim in the liquidation for the shortfall due to them under the terms of the lease.

REVIEW INTO THE COMPANY'S AFFAIRS AND CONDUCT OF THE DIRECTORS

- 2.16. An initial review of the Company's affairs and the directors' conduct was completed from the books and records available. As part of this review, MAPS Solutions Europe Limited ("MAPS"), a firm specialising in IT forensics, was instructed to complete an audit of the Company's bank statements to identify any unusual transactions that may be challenged by a liquidator.
- 2.17. The initial review highlighted that further enquiries should be made into transactions with other group companies. Additional analysis was completed of the Company's accounting records and in particular the nominal ledgers detailing transactions between the group companies. This review suggested that the Company had historically supported the larger group of companies, however, during the period of support the directors were obtaining professional advice on the Company's affairs and the options available. From this further review, no actions have been identified that could be pursued for the benefit of creditors.

EMPLOYEE CLAIMS AND PENSION SCHEME

- 2.18. The process of placing the Company into liquidation included all staff members being made redundant shortly prior to the liquidators being appointed. Insol Employee Solutions Limited ("Insol") were instructed to assist in processing the employees claims with the Redundancy Payments Services ("RPS"). Following appointment, they also assisted in preparing the necessary submissions required by the RPS from the liquidators to process these claims.
- 2.19. A review of information provided from the Company's records established that the former employees had been part of a pension scheme operated by the group. Arrears were outstanding where the Company had deducted contributions from the employees' salaries but had then failed to pay these over to the pension scheme. As such, Insol were also instructed to assist the liquidators in collating and submitting the necessary information to the RPS so that these claims could be repaid into the employees' pension.
- 2.20. Sufficient funds are now available to declare a dividend of 100p in the £ to preferential creditors and work is therefore being undertaken with the assistance of Insol to agree the claims of both

the RPS and any balancing sums due to the former employees. Calculations are also being completed in respect of any tax or NIC deductions to be made from the proposed dividend.

FURTHER WORK TO BE COMPLETED

- 2.21. With the exception of any payments received from the liquidations of associated companies, there are no further asset realisations expected. Following the dividend to preferential creditors, it is anticipated that there will be funds available for a nominal dividend to unsecured creditors.

3. INVESTIGATIONS

- 3.1. An appropriate submission on the actions of the directors has been forwarded to the Disqualification Unit of the Department for Business, Energy & Industrial Strategy in accordance with the joint liquidators' statutory duties. Please note that the content of this submission is of a confidential nature and so cannot be disclosed to third parties by myself.

4. JOINT LIQUIDATORS' REMUNERATION

- 4.1. The pre appointment fee was fixed at £8,000 plus VAT and disbursements as follows:

Assisting in the preparation of the Statement of Affairs by Moore Stephens LLP	£5,000
Assisting in the seeking of the decision of the creditors on the nomination of a liquidator by deemed consent by Moore Stephens LLP	£3,000
Total	<hr/> £8,000 <hr/>

- 4.2. This fee has been drawn accordingly.
- 4.3. The remuneration of the joint liquidators has been fixed by creditors on 7 August 2018 as follows:
- by reference to the time properly given by the joint liquidators and their staff in attending to matters arising in the liquidation as set out in the further fees estimate dated 20 July 2018 (which will supersede the fees estimate agreed by creditors on 6 March 2018).
- 4.4. In accordance with the fees estimate the remuneration of the joint liquidators has been approved up to £33,785.38.
- 4.5. During the annual reporting period, work has been undertaken in achieving the realisations as set out at points 2.2 to 2.15 above. In achieving those realisations, it should be noted that unforeseen work had to be completed in clearing the trading premises. Following the acceptance of the offer to purchase the chattel assets of the Company, arrangements were made for the items to be removed prior to 1 March 2018 so that the lease could be disclaimed before the next rental payment became due. A dispute arose as part of the removal process concerning certain fixtures which the landlord advised formed part of the premises and not the Company's assets. This dispute led to the liquidators incurring additional costs corresponding with both parties to resolve the position before the lease could be disclaimed.
- 4.6. The clearance of the premises also identified Company books and records that the liquidators had not previously been made aware of. Arrangements were therefore made at short notice for these records to be collected. There was also correspondence with two parties whose data had been

supplied to the Company historically and arrangements were made for this data to either be returned to the relevant party and/or destroyed.

- 4.7. A review of the Company's records, including a specific analysis of transactions with other group companies, has been completed to ensure that there are no actions which could be pursued for the benefit of creditors. The analysis of the intercompany transactions has also assisted in verifying the claims against associated companies, from which, at least one distribution is expected.
- 4.8. The realisations achieved will enable a dividend of 100p in the £ to be paid to preferential creditors, *together with a nominal dividend to unsecured creditors*. Work has been undertaken to agree the claims of preferential creditors and it is envisaged that this will be paid in the next couple of weeks. Work will now also commence on the agreement of unsecured creditor claims, however, the quantum and timing of such a dividend will be dependent upon realisations received from associated companies.
- 4.9. In addition to the above, the joint liquidators have dealt with all statutory matters and administrative work in relation to the liquidation and either required by legislation or necessary to perform the basic duties of a liquidator.
- 4.10. During the period of this report, time costs of £38,721 have been incurred over 144.50 hours at an average rate of £267.97 per hour. A detailed breakdown of the time costs of the joint liquidators, *together with current charge out rates and examples of work undertaken in a liquidation* are attached in Appendix II.
- 4.11. £32,908.75 has been drawn during the annual reporting period in respect of the remuneration of the joint liquidators. Since the anniversary date, a further balance of £876.63 has been drawn bringing the remuneration up to the limit set in the fee estimate.
- 4.12. Time costs have exceeded the fees estimate agreed by creditors, predominantly due to the unexpected work that was undertaken in arranging clearance of the trading premises, completing a further analysis of the transactions with associated group companies and dealing with the submission of information and claims relating to the Company's pension scheme for former employees.
- 4.13. Further costs will now also be incurred in completing ongoing work that had not previously been expected, particularly in finalising the agreement of both preferential and unsecured creditor claims so that dividends can be declared to both class of creditor.
- 4.14. A revised fee estimate is attached in Appendix IV. A decision by correspondence is being sought from creditors to agree the revised fee estimate. Notice of the decision procedure will be sent out in conjunction with this report.
- 4.15. Should you wish to receive a copy of "A Creditors' Guide to Liquidators' Fees" this is available on the R3 website <https://www.r3.org.uk/what-we-do/publications/professional/fees> or by requesting a copy from this office in writing or by telephone.

5. JOINT LIQUIDATORS' EXPENSES

- 5.1. A schedule of all expenses incurred in the period is detailed in Appendix III.
- 5.2. Hilco Global have been paid the sum of £1,000 plus VAT for assisting in the sale of the Company's chattel assets and associated issues. No further sums are due to Hilco Global.

- 5.3. For collection of the Company's trade debtor ledger and accrued income projects, JPA's fees were agreed at a rate of 15% of balances collected plus VAT, with the exception of the settlement achieved with the main debtor. For this customer, a rate of 10% plus VAT was agreed. JPA were paid the sum of £15,403.19 plus VAT during the annual reporting period in respect of collections achieved. A final balance of £19.80 plus VAT was paid after the anniversary date in respect of the last debtor balance received.
- 5.4. Insol have been paid the sum of £2,175 plus VAT for work completed in submitting the claims of former employees to the RPS (including submission of pension contribution arrears) and agreeing the preferential claims of employees for dividend purposes. It is anticipated that a further balance will be due to Insol for the agreement of any unsecured employee claims.
- 5.5. JLT Insurance has been paid £392 in respect of insurance cover over the Company's chattel assets before they were sold. This cover was cancelled after the trading premises were disclaimed and no further premiums are due.
- 5.6. MAPS has been paid an agreed fixed fee of £840 plus VAT for their work in auditing the Company's bank statements.
- 5.7. The only expense that is expected to exceed the estimate provided with my previous report to creditors on 20 July 2018, relates to the fixed costs of Insol in agreeing the unsecured claims of the former employees. This expense is not expected to exceed £1,000 plus VAT.

6. CREDITORS' RIGHTS

- 6.1. Within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question) or any unsecured creditor with the permission of the court may request in writing that the joint liquidators provide further information about their remuneration or expenses which have been itemised in the progress report.
- 6.2. Within 14 days of receipt of the request, the joint liquidators must provide all of the information asked for, except so far as they consider that:
- the time or cost of preparation of the information would be excessive, or
 - disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
 - they are subject to an obligation of confidentiality in respect of the information.
- 6.3. The joint liquidators are also required to give reasons for not providing all of the requested information.
- 6.4. 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 joint liquidators' remuneration, the remuneration charged, or the expenses incurred by the joint liquidators as set out in the progress report are excessive.
- 6.5. The joint liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code is at: <https://www.icaew.com/membership/regulations-standards-and-guidance/ethics/code-of-ethics-d>

7. LIABILITIES

SECURED CREDITORS

- 7.1. The Company granted fixed and floating charges to Sterling Power Group Limited on 27 April 2009, CYBG on 30 July 2010 and STB on 14 June 2017. Where floating charges are granted after 15 September 2003, I am required to create a fund out of the Company's net floating charge property (known as the Prescribed Part) for unsecured creditors. Whilst the charges were all created after the relevant date, no balances are owed to the charge holders and therefore the Prescribed Part provisions do not apply.

PREFERENTIAL CREDITORS

- 7.2. The statement of affairs detailed 23 preferential creditors totalling £61,481.14. These claims related to the arrears of wages (limited) and accrued holiday pay due to the former employee. These claims were submitted to the RPS who made payments, up to certain statutory limits, to the former employees. As a result of those payments, the following preferential claims have been agreed:

- RPS £28,458.03
- Former employees £22,986.57

- 7.3. A dividend of 100p in the £ (less provision for any tax of NIC due) will shortly be declared on the agreed claims.

UNSECURED CREDITORS

- 7.4. The statement of affairs detailed 25 unsecured creditors totalling £1,037,821.95, together with the estimated unsecured claims of the 23 former employees of £225,204.23. To date, claims have been received from 10 unsecured creditors (excluding the former employees) totalling £978,250.06.
- 7.5. It is anticipated that there will be a nominal dividend to the unsecured creditors and steps will be taken to agree these claims.
- 7.6. At this stage, the joint liquidators are unable to comment on the amount and timing of such a distribution.



Lee Causer
Joint Liquidator

Joint Liquidators' receipts and payments account

Sterling Geophysical Surveys Limited (In Liquidation)

	Statement of affairs £	From 22/01/2018 To 21/01/2019 £	From 22/01/2018 To 21/01/2019 £
RECEIPTS			
Computer equipment	400.00	0.00	0.00
Furniture & equipment	4,000.00	4,500.00	4,500.00
Business rates refund		603.01	603.01
Cash at bank	14,686.00	14,057.73	14,057.73
Trade debtors	86,639.00	77,234.58	77,234.58
Accrued income - NRS	Uncertain	9,600.00	9,600.00
Accrued income - IPP	Uncertain	36,000.00	36,000.00
Accrued income - Mappedo	Uncertain	0.00	0.00
Sterling Power Group Ltd	Uncertain	0.00	0.00
Sterling Power Utilities Ltd	Uncertain	0.00	0.00
Interest gross of tax		96.91	96.91
Sterling Power International Ltd	Uncertain	0.00	0.00
Rent deposit	2,431.00	0.00	0.00
		<u>142,092.23</u>	<u>142,092.23</u>
PAYMENTS			
Agent's fees & expenses		1,000.00	1,000.00
Debt collection fees		15,403.19	15,403.19
Agent's fees in agreeing employee claims		2,175.00	2,175.00
Bank charges		2.22	2.22
Insurance		392.00	392.00
Postage		39.00	39.00
Statutory advertising		230.85	230.85
Specific penalty bond		200.00	200.00
Storage costs		528.90	528.90
Redirection of mail		204.00	204.00
Pre appointment fee		8,000.00	8,000.00
Liquidators' fees		32,908.75	32,908.75
Professional fees - bank analysis		840.00	840.00
		<u>61,923.91</u>	<u>61,923.91</u>
Net Receipts/(Payments)		<u>80,168.32</u>	<u>80,168.32</u>
MADE UP AS FOLLOWS			
VAT receivable			4,894.88
Bank current a/c			76,173.44
VAT payable			(900.00)
			<u>80,168.32</u>

Appendix II - Breakdown of time costs and Examples of work undertaken in a liquidation

Sterling Geophysical Surveys Limited (In Creditors' Voluntary Liquidation)

Summary of Moore Stephens time-costs from 22/01/2018 to 21/01/2019

	Partner / Director	Associate director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av. rate £/h
Statutory compliance, administration and planning	1.20	29.30	53.75	6.30	90.55	19,529.50	215.68
Investigations	0.90	12.35	-	-	13.25	5,385.50	406.45
Realisation of assets	0.15	22.35	8.35	-	30.85	9,932.75	321.97
Creditors	0.75	7.60	-	-	8.35	3,397.25	406.86
Tax	-	0.20	0.80	-	1.00	276.00	276.00
Case specific matters	-	0.50	-	-	0.50	200.00	400.00
Total hours	3.00	72.30	62.90	6.30	144.50		
Total time costs £	1,466.25	28,843.25	7,277.50	1,134.00		38,721.00	267.97

Total remuneration drawn on account £32,908.75

Charge out rates

Rates effective from 29th-Oct-2017

Partner / Director	£440 - £550
Associate director / Manager	£275 - £400
Administrator	£110 - £245
Support staff	£110 - £180

Time charged in 3 minute units or multiples thereof.

Examples of the work which may be undertaken, but which is not limited to, include:

Statutory compliance, administration and planning

- Setting up and maintenance of internal hard copy files and case file on the Insolvency Practitioners System (IPS)
- Data input including basic details of case, assets, creditor names and addresses and employee names and addresses
- Obtaining specific penalty bond
- Setting up of liquidation bank account including inputting details on the IPS system
- Preparation and filing (with the Registrar of Companies) of various statutory forms including statement of affairs, change of registered office form, notice of appointment and the resolution to wind up
- Advertisement of notice of appointment, resolution to wind up and the notice to creditors to claim in The Gazette
- Notification to the Registrar of Companies of the formation of a liquidation committee (if applicable)
- Convening and holding meetings of members and creditors
- Holding meetings and reporting to the liquidation committee (if applicable)
- Letters to directors regarding the provisions of sections 216 and 217 of Insolvency Act 1986, enclosing directors questionnaires
- Obtaining approval for the basis of fees from creditors

Appendix II continued

- Initial notification to HM Revenue & Customs
- Enquiries as to any pension schemes and the auto-enrolment staging dates and subsequent notification of appointment (if applicable)
- Preparation and filing (with the Registrar of Companies, Land Registry and all persons claiming an interest in the property) of notices of disclaimer in relation to leasehold premises
- Preparation and distribution of progress reports to members and creditors
- Preparation and submission of statutory receipts and payments accounts
- General administration of case including case planning and strategy
- Completion of internal reviews including asset realisation review, 6 month review and annual reviews
- Collection, preservation and review of the Company's book and records
- Review of the Company's redirected post
- Completion of the internal investigation checklist
- Written and verbal communications with the unsecured creditors
- Written and verbal communication with employees
- Dealing with lease and hire purchase creditors in conjunction with our agents
- Liaising with the Company's former professional advisors and bankers
- Review work pursuant to the Statement of Insolvency Practice 2
- *Review of creditor questionnaires and other information received in relation to the affairs of the Company*
- Review of director questionnaires
- Preparation of liquidators' submission on the actions of the directors to the disqualification unit of the Department for Business, Energy & Industrial Strategy
- Correspondence with compliance department in respect of on-going case issues/matters
- Complying with money laundering regulations
- Completing bill requisitions and raising invoices against time incurred in respect of work carried out and outlays incurred
- Reconciliation of post appointment bank accounts to the liquidation records
- Maintaining time-costs and disbursement schedules on firm's PMS system (including timesheet entries)
- Dealing with pension issues
- *Arrangement and review of insurance policies in relation to the Company's assets*
- Preparation and submission of corporation tax returns
- Preparation and submission of VAT returns
- Chargeable gains tax calculations
- Closure formalities

Asset realisations

- Identifying, securing and insuring the assets
- Instructing agents to value assets
- Liaising with agents regarding the realisation of assets
- Liaising with solicitors regarding the realisation of assets
- Liaising with secured creditors regarding the realisation of charged assets
- Liaising with pre-appointment bankers regarding the closure of the Company's bank accounts
- Dealing with retention of title claims in conjunction with our agents
- Written and verbal correspondence with debtors.
- Monitoring and collection of outstanding debtors, retentions and work in progress.
- Property, business and asset sales.

Appendix II continued

- Tax reclaims
- Review of interest rate hedging products

Investigations

- Liaising with the Company's former professional advisors and bankers.
- Review work pursuant to the Statement of Insolvency Practice 2.
- Liaising with solicitors in relation to investigations
- Forensic accounting
- Review of Company's bank statements
- Further review of the Company's book and records
- Review of director/creditor questionnaires
- Land Registry and Companies House searches
- Consideration of legislation relating to, but not limited to, wrongful trading, fraudulent trading, antecedent transactions, preferences, transactions at undervalue.

Distributions to creditors

- The processing and submission of the relevant forms to the Redundancy Payments Directorate.
- Processing of creditors' proof of debt forms and entering onto IPS system.
- Liaising with agents in relation to the agreement of creditor claims
- Liaising with solicitors in relation to contentious proof of debt forms
- Agreement of creditors' claims (including employees and other preferential creditors)
- Calculation and payment of dividends
- Preparation of distribution paperwork including the notice of declaration.

Appendix III - Breakdown of expenses

Sterling Geophysical Surveys Limited (In Creditors' Voluntary Liquidation)

For the period of: 22/01/2018 to 21/01/2019:

Cost description	Cost incurred £	Cost drawn £
Agent's fees & expenses	1,000.00	1,000.00
Debt collection fees	15,403.19	15,403.19
Agent's fees in agreeing employee claims	2,175.00	2,175.00
Insurance	392.00	392.00
Postage	39.00	39.00
Statutory advertising	230.85	230.85
Specific penalty bond	200.00	200.00
Storage costs	528.90	528.90
Redirection of mail	204.00	204.00
Professional fees - bank analysis	840.00	840.00
Total	21,012.94	21,012.94
Total undrawn costs carried forward		0.00

Increased Fee Estimate

Sterling Geophysical Surveys Limited (In Liquidation)

	Brought forward previously agreed costs (Hours)	Brought forward previously agreed costs (£)	Additional work undertaken / to be completed				Increased fee estimate		
			Partner \ Director (Hours)	Associate director \ Manager (Hours)	Administrator (Hours)	Support staff (Hours)	Total (Hours)	Time cost (£)	Av. rate £/h
Statutory compliance, administration and planning	44.85	13,513.88	2.50	3.50	4.00	8.00	62.85	18,011.38	286.58
Realisation of assets	30.00	10,190.00	-	-	1.00	-	31.00	10,435.00	336.61
Investigations	16.90	5,888.75	2.00	4.00	6.00	3.00	31.90	10,278.75	322.22
Trading	-	-	-	-	-	-	-	-	-
Distribution to creditors	12.10	3,792.75	2.00	4.00	2.50	8.00	28.60	7,875.25	275.36
Case specific matters	1.00	400.00	-	-	-	-	1.00	400.00	400.00
Total hours	104.85		6.50	11.50	13.50	19.00	155.35		
Total time costs £		33,785.38	3,217.50	4,600.00	3,307.50	2,090.00		47,000.38	